



Agenda
City Council Regular Meeting
Tuesday, October 7, 2025
Richland City Hall ~ Council Chambers
625 Swift Boulevard

City Council Regular Meeting - 6:00 p.m.

Welcome and Roll Call

Pledge of Allegiance

Approval of Agenda: (Approved by Motion)

Presentations:

1. 2024 Supporting the Arts in Richland (STAR) Award Presentation
 - Chris Waite, Parks & Public Facilities Director
 - Terri Rice, Arts Commission Vice-Chair
2. New Hires & Retirements
 - Lacey Paulsen, Human Resources Director

Public Hearing: Please limit public hearing comments to 3 minutes. Comments must speak only to the item for which the hearing is convened. Records intended for Council consideration must be given to the City Clerk for distribution.

3. Adopting the 2025 Clean Energy Implementation Plan, Conservation Potential Assessment, and Demand Response Potential Assessment, Resolution No. 2025-121

Public Comments: Please limit public comments to 2 minutes. The public comment period is not an opportunity for dialogue with councilmembers, or for posing questions with the expectation of an immediate answer. Many questions require an opportunity for information-gathering and deliberation. For this reason, Council will accept comments, but will not directly respond to comments, questions or concerns during public comment. Records intended for Council consideration must be given to the City Clerk for distribution.

Consent Calendar: Items on the Consent Calendar have been distributed to the City Council in advance for reading and study, are considered to be routine, and will be enacted by one motion of the Council with no discussion. Councilmembers may transfer individual items to Items of Business for deliberation before voting.

Minutes:

4. Approval of the September 16, 2025 City Council Regular Meeting Minutes and the September 23, 2025 City Council Special Meeting and Regular Workshop Meeting Minutes
 - Jennifer Rogers, City Clerk

Ordinances - First Reading:

5. Ordinance No. 2025-27, Establishing and Dedicating Right-of-Way for Morningside Parkway
 - Carlo D'Alessandro, Public Works Director

Ordinances - Second Reading & Passage:

6. Ordinance No. 2025-24, Amending Chapter 2.04 of the Richland Municipal Code related to City Manager Delegation of Authority

- Heather Kintzley, City Attorney
- 7. Ordinance No. 2025-25, Imposing an Additional Sales and Use Tax of One-Tenth of One Percent within the Boundaries of the Richland Transportation Benefit District for Pavement Preservation and Repealing the \$20 Vehicle License Fee
 - Jon Amundson, City Manager

Resolutions - Adoption:

- 8. Resolution No. 2025-122, Authorizing a Purchase Agreement with Crown Technical Systems, LLC for the Purchase of a Metalclad Switchgear for the Dallas Road Substation Bank I
 - Clint Whitney, Energy Services Director
- 9. Resolution No. 2025-123, Authorizing Change Order No. 3 to the Construction Contract with Prater Electric Inc. for the Stevens Drive Substation Expansion and Bank I Construction Project
 - Clint Whitney, Energy Services Director
- 10. Resolution No. 2025-124, Setting a Public Hearing Date for Vacation of a Portion of Snively Road Right-of-Way
 - Carlo D'Alessandro, Public Works Director
- 11. Resolution No. 2025-125, Authorizing a Consultant Agreement with Commonstreet Consulting, LLC for Right-of-Way Acquisition Services for the Duportail Street Improvements Project
 - Carlo D'Alessandro, Public Works Director
- 12. Resolution No. 2025-126, Ratifying a Purchase Order with Axon Enterprise, Inc. for the Richland Police Department's Public Safety Video Camera System
 - Marty Pilcher, Chief of Police
- 13. Resolution No. 2025-127, Awarding Commercial Façade Improvement Program Grant Funds to E & J Hospitality, Inc. for Improvements to 1301A George Washington Way
 - Mike Rizzitiello, Development Services Director
- 14. Resolution No. 2025-128, Authorizing an Application to the Washington State Department of Commerce Clean Energy Siting and Permitting Grant Program for Planning Activities related to Horn Rapids, the Richland Innovation Center, and the Northwest Advanced Clean Energy Park
 - Mike Rizzitiello, Development Services Director
- 15. Resolution No. 2025-129, Authorizing a First Amendment to the 2017 Cable Television Educational Access Grant with Washington State University
 - Hollie Alexander, Communications & Marketing Manager

Items - Approval:

- 16. Appointment to the Economic Development Committee: Adam Morasch and Pete Rogalsky
 - Jennifer Rogers, City Clerk

Expenditures - Approval:

None.

Items of Business:

- 17. Ordinance No. 2025-28, Amending Chapter 3.26 of the Richland Municipal Code related to Utility Deposit System (First Reading)

- Brandon Allen, Finance Director

18. Resolution No. 2025-121, Adopting the 2025 Clean Energy Implementation Plan, Conservation Potential Assessment, and Demand Response Potential Assessment

- Clint Whitney, Energy Services Director

Reports and Comments:

1. City Manager
2. City Council
3. Mayor

Executive Session:

19. Executive Session Per RCW 42.30.110(I)(i): Discuss Current or Potential Litigation with Legal Counsel (45 minutes)

- Heather Kintzley, City Attorney

Adjournment

This meeting will be broadcast live on [City View Channel 192](#) on the City's website and on the [City's YouTube Channel](#).

Richland City Hall is ADA accessible. Any individual who has difficulty attending the meeting in-person may request to provide comments remotely. (Ch. 42.30 RCW) Requests for sign interpreters, audio equipment, and/or other special services must be received 48 hours prior to the meeting by calling the City Clerk's Office at 509-942-7389.



WELCOME TO RICHLAND



WELCOME TO RICHLAND



Luca McMahon

Library Assistant

Division: Library

Hire Date: 09/08/2025



WELCOME TO RICHLAND



Lorenzo Garza

Laborer

Division: Parks & Facilities

Hire Date: 09/08/2025



WELCOME TO RICHLAND



Holly Peterson

Library Assistant

Division: Library

Hire Date: 09/15/2025



WELCOME TO RICHLAND



Trevor Lang

Police Officer

Division: Police

Hire Date: 09/22/2025



WELCOME TO RICHLAND



Victor Zavala

Truck Driver - Heavy

Division: Solid Waste Collection

Hire Date: 09/29/2025



MINUTES
Richland City Council Regular Meeting
Tuesday, September 16, 2025
Richland City Hall ~ Council Chambers
625 Swift Boulevard

City Council Regular Meeting - 6:00 p.m.

Mayor Richardson called the Council meeting to order at 6:00 p.m.

Welcome and Roll Call

Mayor Richardson welcomed those in the audience and expressed appreciation for their attendance.

Attendance: Mayor Richardson	Present
Mayor Pro Tem Kent	Present
Councilmember Jones	Present
Councilmember Lukson	Present
Councilmember Maier	Present
Councilmember VanDyke	Present
Councilmember Whitten	Present

Also present were City Manager Amundson, Deputy City Manager Schiessl, Assistant City Manager Florence, City Attorney Kintzley, Fire Chief Huntington, Chief of Police Pilcher, Energy Services Director Whitney, Finance Director Allen, Development Services Director Rizzitiello, and City Clerk Rogers.

Pledge of Allegiance

Councilmember VanDyke led the Council and audience in the recitation of the Pledge of Allegiance.

Approval of Agenda

COUNCILMEMBER WHITTEN MOVED AND COUNCILMEMBER MAIER SECONDED THE MOTION TO APPROVE THE AGENDA AS PUBLISHED. MOTION CARRIED 7-0.

Presentations

1. Attendance Awareness Month Proclamation

Mayor Richardson introduced Dr. LoAnn Ayers of the United Way of Benton & Franklin Counties, read aloud the Attendance Awareness Month proclamation, then presented it to Dr. Ayers.

2. Constitution Week Proclamation

Mayor Richardson read aloud the Constitution Week proclamation.

3. 2025 Cool Desert Nights Event Summary

Recreation Manager Piper introduced Jarrod Miller, President of the Richland Chamber of Commerce, who provided an overview of the 2025 Cool Desert Nights event held June 27-28. He noted that this was the Chamber's second year organizing the event and credited the City's partnership and support as being essential to its success. He thanked Recreation Manager Piper for her collaborative efforts.

Attendance was estimated at approximately 10,000-12,000, with about 600 vehicle registrants participating in the cruise and car show. Mr. Miller reported an estimate of \$1-\$1.1 million in direct spending and a total economic impact of nearly \$1.8 million from lodging, dining, retail, and vendors. He added that community feedback led to improved parking and traffic flow in the Uptown Shopping Center area, and that organizers are considering expanding food options, a barbecue contest, and a swap meet for the 2026 event.

Mr. Miller also highlighted the Chamber's new Business Boost Grant Program, which reinvests event proceeds and membership fees back into small business support. He concluded by emphasizing the multigenerational community impact of the event, noting that families traveled from across the region to participate. Executive Director Chandra Christenson joined Mr. Miller in presenting a framed event poster to the City in appreciation of its support.

Detailed information can be found in the PowerPoint presentation included in the agenda packet.

Mayor Richardson and Councilmembers Whitten and Maier thanked Mr. Miller for his leadership and the entire Chamber of Commerce for preserving and revitalizing the long-standing community event, stressing its importance to local businesses, tourism, and community engagement.

4. 2025 IRONMAN 70.3 Washington Tri-Cities

Recreation Manager Piper introduced and thanked members of the IRONMAN staff and recognized the contributions of Richland Police Commander Mason, Lieutenant Hupf, and Public Works Civil Engineer Whittier for their assistance with traffic planning.

Recreation Manager Piper then presented an overview of the upcoming 2025 IRONMAN 70.3 Washington Tri-Cities event, scheduled for Sunday, September 21, 2025. She outlined anticipated community impacts, including temporary closures at Columbia Point Marina Park, several boat launches, and sections of George Washington Way.

Recreation Manager Piper reviewed lessons learned from the 2024 inaugural event, such as the importance of broader stakeholder engagement, clear communication, and improved volunteer coordination.

For this year's event, the City and its partners are refining communications, enhancing shuttle access for Columbia Point businesses, and revising course routes to reduce traffic issues. She noted that all rolling closures will be supported by an interactive map and hotline. The event is expected to attract thousands of athletes and visitors, generate substantial economic benefits, and showcase Richland as an outdoor recreation destination. In conclusion, a volunteer appreciation video was played for the audience.

Detailed information can be found in the PowerPoint presentation included in the agenda packet.

Councilmembers thanked Recreation Manager Piper for her work on the event.

5. New Hires and Retirements

A video featuring the City's new hires and retirements for August was played for the audience.

New Hires:

- Nick Sherry, Truck Driver – Heavy – Solid Waste Division
- Delaney Tucker, Human Resources Generalist – Human Resources Division
- Sarah ValAlstine, Parks & Recreation Aide – Recreation Division

There were no retirements to recognize.

Public Hearing

None.

Public Comments

City Clerk Rogers read the Public Comments procedure.

The following individuals provided public comments:

- Luke Erikson, a Richland resident, returned to address Council regarding speeding in the Tanglewood neighborhood. He emphasized that Riverstone Drive and Tanglewood Drive are the only access points to the community, with minimal traffic control. Mr. Erikson thanked Councilmembers who had previously visited the neighborhood and provided guidance on the petition process. He reported collecting 40 resident signatures in support of implementing traffic calming measures and formally submitted the petition to City Clerk Rogers for referral to the Public Works Department under the City's Neighborhood Traffic Safety Program.

- Colleen Spadoni, a Richland resident, expressed concerns about pit bull packs spotted along Harris Avenue and the River Park Trail System area. She noted a recent attack on a neighbor and a separate incident in which her husband was charged by three (3) pit bulls along the triathlon trail near Harris and Spangler.

Mrs. Spadoni reported that dispatch was unable to contact Tri-Cities Animal Control and that no patrol officers responded. She urged the City to improve animal control coordination with police to protect residents. At the conclusion of her comments, Mrs. Spadoni submitted pictures of pit bulls for Council review.

- Scott Brewing, a Richland resident and Communications Director for the Church of Jesus Christ of Latter-day Saints, thanked the City for the quality of Richland's parks, noting that his family makes frequent use of them. He then announced that the church will be hosting a Giving Machine at Fairchild Cinemas. He explained that the Giving Machine functions like a vending machine, but instead of purchasing snacks, users can select donations that directly benefit individuals and organizations. Five (5) local organizations will participate, including the Safe Harbor Support Center, Grace Clinic, and the Boys & Girls Club. The Giving Machine will be available from November 20, 2025 through December 10, 2025, with an opening ceremony scheduled for November 21, 2025 at 10:00 a.m. Mr. Brewing invited councilmembers and the community to attend the event.
- Ken Peterson, a Richland resident, expressed appreciation for the footpath between Howard Amon and Leslie Groves Park, but raised concerns regarding homeless encampments, tree root damage on newly paved sections, and invasive Russian Olive trees. He stated that the US Army Corps of Engineers advised that the City is responsible for tree maintenance. He also raised safety concerns about bicycle and scooter users on both streets and pathways, citing a lack of helmet use, excessive speeds beyond the posted speed limit, and unsafe riding practices. He emphasized the need for greater enforcement and rider education.
- Martin Brown, a Richland resident, reiterated his ongoing concern regarding the growing population of feral cats near his home by Columbia Center Mall and Bateman Island. Mr. Brown expressed opposition to the City's Trap-Neuter-Return (TNR) policy.

Consent Calendar

City Clerk Rogers read the Consent Calendar.

Minutes

6. Approval of the August 19, 2025 City Council Regular Meeting Minutes and the August 26, 2025 City Council Workshop Meeting Minutes

Ordinances - First Reading

7. Ordinance No. 2025-24, Amending Chapter 2.04 of the Richland Municipal Code related to City Manager Delegation of Authority

Ordinances - Second Reading & Passage

8. Ordinance No. 2025-21, Amending Chapter 13.06 of the Richland Municipal Code related to Medical and Ambulance Service Utility Fees
9. Ordinance No. 2025-22, Establishing and Dedicating the Right-of-Way for a Segment of Gage Boulevard

Resolutions - Adoption

10. Resolution No. 2025-113, Ratifying the Tri-Cities HOME Consortium Interlocal Agreement for Program Years 2026, 2027 and 2028
11. Resolution No. 2025-114, Authorizing Change Order No. 6 with Apollo, Inc. for the Wastewater Treatment Plant Waste Gas Burner and Boiler Replacement Project
12. Resolution No. 2025-115, Authorizing a Grant Agreement with the U.S. Department of Transportation for Funding from the Safe Streets and Roads for All Program
13. Resolution No. 2025-116, Authorizing Change Order No. 3 with Ellison Earthworks, LLC for the Stevens Drive Reconstruction Project
14. Resolution No. 2025-117, Authorizing Amendment No. 1 to the Consultant Agreement with Great West Engineering, Inc. for the Horn Rapids Landfill - Phase 2 Expansion Project
15. Resolution No. 2025-118, Authorizing a Consultant Agreement with Morrison-Maierle, Inc. for the Water Facilities Energy Resiliency Improvements Project
16. Resolution No. 2025-119, Authorizing a Purchase Agreement with Virginia Transformer Corporation for the Purchase of Two Transformers for the Sandhill Crane Substation
17. Resolution No. 2025-120, Authorizing a Repurchase of Property Owned by Matson Holdings, LLC located at 2621 Robertson Drive

Items – Approval

18. Appointment to the Americans with Disabilities Act (ADA) Citizens Review Committee: Brenda Bradley and Deborah Titus

19. Appointment to the Richland Public Library Board of Trustees: Darci Fisher
20. Appointment to the Lodging Tax Advisory Committee: Todd Nelson
21. Appointment to the Utility Advisory Committee: Dave Larkin and Bill Richmond

Expenditures - Approval

22. Expenditures from August 1, 2025 to August 31, 2025 for \$34,002,643.71, including Travel Checks Nos. 20842-20852, Accounts Payable Check Nos. 338529-339542, Accounts Payable Wire Nos. 10669-10698, Payroll Wires & ACH Nos. 14912-14976, Payroll Check Nos. 237628-237633, and Payroll Direct Deposits Nos. 252250007730-252400008685.

COUNCILMEMBER MAIER MOVED AND COUNCILMEMBER JONES SECONDED THE MOTION TO APPROVE THE CONSENT AGENDA AS PUBLISHED. THOSE IN FAVOR: MAYOR RICHARDSON, MAYOR PRO TEM KENT, AND COUNCILMEMBERS JONES, LUKSON, MAIER, VANDYKE AND WHITTEN. THOSE OPPOSED: NONE. MOTION CARRIED 7-0.

Items of Business

23. Term Limit Waiver Request and Reappointment for Lodging Tax Advisory Committee Member: Gus Sako

Development Services Director Rizzitiello presented a request for a term limit waiver and reappointment for Lodging Tax Advisory Committee (LTAC) member Gus Sako. Mr. Sako has served on the LTAC since July 2013, completing 12 consecutive years of service. His current term is set to expire on September 30, 2025, and he has applied to continue serving. Under RMC 2.04.100, members of advisory boards and commissions are limited to 12 consecutive years of service, unless waived by City Council.

Director Rizzitiello highlighted Mr. Sako's extensive knowledge, longstanding service, and involvement with the Uptown Business Improvements District. Both LTAC Council Liaison Lukson and Staff Liaison Wallner recommend approval of the waiver. Councilmember Lukson and Mayor Pro Tem Kent provided comments supporting the term limit waiver request and reappointment.

MAYOR PRO TEM KENT MOVED AND COUNCILMEMBER LUKSON SECONDED THE MOTION TO APPROVE THE TERM LIMIT WAIVER REQUEST AND REAPPOINT GUS SAKO TO THE LODGING TAX ADVISORY COMMITTEE FOR AN ADDITIONAL TERM. THOSE IN FAVOR: MAYOR RICHARDSON, MAYOR PRO TEM KENT, AND COUNCILMEMBERS JONES, LUKSON, MAIER, VANDYKE AND WHITTEN. THOSE OPPOSED: NONE. MOTION CARRIED 7-0.

24. Term Limit Waiver Request and Reappointment for Utility Advisory Committee Member: Daniel Porter

Energy Services Director Whitney presented a request for a term limit waiver and reappointment for Daniel Porter, Chair of the Utility Advisory Committee (UAC). Mr. Porter was first appointed to the UAC in April 2008 and has served in various roles within the UAC for the past 12 years. Director Whitney noted Mr. Porter's extensive knowledge and the valuable continuity he has provided to the Committee. He reported that, together with Council Liaison Whitten and UAC Vice-Chair Staven, he recommends that Council approve the term limit waiver and reappointment of Mr. Porter.

Councilmembers expressed appreciation for Mr. Porter's long-standing commitment to the community and emphasized the importance of maintaining continuity in the UAC as new members join.

COUNCILMEMBER MAIER MOVED AND COUNCILMEMBER VANDYKE SECONDED THE MOTION TO APPROVE THE TERM LIMIT WAIVER REQUEST AND REAPPOINT DANIEL PORTER TO THE UTILITY ADVISORY COMMITTEE FOR AN ADDITIONAL TERM. THOSE IN FAVOR: MAYOR RICHARDSON, MAYOR PRO TEM KENT, AND COUNCILMEMBERS JONES, LUKSON, MAIER, VANDYKE AND WHITTEN. THOSE OPPOSED: NONE. MOTION CARRIED 7-0.

25. Recommendation to Eliminate Car Tab Fee and Transition to 0.1% Sales Tax for Transportation Benefit District Funding (Discussion Only)

City Manager Amundson presented an overview of Richland's Transportation Benefit District (TBD) and recommended eliminating the current \$20 per vehicle tab fee with a 0.1% local sales tax.

He explained that the TBD, established in 2017, funds transportation improvements consistent with state, regional, and local plans, with a primary focus on pavement preservation. Richland maintains approximately 650 miles of streets, and Council's adopted goal is to sustain pavement in the "Good" range of the Pavement Condition Index (PCI 70-75). Maintaining this standard requires an estimated \$4 million annually.

Currently, the \$20 vehicle tab fee generates about \$1 million of the annual need. The remaining balance is covered by the General Fund, Real Estate Excise Tax (REET), and reserves, which places continued strain on flexible funds needed for other services. Even with a change, contributions from these funds will still be required, but at reduced levels.

City Manager Amundson recommended replacing the flat vehicle tab fee with a 0.1% sales tax, which is projected to generate approximately \$2.25 million annually. Unlike the car tab fee, which falls only on Richland vehicle owners, a sales tax would broaden the base to include commuters, visitors, and tourists, who make up nearly 30% of the city's daytime population. He noted that the City of Kennewick already funds its TBD through sales tax, and a reciprocal structure would better balance regional contributions.

Household impact analysis showed most residents would pay less under the sales tax model, with essential items such as groceries, utilities, prescriptions, fuel, and real estate exempt from taxation. City Manager Amundson noted that if the City transitions to a sales tax, the authorization sunsets after 10 years (2036), providing an earlier review point than the current car tab fee, which runs until 2039.

Three (3) alternatives were presented:

- Keep the \$20 vehicle tab fee and continue backfilling with General Fund, REET, and reserves.
- Increase the vehicle tab fee, which would remain a flat, resident-only charge.
- Replace the fee with a 0.1% sales tax.

City Manager Amundson recommended Council pursue the sales tax option, which provides higher, growth-sensitive revenue, reduces long-term reliance on flexible funds, and shares costs more equitably.

Following the presentation, Councilmembers expressed general support for eliminating the vehicle tab fee and adopting the proposed sales tax and stressed the importance of clear public communication about the financial impacts, transparency in how funds are spent, and educating residents on the City's commitment to maintaining a good PCI range. Council also recognized the benefit of the 10-year sunset clause, which will allow for periodic review of the tax.

Mayor Richardson thanked Council for their discussion and confirmed consensus to direct staff to prepare a proposal to eliminate the \$20 vehicle tab fee and transition to a 0.1% sales tax, along with an implementation timeline. She emphasized the importance of maintaining the City's PCI standard as previously committed.

Detailed information can be found in the PowerPoint presentation included in the agenda packet.

Reports and Comments

City Manager

City Manager Amundson had no comment.

City Council

Councilmember Lukson expressed appreciation for the evening's presentations, particularly the IRONMAN 70.3 presentation. He added that he looks forward to attending the event to support a friend who is competing and to join the community in cheering on participants.

Councilmember Maier thanked everyone for the evening's presentations, especially the proclamation recognizing Constitution Week, noting his mother is a member of the Daughters of the American Revolution organization. He then thanked staff members of Richland Fire & Emergency Services for their prompt and outstanding service during a recent incident involving his family. Next, Councilmember Maier raised concerns regarding persistent animal control issues and suggested the City review its service agreement to ensure accountability, responsiveness, and value. He emphasized the need for a critical evaluation of how animal control services are structured and delivered.

Councilmember Maier noted the importance of community engagement through board, commission, and committee service and questioned the exemption of the Library Board of Trustees from the term limit waiver, suggesting that this policy be reevaluated.

City Manager Amundson shared that terms for members of the Richland Public Library Board of Trustees are governed by state law, which does not allow for such extensions.

Councilmember Whitten reiterated his support for extending public comment time from two minutes to three minutes. Addressing the concerns about pit bulls, Councilmember Whitten emphasized the need to address safety concerns related to irresponsible dog ownership and pit bull packs. Councilmember Whitten urged action to remove invasive Russian Olive trees along the riverfront in coordination with the US Army Corps of Engineers. In conclusion, he also commended Development Services Director Rizzitiello for his thorough and innovative presentation on attainable housing.

Councilmember Jones thanked residents for their active participation and emphasized that community engagement is essential to building a better city. She then voiced concerns about the City's contract with the Tri-City Animal Shelter, stating that the costs are too high for the limited services received. She emphasized the need to reevaluate the arrangement and pursue alternative solutions.

Councilmember VanDyke thanked those who attended the meeting, emphasizing that their involvement makes a difference.

Mayor Pro Tem Kent also commended Development Services Director Rizzitiello for the presentation he delivered on attainable housing during the August 26, 2025 City Council workshop meeting, calling it the most thorough she has seen on the topic. She encouraged community members to review the recorded workshop, as it highlighted innovative approaches to affordable and attainable housing used in other jurisdictions.

Mayor Pro Tem Kent thanked applicants to the Richland Public Library Board of Trustees and other boards, commissions and committees, emphasizing the importance of their input in Council's decision-making process.

Mayor Pro Tem Kent further thanked City Manager Amundson for his comprehensive presentation on the TBD. She highlighted the City's commitment to transparency and encouraged residents to explore the resources available on the City's website. In closing,

she urged the community to continue showing kindness and support for one another, especially as the holiday season approaches, reminding residents to remain attentive to neighbors and friends who may need help.

Mayor

Mayor Richardson commended Development Services Director Rizzitiello for his attainable housing presentation at the August City Council workshop meeting. She then shared results from a student exercise at Rivers Edge High School, where approximately 150 students participated in an exercise in which attainable housing emerged as the top priority.

Reflecting on this exercise, Mayor Richardson emphasized that Council's recent housing workshop identified strategies that could be advanced sooner rather than later. She urged Council to approach the issue of affordable housing with greater intentionality, noting its significant importance to younger generations and the broader community.

Adjournment

Mayor Richardson adjourned the meeting at 8:02 p.m.

APPROVED:

ATTEST:

Theresa Richardson, Mayor

Jennifer Rogers, City Clerk

DATE APPROVED:

DATE PUBLISHED:



MINUTES

Richland City Council Special Meeting and Workshop

Tuesday, September 23, 2025

Richland City Hall ~ Council Chambers

625 Swift Boulevard

City Council Special Meeting - 6:00 p.m.

Councilmember VanDyke called the Special Meeting to order at 6:00 p.m.

Councilmember VanDyke announced that Mayor Richardson is currently attending a conference in Washington D.C.

Attendance: Mayor Richardson	Absent
Mayor Pro Tem Kent	Absent
Councilmember Jones	Present
Councilmember Lukson	Present (Remote via Zoom)
Councilmember Maier	Present
Councilmember VanDyke	Present
Councilmember Whitten	Present

Also present were City Manager Amundson, Assistant City Manager Florence, Fire Chief Huntington, Chief of Police Pilcher, Energy Services Director Whitney, Finance Director Allen, Public Works Director D'Alessandro, Parks & Public Facilities Director Waite, Development Services Director Rizzitiello, and City Clerk Rogers.

Agenda Items

1. Ordinance No. 2025-25, Imposing an Additional Sales and Use Tax of One-Tenth of One Percent within the Boundaries of the Richland Transportation Benefit District for Pavement Preservation and Repealing the \$20 Vehicle License Fee.

City Manager Amundson summarized the proposal to transition the City's Transportation Benefit District (TBD) from a \$20 vehicle tab fee to the proposed 0.1% local Sales and Use Tax. He explained that the current fee generates about \$1 million annually, covering only 25% of the \$4 million needed annually to maintain a "Good" rating within the Pavement Condition Index (PCI). Since 2019, the City has supplemented the Pavement Preservation Program with transfers from the General Fund, Real Estate Excise Tax (REET), and reserves.

He noted that in July 2022, a legislative change to RCW 82.14.055 allowed cities with an existing TBD to convert to a sales tax mode by adopting a sales tax ordinance. Doing so would increase Richland's revenue to approximately \$2.2 to \$2.5 million annually, reducing the strain on other City funds and freeing resources for additional capital and quality-of-life projects. City Manager Amundson noted that the shift would raise the sales tax rate from 8.7% to 8.8%, equal to Kennewick's rate, and still lower than Pasco's 8.9%.

City Manager Amundson emphasized that the average household would see an estimated 83% savings compared to the car tab fee. He explained the change will distribute costs more equitably and is supported by Richland's strong sales tax base. He further noted that Council action by mid-October is required for implementation by January 1, 2026. In conclusion, City Manager Amundson commended City Attorney Kintzley for her prompt drafting of the proposed ordinance to meet the October deadline.

COUNCILMEMBER WHITTEN MOVED AND COUNCILMEMBER MAIER SECONDED THE MOTION TO APPROVE ORDINANCE NO. 2025-25, IMPOSING AN ADDITIONAL SALES AND USE TAX OF ONE-TENTH OF ONE PERCENT WITHIN THE BOUNDARIES OF THE RICHLAND TRANSPORTATION BENEFIT DISTRICT FOR PAVEMENT PRESERVATION AND REPEALING THE \$20 VEHICLE LICENSE FEE. THOSE IN FAVOR: COUNCILMEMBERS JONES, LUKSON, MAIER, VANDYKE AND WHITTEN. THOSE OPPOSED: NONE. MOTION CARRIED 5-0.

Councilmember VanDyke adjourned the Special Meeting at 6:13 p.m.

City Council Regular Workshop Meeting

Councilmember VanDyke called the Workshop Meeting to order at 6:13 p.m.

Agenda Items

1. *MyAccount* Utility Billing Payment Portal Demonstration

Utilizing the test environment, Assistant City Manager Florence provided a live demonstration of *MyAccount*, the City's new customer engagement utility billing portal. He highlighted key features of the system and announced that the portal is expected to go live the week of October 27, 2025.

Assistant City Manager Florence noted that staff have implemented a broad communications campaign since June 2025, and will provide customer service support through staffed kiosks, instructional videos and step-by-step guides.

Councilmembers offered comments and suggestions and engaged in a question-and-answer session with Assistant City Manager Florence throughout the presentation.

2. 2026 Budget Presentation

Finance Director Allen presented a comprehensive overview of the preliminary 2026 Budget, adding that detailed revenue and levy presentations will follow in October. The preliminary 2026 Budget totals \$330 million across all funds, a decrease of \$7.7 million from 2025. General Fund appropriations are \$82.6 million, a 0.2% decrease, largely driven by fewer one-time capital projects and grants.

He then reviewed projected revenues and expenditures with sources, proposed staffing recommendations, and operational expenses. In conclusion, Finance Director Allen outlined the next steps and timeline for the budget adoption.

Councilmembers engaged in a question-and-answer session with Finance Director Allen throughout the presentation.

Detailed information can be found in the PowerPoint Presentation included with the agenda packet.

Closing Comments

Councilmember VanDyke reported that he participated in the exit interview for the state financial audit. He noted that the City received the highest possible marks, with no significant findings. He concluded by thanking staff for their continued excellence.

Future Workshop Agenda Items

None.

Adjournment

Councilmember VanDyke adjourned the workshop at 7:52 p.m.

APPROVED:

ATTEST:

Theresa Richardson, Mayor

Jennifer Rogers, City Clerk

DATE APPROVED:

DATE PUBLISHED:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Ordinances - First Reading

Strategic Priority I - High Performance Government

Subject

Ordinance No. 2025-27, Establishing and Dedicating Right-of-Way for Morningside Parkway

Department/Office	Ordinance/Resolution Number	Document Type
Public Works	2025-27	Ordinance

Recommended Motion

Give first reading to Ordinance No. 2025-27, establishing and dedicating right-of-way for Morningside Parkway.

Summary

The City owns and manages a system of public street right-of-way for the benefit of its residents and visitors. The City may receive dedications of new public right-of-way through land development activity or by ordinance.

Kennewick School District No. 17 has agreed to grant, convey and dedicate a portion of its land to further the development of the proposed South Orchard - Phase 2 subdivision in the City of Richland. In addition to the land dedicated by KSD, the developer of South Orchard - Phase 2 will also dedicate a portion of its land to satisfy development requirements and construct street improvements in accordance with city standards. Specifically, the dedication contemplated by Ordinance No. 2025-27 includes a segment of Morningside Parkway right-of-way located outside the plat of South Orchard - Phase 2, but necessary to meet city standards for right-of-way width. This street was constructed as part of South Orchard - Phase 2.

Kennewick School District No. 17 has executed a right-of-way dedication deed that has been reviewed and approved by the City. The City's best interests are served by accepting dedication of right-of-way for Morningside Parkway as provided therein.

Staff recommends approval of Ordinance No. 2025-27 for first reading.

Fiscal Impact

None.

Attachments

- I. Ordinance No. 2025-27

WHEN RECORDED RETURN TO:

Richland City Clerk's Office
625 Swift Boulevard, MS-07
Richland, WA 99352

ORDINANCE NO. 2025-27

**AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON,
ESTABLISHING AND DEDICATING THE RIGHT-OF-WAY FOR
MORNINGSIDE PARKWAY.**

WHEREAS, the City owns and manages a system of public street right-of-way for the benefit of the City's residents and visitors; and

WHEREAS, the City may receive dedications of new public street right-of-way through land development activity or by ordinance; and

WHEREAS, the owner, Kennewick School District No. 17, a political subdivision of the State of Washington, has agreed to grant, convey and dedicate a portion of land to further the development of South Orchard - Phase 2 to the City of Richland; and

WHEREAS, the developers of South Orchard - Phase 2 will construct street improvements in accordance with City requirements, and have agreed to dedicate a portion of their land, in conjunction with the hereinabove portion of land, to comply with the development requirements of the City; and

WHEREAS, a right-of-way dedication deed has been reviewed, approved by the City, and executed by Kennewick School District No. 17; and

WHEREAS, the City's best interests are served by accepting the dedication of right-of-way for the proposed development of South Orchard - Phase 2.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. The public road right-of-way legally described in **Exhibit A** and depicted in **Exhibit A-1**, attached hereto and incorporated herein by this reference, is hereby accepted by the City of Richland and dedicated as a public street right-of-way named Morningside Parkway.

Section 2. The City Manager is hereby authorized to sign, execute, and record with the Auditor of Benton County, Washington, a right-of-way dedication deed in substantially the form attached hereto as **Exhibit B** for a portion of Morningside Parkway.

Section 3. The City Clerk is directed to file with the Auditor of Benton County, Washington, a copy of this Ordinance and the attached Exhibits, duly certified by the Clerk as a true copy.

Section 4. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

Section 5. Should any section or provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid.

Section 6. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including but not limited to the correction of scrivener's errors/clerical errors, section numbering, references, or similar mistakes of form.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the ____ day of ____, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

First Reading: _____

Second Reading: _____

Date Published: _____

Exhibit A
Legal Description

Dedication Description:

That portion of Section 4, Township 8 North, Range 28 East, Willamette Meridian, Benton County, Washington, described as follows:

Commencing at the centerline intersection of Morningside Parkway and Savanna Avenue, as shown on the plat of South Orchard Phase 1, according to the Plat thereof recorded in Volume 15 of Plats, Page 770, records of Benton County, Washington; Thence South 40°33'35" East 53.50 feet along the centerline of said Morningside Parkway to the southeasterly boundary of said plat; Thence North 49°26'25" East 30.45 feet along said boundary to the southerly most corner of that public road right-of-way described in deed recorded under Auditor's File Number 2024-006204, records of Benton County, Washington and the **Point of Beginning**;

Thence continuing North 49°26'25" East 9.05 feet along the boundary of said public road right-of-way; Thence South 40°33'35" East 100.34 feet to the beginning of a tangent curve, concave to the northeast, having a radius of 453.00 feet; Thence southeasterly 158.22 feet along the arc of said curve through a central angle of 20°00'44"; Thence South 29°25'41" West 8.64 feet to the southwesterly boundary of that parcel described in deed recorded under Auditor's File Number 2010-015038, records of Benton County, Washington, said point being on a non-tangent curve, concave to the northeast, having a radius of 462.50 feet; Thence northwesterly 162.63 feet along the arc of said curve and along said boundary through a central angle of 20°08'47" (the long chord of said curve bears North 50°37'45" West 161.79 feet); Thence North 40°33'21" West 99.03 feet along said boundary to the **Point of Beginning**.

Exhibit A-1 Depiction

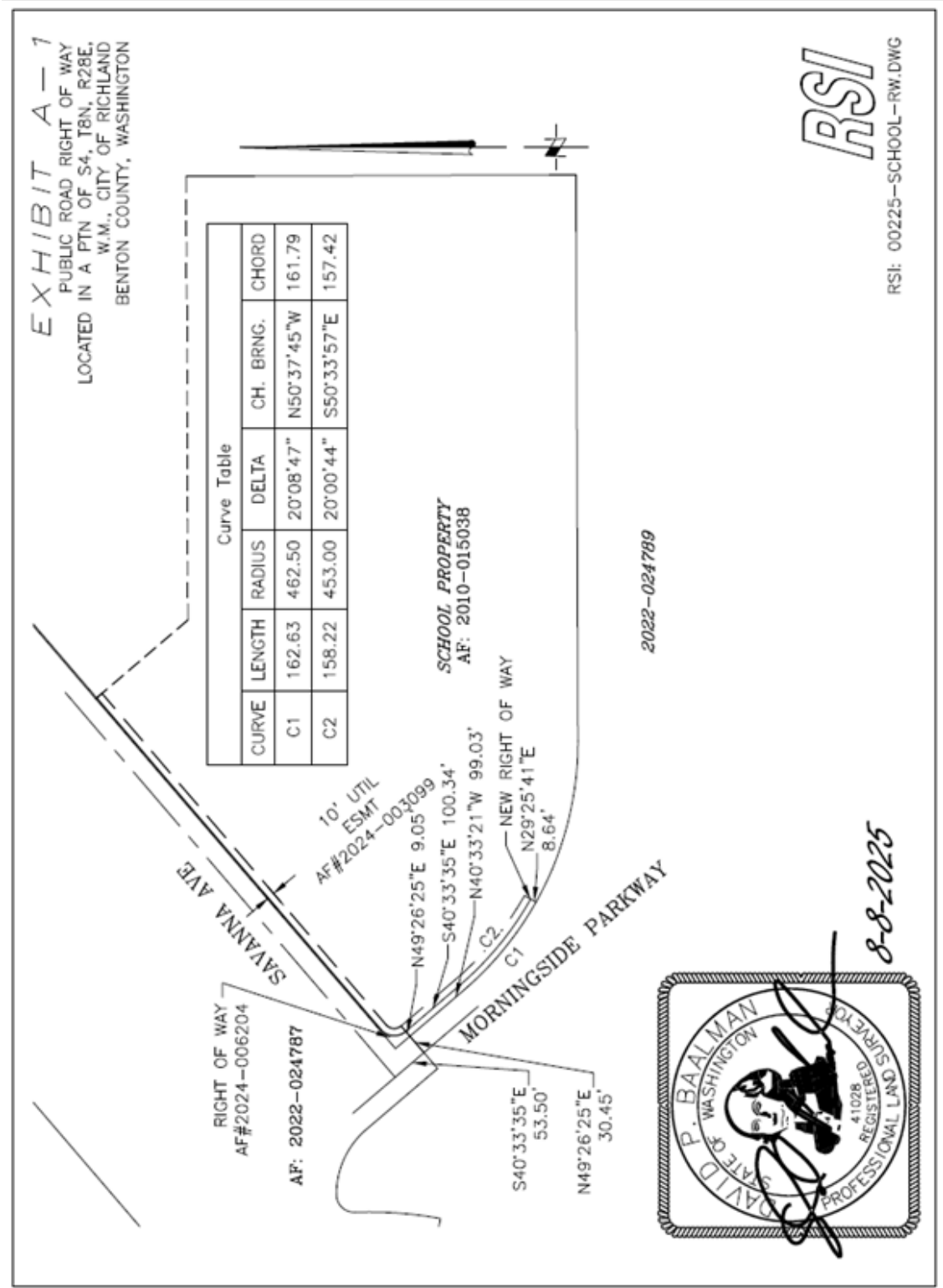


Exhibit B

WHEN RECORDED RETURN TO:

City Clerk
City of Richland
625 Swift Blvd. MS-07
Richland, WA 99352

Portion of Parcel No. 1-0488-400-0002-001

RIGHT-OF-WAY DEDICATION DEED

In and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **KENNEWICK SCHOOL DISTRICT NO. 17**, a political subdivision of the State of Washington ("Grantor"), does hereby grant, convey and dedicate to the **CITY OF RICHLAND**, a Washington municipal corporation ("Grantee"), its successors and assigns, a public right-of-way in, upon, over, under, across and through the following property situated in the County of Benton, State of Washington, to be used for all lawful right-of-way purposes, surface and subsurface:

That portion of Section 4, Township 8 North, Range 28 East, Willamette Meridian, Benton County, Washington, described as follows:

Commencing at the centerline intersection of Morningside Parkway and Savanna Avenue, as shown on the plat of South Orchard Phase 1, according to the Plat thereof recorded in Volume 15 of Plats, Page 770, records of Benton County, Washington; Thence South 40°33'35" East 53.50 feet along the centerline of said Morningside Parkway to the southeasterly boundary of said plat; Thence North 49°26'25" East 30.45 feet along said boundary to the southerly most corner of that public road right-of-way described in deed recorded under Auditor's File Number 2024-006204, records of Benton County, Washington and the **Point of Beginning**;

Thence continuing North 49°26'25" East 9.05 feet along the boundary of said public road right-of-way; Thence South 40°33'35" East 100.34 feet to the beginning of a tangent curve, concave to the northeast, having a radius of 453.00 feet; Thence southeasterly 158.22 feet along the arc of said curve through a central angle of 20°00'44"; Thence South 29°25'41" West 8.64 feet to the southwesterly boundary of that parcel described in deed recorded under Auditor's File Number

2010-015038, records of Benton County, Washington, said point being on a non-tangent curve, concave to the northeast, having a radius of 462.50 feet; Thence northwesterly 162.63 feet along the arc of said curve and along said boundary through a central angle of 20°08'47" (the long chord of said curve bears North 50°37'45" West 161.79 feet); Thence North 40°33'21" West 99.03 feet along said boundary to the **Point of Beginning**.

See **Exhibit "A-1"** (the area dedicated)

Grantee shall have the right to regulate and use the area dedicated as and for right-of-way and for utility purposes. Such use shall include, but not be limited to the following: (1) the right of public ingress and egress through and along said area; (2) the right to locate, design, construct, install, inspect, protect, maintain, repair, modify, and otherwise change utilities, road rights-of-way, and any other appurtenances or related elements, including, but not limited to, pavement, signs, curbs, gutters, sidewalks, conduits, cables, wires, splicing boxes, power sources, and facilities, including but not limited to those for storm water, wastewater, water, electricity, gas, oil, telecommunications, communication transmission and reception, together with fencing and gates when the same are deemed by Grantee to be necessary to protect facilities, prevent intrusions, and otherwise protect the public from loss or harm; and (3) the right to engage in any other activity that is reasonably related to the construction, operation and maintenance of public utilities and rights-of-way that are located in the dedicated area. In addition, Grantee shall have the right to clear, remove and dispose of any material, obstructions, timber and vegetation within the dedication area.

Grantee's uses are unrestricted in location within the right-of-way and will not be limited in any way by the state of being, condition or location of the street. Grantee is also authorized to utilize such additional width as may be necessary temporarily for the placing of excavated materials thereon and for initial construction and maintenance operations. Grantee will restore disturbed property to equal or better condition.

Subject to the terms hereof, Grantee shall have all other rights and benefits that are reasonably necessary or useful for Grantee's full and complete use of the area dedicated. Grantor shall not authorize or otherwise permit any person or entity to interfere with Grantee's use of the dedicated area.

Grantor covenants that Grantor is lawfully seized and possessed of the real property described herein, and that Grantor has a good and lawful right to convey it or any part thereof and that Grantor will forever warrant and defend the same against all persons who may lawfully claim the same.

The undersigned requests that the Assessor and Treasurer of Benton County set over to the remainder the lien of all unpaid taxes, if any, affecting the property conveyed by this Right-of-Way Dedication Deed, as provided by RCW 84.60.070.

It is understood and agreed that delivery of this Deed is hereby tendered and that its terms and obligations are not binding upon the City of Richland unless and until the Richland City Council has taken action by ordinance or resolution to accept this Right-of-Way Deed of Dedication and the below Certificate of Acceptance has been executed.

CERTIFICATE OF ACCEPTANCE OF RIGHT-OF-WAY DEDICATION DEED

The interest in real property conveyed by this Right-of-Way Dedication Deed has been accepted by Ordinance No. _____ of the City Council of the City of Richland on the ____ day of _____, 2025, and the authorized officer of such governing body has consented to recordation of said Deed of Dedication with the Benton County Auditor.

Accepted by the City of Richland:

Jon Amundson, ICMA-CM, City Manager

Attest:

Approved as to form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

GRANTOR – KENNEWICK SCHOOL DISTRICT NO. 17
a political subdivision of the State of Washington

By: _____
Dr. Thomas Brillhart
Assistant Superintendent of Operations

STATE OF _____)
: SS
COUNTY OF _____)

On this ____ day of _____, 2025, before me, the undersigned Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared **Dr. Thomas Brillhart**, to me known to be authorized and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the use and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

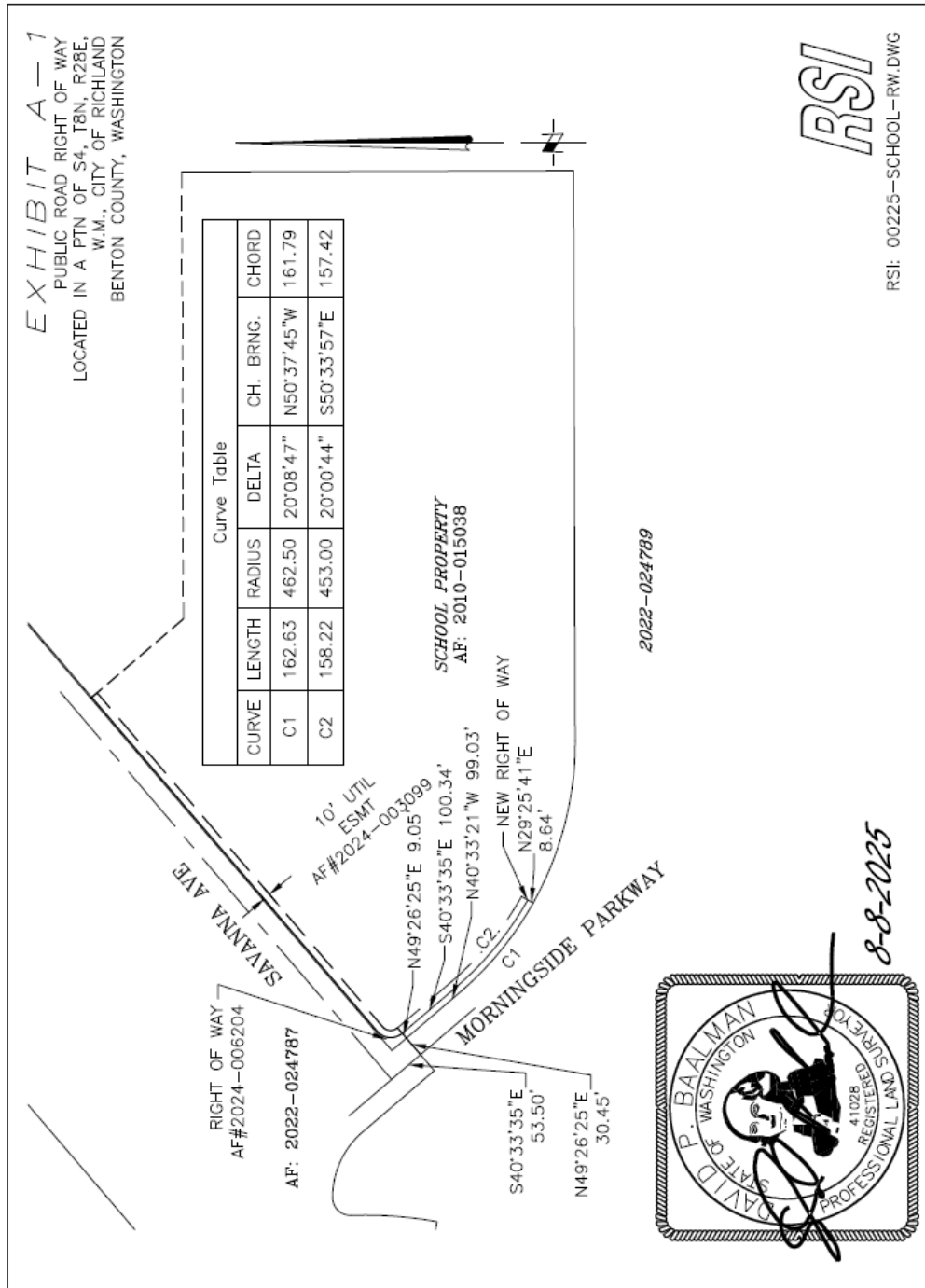
IN WITNESS WHEREOF, my hand and official seal hereon affixed the day and year above written.

Sign: _____
Printed Name: _____

Notary Public in and for the State of _____
Residing at _____
My appointment expires _____

seal

Exhibit A-1 to Right-of-Way Dedication Deed Depiction of Area Dedicated





COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Ordinances - Second Reading & Passage

Strategic Priority I - High Performance Government

Subject

Ordinance No. 2025-24, Amending Chapter 2.04 of the Richland Municipal Code related to City Manager Delegation of Authority

Department/Office

City Attorney

Ordinance/Resolution Number

2025-24

Document Type

Ordinance

Recommended Motion

Give second reading and pass Ordinance No. 2025-24, amending Chapter 2.04 of the Richland Municipal Code related to City Manager delegation of authority.

Summary

The City has need, from time to time, to update the Richland Municipal Code (RMC) to eliminate ambiguities, increase administrative efficiency, and align with best practices.

The purpose of proposed Ordinance No. 2025-24 is to create a default hierarchy for Acting City Manager responsibilities when the City Manager is absent on paid time off (PTO) or extended sick leave (ESL) for less than sixty days. The current practice is for the City Manager to issue individual delegations of authority every time he has a short-duration absence from the City, either on planned vacation or in response to an unexpected personal matter. Given the circumstances that can sometimes surround these absences, the written delegation step may easily be overlooked.

Adopting a code provision that establishes a default hierarchy supports administrative efficiency and prevents gaps in leadership by eliminating the ad hoc delegation obligation. This approach also mitigates agency risk by ensuring that official actions, including contracts, personnel decisions, and emergency declarations, are legally valid and defensible. Additional benefits include increased transparency by clearly outlining the process for temporary succession, and reducing the potential for confusion or conflicting claims of authority. Many municipalities have adopted similar provisions as a best practice to promote stable and reliable governance.

The hierarchy established by Ordinance No. 2025-24 would default first to the Deputy City Manager, and in the Deputy City Manager's absence (due to PTO, ESL, or position vacancy), to the Assistant City Manager. The proposed code is written to still allow the City Manager to make individualized delegations in writing if that is preferred. Further, the authority of City Council to appoint an Acting City Manager for absences over sixty days, as provided in the Richland City Charter, remains unchanged.

Staff recommends approval of Ordinance No. 2025-24 for second reading and passage.

Fiscal Impact

None.

Attachments

- I. Ordinance No. 2025-24

ORDINANCE NO. 2025-24

AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON, AMENDING CHAPTER 2.04 OF THE RICHLAND MUNICIPAL CODE RELATED TO CITY MANAGER DELEGATION OF AUTHORITY.

WHEREAS, the City has need, from time to time, to amend the Richland Municipal Code to eliminate ambiguities and align with current practices; and

WHEREAS, updates to Chapter 2.04 RMC are necessary to establish a default hierarchy for Acting City Manager responsibilities during City Manager absences lasting less than sixty (60) days.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. Chapter 2.04 of the Richland Municipal Code, entitled Administrative Code, as first enacted by Ordinance No. 125, and last amended by Ordinance No. 2023-18, is hereby amended as follows:

Chapter 2.04 ADMINISTRATIVE CODE

Sections:

- 2.04.010 Purpose.**
- 2.04.020 Charter defined.**
- 2.04.030 City manager – Responsibilities.**
- 2.04.040 City manager – Duties.**
- 2.04.050 City manager – Administrative supervision.**
- 2.04.060 City manager – Administrative rules.**
- 2.04.070 City manager – Staff.**
- 2.04.080 City manager – Reports to the council.**
- 2.04.085 City manager – Delegation of duties and powers.**
- 2.04.090 City manager – Absence or disability.**
- 2.04.100 Groups, departments, and officers established.**
- 2.04.105 Oaths of office.**
- 2.04.110 Boards, commissions and committees.**
- 2.04.115 Ad hoc citizens committees.**
- 2.04.120 Procedure for filling vacancies on boards, commissions, and committees.**
- 2.04.125 Selection process for council appointments and all other appointments not covered by RMC 2.04.120.**
- 2.04.126 Deputy city manager.**
- 2.04.127 *Repealed.***
- 2.04.128 Assistant city manager.**
- 2.04.130 City clerk.**
- 2.04.140 City attorney.**

2.04.150 *Repealed.*
2.04.155 Administrative services department.
2.04.156 Human resources department.
2.04.158 Finance department.
2.04.160 Development services department.
2.04.161 Parks and public facilities department.
2.04.165 *Repealed.*
2.04.170 Public works department.
2.04.180 Energy services department.
2.04.200 *Repealed.*
2.04.205 Fire and emergency services department.
2.04.210 Police department.
2.04.220 *Repealed.*
2.04.260 Severability.
2.04.270 Interpretation.

2.04.010 Purpose.

This chapter is adopted pursuant to Article II, Section 2.07(K) of the Richland City Charter authorizing council to adopt an administrative code to govern the administration of the city, to create or eliminate departments, offices, and positions of employment not created by the Charter, and to determine the powers and duties of any department and office.

2.04.020 Charter defined.

“Charter” when used in this chapter means the Richland City Charter.

2.04.030 City manager – Responsibilities.

The city manager shall be the chief administrative officer of the general city government and shall supervise and be responsible for the effective management of the administrative and financial affairs of the city, and shall supervise all city departments and offices, except as otherwise provided by the Charter, general laws or ordinances. The city manager is responsible for the proper execution of the policies set by the city council and the enforcement of all laws and ordinances. The city manager is responsible to the city council for the efficient operation of all city departments and offices under the manager’s jurisdiction, and shall likewise be responsible to the city council for the economical conduct and operation of all city departments and offices under the manager’s jurisdiction.

2.04.040 City manager – Duties.

The city manager shall:

- A. Keep the council informed of the conditions and needs of the city;
- B. Make such reports and recommendations as the manager deems desirable or as may be requested by the council;
- C. Prepare and submit to the council the proposed annual budget for the city;

- D. Prepare and submit annually to the council a five-year capital expense budget;
- E. Control city expenditures so that actual expenditures do not exceed amounts available for expenditures;
- F. Supervise the purchase, lease, rental, use, maintenance and assignment of city property required by the city;
- G. Appoint, remove, suspend or discipline all officers and employees of the city under the city manager's jurisdiction, subject to the Charter, ordinances or general laws; provided, that this authority may be delegated by the city manager, in the city manager's discretion, to a department head or department director;
- H. Fix and establish the number of employees in the various city departments and offices under the manager's jurisdiction and determine their duties and compensation, subject to the compensation plan and appropriations adopted by the city council;
- I. Exercise all powers conferred by law upon the city but not specifically conferred upon any official or the city council;
- J. Negotiate and sign, on behalf of the city, contracts duly authorized by the council or by ordinance and administer the provisions of such contracts;
- K. Take or cause to be taken or recommend to the city council in the proper case all and every action necessary to protect the best interests and promote the welfare of the city;
- L. Represent the city at meetings with other governmental units, agencies, commissions, and associations as deemed necessary or as directed by the city council;
- M. Perform such other duties and have and exercise such other powers as may be prescribed by law.

2.04.050 City manager – Administrative supervision.

The city manager, in exercising general control over the administrative affairs of the general government of the city, shall deal insofar as it is possible through the administrative officers of the general government designated by this code, and except as otherwise provided by Charter or general law, all such officers shall be directly and exclusively responsible to the city manager, and to no other person or body, for the efficient or economical conduct of their respective departments and offices.

2.04.060 City manager – Administrative rules.

The city manager is authorized to issue rules or administrative regulations not inconsistent with general law, the Charter or ordinances of the city, outlining the general procedures for the administration of city activities under the city manager's jurisdiction, and may provide for a system of administrative regulations to be issued by the heads of the various departments and offices of the city's general government.

2.04.070 City manager – Staff.

The city manager may, within the limits of the annual budget adopted by the city council, appoint administrative assistants or designate employees of the city as such whose duties shall be to assist the city manager in such a manner as the city manager may designate and to conduct studies and research into the most advantageous administrative practices and other matters affecting the city, its government and its administration, the application of which will improve the administration of the city government. The city manager may, within the limits of the annual budget adopted by the city council, determine appropriate staffing levels for the city manager's office and for the other departments and divisions of the city.

2.04.080 City manager – Reports to the council.

The city manager shall prepare and submit to the city council annually, at the close of each fiscal year, a complete report of the city's administrative activities and finances for the preceding year, which report shall be made available for public distribution. The city manager shall prepare and present such other reports as the city council may require or as the manager deems advisable. The city manager, as part of the adoption of the annual budget, shall provide to city council a current organizational chart.

2.04.085 City manager – Delegation of duties and powers.

Unless otherwise prohibited by state law or a provision of a resolution or ordinance adopted by the City Council, all duties and powers granted to or imposed upon the City Manager may be delegated by the City Manager to other officers, department heads or management employees of the city as the City Manager deems appropriate.

2.04.090 City manager – Absence or disability.

In the event of an absence, suspension, or disability of the manager exceeding 60 calendar days, or if a vacancy should occur in the office, the council may designate a qualified administrative officer of the city to perform the duties of the office until the manager shall return to duty or until the appointment of a successor. For all absences less than sixty (60) days in duration where the City Manager is on paid time off (PTO) or extended sick leave (ESL), as those terms are defined under the Unaffiliated Compensation Plan, the Deputy City Manager shall perform the duties of City Manager ("Acting City Manager"). In the event the City Manager and Deputy City Manager are both absent on PTO or ESL, or the Deputy City Manager position is vacant, the Assistant City Manager shall serve as Acting City Manager. Notwithstanding the foregoing provisions of this section, the City Manager may, in writing, designate a qualified administrative officer to exercise the powers and perform the duties of the City Manager during the City Manager's temporary absence.

This space intentionally left blank.

2.04.100 Groups, departments, and officers established.

Administrative services of the city shall be organized into departments and officers whose titles are created and established as follows:

Department/Office	Administrative Officer
City Manager's Office	City Manager
City Clerk's Office	City Clerk
City Attorney's Office	City Attorney
Administrative Services Department	Assistant City Manager
Human Resources Department	Human Resources Director
Finance Department	Finance Director
Development Services Department	Development Services Director
Parks & Public Facilities Department	Parks & Public Facilities Director
Public Works Department	Public Works Director
Energy Services Department	Energy Services Director
Fire & Emergency Services Department	Fire Chief
Police Department	Chief of Police

2.04.105 Oaths of office.

For purposes of Article VIII, Section 8.05 of the Richland City Charter, an "officer of the city" means all elected officials, the city manager, any assistant and/or deputy city manager(s), all administrative officials established in RMC 2.04.100, and all general authority Washington peace officers in the Richland police department.

2.04.110 Boards, commissions and committees.

A. Boards, Commissions and Committees Created. There shall be boards, commissions and committees as defined in this title and such other boards, commissions and committees as have been or are hereafter established by ordinance or by general laws. Each board, commission or committee shall be so organized and shall have such powers as are conferred and such duties as are required by general laws, the Charter and ordinances.

B. Applicability. This section shall apply to all boards, commissions and committees except the firemen's pension board and the police relief and pension board.

C. Officers, Liaisons, Staff Assistance.

1. Officers. The board, commission or committee shall elect its own chairperson and vice chairperson and create and fill such other offices as it may determine it requires.

2. Council Liaisons. Except as otherwise provided in this title, all boards, commissions and committees shall have a liaison appointed from the council who shall serve consistent with RMC 2.04.125(A).

3. Staff Liaisons. The administrative officer of the department or offices most closely connected with the activity of a board, commission or committee shall serve as a staff liaison to that board, commission or committee. To the extent such communication is warranted, the staff liaison is responsible for facilitating communication between the assigned board, commission or committee and city employees, consultants, contractors, customers, applicants, city manager, city council, and members of the public.

4. Liaisons shall not be members of the board, commission or committee to which they are appointed and shall fulfill the role of facilitation and transfer of information between the respective board, committee and commission.

D. Membership.

1. Appointment. All board, commission and committee members shall be appointed by the council. The appointment procedure referenced in RMC 2.04.120 shall be used to recruit and evaluate candidates for appointment.

2. Compensation and Political Affiliation. All board, commission and committee members shall serve without compensation and without regard to political affiliation.

3. Membership Limitations. Excepting the personnel committee, a board, commission or committee member is limited to membership on two boards, commissions or committees, including ad hoc or temporary committees in existence for a period exceeding six months. See RMC 2.28.125 for limitations on members of the personnel committee.

E. Residency Qualification. Except as provided herein, all board, commission and committee members shall reside within Richland city limits, both at the time of appointment and for the duration of the member's term. Youth members of the arts commission and the parks and recreation commission must reside within the boundaries of the Richland School District or the Kennewick School District within Richland city limits. Members of the lodging tax advisory committee and economic development committee must be corporate citizens of Richland. Three members of the Americans with Disabilities citizens review committee may reside outside Richland city limits.

F. Term Limits. Except for the library board and personnel committee, all board, commission and committee members shall serve no more than 12 consecutive years on the same commission or committee. See RCW 27.12.190 for library board terms and RMC 2.28.125 for personnel committee terms. With the exception of the library board of trustees, the council may waive this limitation for any member of any board, commission or committee by majority vote. All board, commission and committee members shall continue to serve until their successors are appointed by the council.

G. Removal.

1. A board, commission or committee may, by majority vote, recommend to the council that an appointed member be removed upon such grounds as may be deemed appropriate by the

board, commission or committee. The council shall take action to approve or deny the recommendation.

2. The council may, on its own motion and by majority vote, remove any appointed member of a board, commission or committee upon such grounds as it may deem appropriate and declare the position vacant.

3. A commission or committee member shall be removed upon absences from three consecutive regular meetings or four regular meetings within a 12-month period. For purposes of this subsection, workshops are excluded from the definition of “regular meeting.”

H. Vacancies.

1. Vacancies occurring other than by expiration of a term shall be filled for any unexpired term in the manner used for regular appointments. For purposes of determining the number of terms served by a member, service in excess of one year shall qualify as a full term.

2. If a member’s residence status changes during his or her term such that the member no longer complies with the residency qualification, the member must immediately vacate his or her position on the board, commission or committee.

3. Vacancies shall be filled using the appointment procedure referenced in RMC 2.04.120.

I. Training. Each new board, commission and committee member shall take the state-required open government training within 90 days of appointment. Board, commission and committee members are required to repeat this training every four years. This training shall be coordinated and monitored for compliance by the city clerk’s office.

J. Expenditures. Any approved expenses incurred by a board, commission or committee shall be paid from the affiliated department’s annual budget.

K. Open Meetings – Executive Session. All meetings shall comply with Chapter 42.30 RCW, the Open Public Meetings Act.

L. Parliamentary Procedure. Boards, commissions and committees shall follow Robert’s Rules of Order when conducting meetings and making decisions.

M. Quorum – Voting – Tie.

1. Quorum. Except for the lodging tax advisory committee, a majority of any members of a board, commission or committee present at a meeting shall constitute a quorum allowing for the transaction of business. Quorum for the lodging tax advisory committee shall be as provided in RMC 2.15.030(B).

2. In the event of a vacancy or vacancies, the majority of any of the remaining members shall constitute a quorum for the transaction of business; provided, however, that at least three

members must be present to constitute a quorum of the planning commission, library board and the Americans with Disabilities citizens review committee.

3. A majority vote of the quorum shall be sufficient to accomplish an action; provided, however, that board of adjustment, library board and code enforcement board action requires at least three affirmative votes of those present.

4. Members not present for a hearing held by the board, commission or committee shall not participate in the decision unless the member first reads and reviews the full record made at the hearing.

5. All members present participate in a vote, including youth members and the chair, unless a member has recused himself or herself due to a real or apparent conflict of interest or has been disqualified based on an appearance of fairness concern. In the case of a tie vote, the action fails. Members must be present at the meeting to participate in a vote.

N. Records. All boards, commissions, committees and ad hoc committees shall prepare, for each meeting, special meeting or workshop, an agenda and agenda packet for publication on the city's website. Meeting minutes shall be prepared for each meeting and, once approved, shall be published on the city's website. All agendas, agenda packets and meeting minutes shall be prepared pursuant to the procedures adopted by the city. Such records shall be maintained according to the state-mandated retention schedule and the city's established retention policies. All records shall be open to public inspection.

2.04.115 Ad hoc citizens committees.

An ad hoc citizens committee may be constituted upon the motion of the city council.

A. At the time of passing the motion establishing the committee, the following shall be made a part of the motion:

1. A written statement of purpose for the committee.
2. A written description of recommendations which the council expects from the committee.
3. The specific due date of material and recommendation back to the council.
4. An estimated date of completion of the committee assignment.
5. The number of members that shall be on the committee and a statement of qualifications required of committee members.
6. If special circumstances warrant the inclusion of one or more councilmembers as voting members of the committee, the motion shall provide justification for so doing.

B. Other Applicable Rules.

1. The council, through the city manager, will provide oral or written statements to nominated members of the ad hoc committee relating the purpose of the committee, a description and due date of recommendations back to the council and the anticipated date of completion of the committee assignment.
2. Ad hoc committee members shall normally be nominated by members of the city council. Appointment of ad hoc committee members shall be by majority vote of the city council.
3. The ad hoc committee shall appoint a chairperson, vice chairperson and other officers as they see fit from the membership of the committee. Council may choose to assign a council liaison consistent with the process identified in RMC 2.04.125.
4. *Repealed by Ord. 03-20.*
5. City staff shall provide assistance to the committee as appropriate.
6. A quorum of the ad hoc committee must be present to conduct business. A quorum shall consist of the lowest number of members of the committee that exceeds one-half the stated number of members of the committee.
7. Unless otherwise directed by city council, formal minutes need not be kept except for formal motions.
8. Written reports issued by the ad hoc committee activities shall be approved by majority vote of the committee and signed or initialed by the ad hoc committee chairperson.

2.04.120 Procedure for filling vacancies on boards, commissions, and committees.

The procedure for filling vacancies on boards, commissions and committees shall be kept on file with the city clerk's office and made available for public inspection upon request and by posting on the city's website.

2.04.125 Selection process for council appointments and all other appointments not covered by RMC 2.04.120.

Biennially, generally at the first workshop after newly elected councilmembers take office, the council shall choose from among its members those who will serve as council liaisons to the various boards, commissions, committees and outside agencies, council appointees to ad hoc committees, and all other council and non-council appointments not covered by RMC 2.04.120. The recommendations generated during the workshop will be presented by resolution to the full city council for approval. Each assignment to a board, commission, committee, or outside agency shall be assigned a category which shall be defined as follows:

A. Liaison Assignment to City of Richland Boards, Commissions and Committees. A councilmember shall not be a voting member of the board, commission or committee and shall participate only to a limited degree. The councilmember's purpose is primarily to communicate council policy to the board, commission or committee and to take back to the council recommendations and questions. The councilmember shall also gather information about the

boards, commissions or committees and communicate it to the council when appropriate. In particular, councilmembers shall not direct any activities as a leader of boards, commissions or committees to which they are assigned.

B. Liaison Assignment to Non-City Organization – Nonparticipant. Councilmembers shall not be voting members of non-city organizations in these kinds of assignments. The councilmember's purpose is primarily to communicate council policy to the organization and to take back to the council recommendations and questions. The councilmember shall also gather information about the organization and communicate it to the council when appropriate. In particular, councilmembers shall not direct any activities as a leader of organizations to which they are assigned.

C. Assignment to Non-City Organization – Board Member. Councilmembers may be voting members of non-city organizations in these kinds of assignments. However, councilmembers shall not participate as officers of the assignee organizations in these kinds of assignments. The councilmember's purpose is not only to communicate council policy to the organization and bring recommendations and questions back to council; the councilmember shall also encourage implementation of city objectives. The councilmember shall also gather information about the organization and communicate that information to the council when appropriate.

D. Assignment to Non-City Organization – Board Member/Officer. Councilmembers may be voting members and participate as officers of non-city organizations in these kinds of assignments. The councilmember's purpose is not only to communicate council policy to the organization and bring recommendations and questions back to the council; the councilmember shall also encourage implementation of city objectives. The councilmember shall also gather information about the organization and communicate to the council when appropriate.

E. Assignment to Local, Regional, State, National or International Boards/Commissions and Committees Relating to City or Council Business – Member/Officer. Councilmembers who seek membership, election or reelection for office in local, regional, state, national or international boards/commissions and committees relating to city or council business must, prior to the workshop, submit a request for consideration during the council assignments discussion. Where circumstances require travel outside the local area at city expense, the councilmember shall adhere to RMC 1.01.040.

F. The category of each assignment signals the level of participation required of the councilmember as to each organization or board to which the councilmember is assigned. A roster reflecting the category of each assignment will be kept on file in the city clerk's office.

2.04.126 Deputy city manager.

The deputy city manager, under the direction of the city manager and subject to the provisions of the Charter and general laws, shall assist the city manager in the day-to-day administration of the city government, represent the city manager as directed, provide general administrative oversight of the development services department, parks and public facilities department, public works department, and energy services department, and perform other duties as assigned not inconsistent with the position of deputy city manager.

2.04.127 Deputy city manager for community and development services.

Repealed by Ord. 47-20.

2.04.128 Assistant city manager.

An assistant city manager may be appointed by the city manager and shall have such duties as shall be assigned to him or her by the city manager. The office of assistant city manager may, at the direction of the city manager, be combined with the office of any city official described in the city code.

2.04.130 City clerk.

The city clerk, subject to the provisions of the Charter, general laws and ordinances, shall be responsible for the publication, filing, indexing and safekeeping of all the records of all the proceedings of the council; record and certify all ordinances and resolutions; serve as custodian of the city seal and official city records; prescribe and furnish sample forms for all petitions provided for by Charter and ordinances; serve as registrar of voters for the city, and keep and maintain all election records and have custody of all property in connection with elections and perform such other duties in relation to registration of voters and elections as required by Charter and general law; publish all legal notices unless otherwise provided by general law or ordinance; and perform other duties as may be required by the Charter, the general laws, ordinances, the city council, or the city manager. The city clerk shall attend all meetings of the council and keep a permanent journal of its proceedings.

2.04.140 City attorney.

The city attorney, subject to the provisions of the Charter and general laws, shall advise and assist in the preparation of, and prepare in final form and review for legal correctness, all ordinances, resolutions and regulations; prepare and review for legal correctness all contracts, bonds, franchises and other instruments to which the city is a party; attend all regular and special council sessions unless excused by the city manager; advise the council, the city manager, all department heads and other administrative officials and all boards, commissions and committees as to the legality of any proposed action; be responsible for all prosecutions for violations of ordinances, unless the manager, with the approval of the council, otherwise provides; represent the city in all legal proceedings in which the city is a party or has an interest, before any court or judicial, administrative or other tribunal, unless the manager, with the approval of the council, otherwise provides; settle or compromise, with the approval of the council, claims or suits at law or in equity to which the city may be a party; and preserve in the office of the city attorney copies of all legal opinions rendered.

2.04.150 Administrative services group.

Repealed by Ord. 47-20.

2.04.155 Administrative services department.

The administrative services department, under the direction of the assistant city manager, shall be responsible for internal city services such as purchasing, warehousing, equipment maintenance, fleet management, and information technology.

2.04.156 Human resources department.

The human resources department, under the direction of the human resources director, shall direct and administer the city's personnel program in accordance with the Charter, state and federal laws, and established best practices; maintain proper records of examinations, appointments, removals, leaves of absence, and other significant events in the service of all employees in the classified service and provide administrative support to the city's personnel committee; recruit personnel; and perform other duties as may be required by the Charter, the general laws, ordinances, or the city manager. The term "human resources director" has the same meaning as the term "personnel officer" in the Charter.

2.04.158 Finance department.

The finance department, under the direction of the finance director, shall direct and administer licensing and taxation; all finance functions including financial and utility reporting, budget, and cash and investment management including debt financing; and perform other duties as may be required by the Charter, the general laws, ordinances, or the city manager.

2.04.160 Development services department.

The development services department, under the direction of the development services director, shall be responsible for land use planning, development, permits, building inspections, redevelopment and neighborhood improvement, and business and economic development.

2.04.161 Parks and public facilities department.

The parks and public facilities department, under the direction of the parks and public facilities director, shall be responsible for construction and maintenance of certain city facilities, implementation of recreation and enrichment programs for citizens of all ages, physical park planning, maintenance of park areas and related facilities, library, municipal golf, and such other duties as may be assigned.

2.04.165 Utility and public works group.

Repealed by Ord. 47-20.

2.04.170 Public works department.

The public works department, under the direction of the public works director, shall be responsible for engineering and utility operations of water, sewer, stormwater, and solid waste, transportation planning, and road maintenance.

2.04.180 Energy services department.

The energy services department, under the direction of the energy services director, shall be responsible for the provision of energy services.

2.04.200 Public safety group.

Repealed by Ord. 47-20.

2.04.205 Fire and emergency services department.

The fire and emergency services department, under the direction of the fire chief, shall be responsible for emergency medical services, fire prevention, fire operations and fire training.

2.04.210 Police department.

The police department, under the direction of the chief of police, shall have all of the duties designated and devolved upon such departments by state law generally, and specifically as to cities organized or chartered under either RCW Title 35 or 35A. In addition, the chief of police may issue a limited commission to persons outside the police department who have a need to have limited enforcement capabilities such as, but not limited to, animal control, parking and parks. These limited commissions will specifically state the ordinances for which the holder may issue citations for civil infractions. The chief of police will develop standards for the selection and training of those being granted a limited commission, which will be consistently applied. The limited commission may be revoked at any time by the chief of police.

2.04.220 Benton County emergency services department.

Repealed by Ord. 47-20.

2.04.260 Severability.

The invalidity of any chapter, section, subsection, provision, clause or portion thereof, or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance codified herein or the validity of its application to other persons or circumstances.

2.04.270 Interpretation.

A. Conflicts. In any case where the change of department or position title causes a question or conflict in the responsibility or function to be administered, the city manager shall review the matter and clarify the assignment of responsibility among the departments and officials established by this chapter.

B. Salaries. In cases of reassignment of duties or establishment of positions, the city manager shall review the responsibilities and recommend appropriate salary ranges or adjustments as a part of the annual budget process. Where individuals are assigned temporary acting responsibilities significantly different from their present responsibilities, the city manager, within existing budgetary appropriations, may make interim compensation adjustments as allowed under the personnel rules.

C. Benefits. Notwithstanding the current compensation plan for unaffiliated employees, the city manager, within existing budgetary appropriations, is authorized to approve provision of benefits as provided herein to limited term employees when such employees are hired for the specific purpose of supporting a recognized project-based initiative. Access to medical, dental, vision, deferred compensation, paid time off/sick leave and all other benefits for a limited term employee shall be on the same terms and conditions as they are made available to unaffiliated city employees. The city manager shall determine when a city project qualifies as a recognized “project-based initiative” such that this section applies. Nothing herein shall be construed so as to require the city manager to approve provision of such benefits to any limited term employee. In the event of a conflict between this section and any other section in this title, this section shall prevail.

Section 2. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

Section 3. Should any section or provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid.

Section 4. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including but not limited to the correction of scrivener's errors/clerical errors, section numbering, references, or similar mistakes of form.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

First Reading: September 16, 2025

Second Reading: October 7, 2025

Date Published: October 12, 2025



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Ordinances - Second Reading & Passage

Strategic Priority 2 - Financial Sustainability

Subject

Ordinance No. 2025-25, Imposing an Additional Sales and Use Tax of One-Tenth of One Percent within the Boundaries of the Richland Transportation Benefit District for Pavement Preservation and Repealing the \$20 Vehicle License Fee

Department/Office
City Manager

Ordinance/Resolution Number
2025-25

Document Type
Ordinance

Recommended Motion

Give second reading and pass Ordinance No. 2025-25, imposing an additional sales and use tax of one-tenth of one percent within the boundaries of the Richland Transportation Benefit District to support the City's Pavement Preservation Program and repealing the \$20 vehicle license fee.

Summary

Ordinance No. 2025-25 proposes repealing the City's existing \$20 vehicle license fee and replacing it with a 0.1% sales and use tax dedicated to the Transportation Benefit District (TBD). Authorized under RCW 36.73.040, RCW 36.73.065, and RCW 82.14.0455, this change would take effect January 1, 2026, and provide a more stable and equitable revenue stream to fund pavement preservation and other eligible transportation improvements.

Currently, the \$20 vehicle license fee generates approximately \$1 million annually, while the City requires about \$4 million each year to maintain its pavement condition index (PCI) benchmark. To date, the gap has been covered through the General Fund, Real Estate Excise Tax (REET), and reserves—sources also needed for essential services such as police and fire. The proposed sales tax is estimated to generate \$2.25 million annually based on 2024 taxable sales, doubling TBD revenue and reducing pressure on other City funds.

The shift from a flat vehicle license fee to a sales tax will significantly reduce the financial burden on residents while broadening the payer base to include commuters, shoppers, and visitors.

A single-vehicle household earning 30% of the area median income (\$31,700) currently pays \$20 in car tabs. Under the sales tax, the impact is estimated at \$3.46—an 83% savings. A household of four earning 80% of the area median income (\$84,500) with one vehicle currently pays \$20. The sales tax impact would be about \$6.34, or 68% less. If the household owns two vehicles (\$40), the savings rises to 84%. A higher-income household at 200% of the area median income (\$211,200) with three vehicles currently pays \$60 in car tabs. Under the sales tax, the estimated cost would be \$9.93, an 83% savings.

Unlike the vehicle license fee, which is a flat rate regardless of income or spending, the sales tax is proportional to taxable purchases, exempting essentials like groceries and housing. This makes it less regressive, more equitable, and scalable as population and retail activity grow. Adopting Ordinance No. 2025-25 will establish a sustainable, growth-aligned, and broadly supported funding source for Richland's transportation system while lowering household costs and relieving pressure on the City's General Fund and other capital revenues.

Fiscal Impact

Terminating the TBD \$20 vehicle license fee will reduce revenues for the Pavement Preservation Program by approximately \$1,000,000 annually. Instituting the 0.1% sales tax is projected to generate approximately \$2,250,000 in new revenues for the Pavement Preservation Program. Net revenues are projected to be approximately \$1,250,000 annually.

Attachments

1. Ordinance No. 2025-25
2. Transportation Benefit District Funding Alternative Sales Tax Recommendation

ORDINANCE NO. 2025-25

AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON, IMPOSING AN ADDITIONAL SALES AND USE TAX OF ONE-TENTH OF ONE PERCENT WITHIN THE BOUNDARIES OF THE RICHLAND TRANSPORTATION BENEFIT DISTRICT FOR THE PURPOSE OF FUNDING PAVEMENT PRESERVATION AS AUTHORIZED BY RCW 36.73.040 AND REPEALING TBD ORDINANCE NO. 01-17 ESTABLISHING AND IMPOSING THE TWENTY DOLLAR VEHICLE LICENSE FEE.

WHEREAS, the City of Richland Transportation Benefit District (hereinafter “the Richland TBD”) was established pursuant to RCW 35.21.225 and Chapter 36.73 RCW by the City Council of Richland by Ordinance No. 02-17 in March 2017; and

WHEREAS, by Ordinance No. 55-17, the City of Richland assumed the rights, powers, immunities, functions, and obligations of the Richland TBD pursuant to Second Engrossed Substitute Senate Bill 5987, which amended Chapter 36.73 RCW to allow for said assumption; and

WHEREAS, the City of Richland enacted Ordinance No. 02-17 in March 2017, establishing boundaries for the Richland TBD which are coterminous with the boundaries of the City of Richland city limits; and

WHEREAS, Richland Municipal Code Section 5.51.060 provides that funds generated by the Richland TBD may be used for any purpose allowed by law, including but not limited to funding annual improvements included in the City’s pavement preservation program; and

WHEREAS, RCW 36.73.040(3)(a) authorizes transportation benefit districts to impose a sales and use tax subject to the provisions of RCW 36.73.065; and

WHEREAS, RCW 36.73.065(4)(a)(v) authorizes transportation benefit districts to impose a sales and use tax in accordance with RCW 82.14.0455 in an amount not exceeding one-tenth of one percent (0.1%) for a period of 10 years upon a majority vote of the governing board of the district for use in accordance with the requirements of chapter 36.73 RCW; and

WHEREAS, the City of Richland has identified the sales and use tax authorized by RCW 82.14.0455, as well as any other lawful funding sources available pursuant to RCW 36.73.040, as funding sources available to the Richland TBD; and

WHEREAS, the cost of maintaining the pavement condition index (PCI) benchmark for Richland roads is approximately \$4 million annually, and the current Richland TBD car tab fee generates approximately \$1 million annually, forcing reliance on General Fund, Real Estate Excise Tax (REET), and reserves to make up the difference; and

WHEREAS, consistent with Richland Municipal Code Section 5.51.060, a sales and use tax will be used to fund annual transportation improvements that are consistent with existing state, regional, or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels pursuant to Chapter 36.73 RCW, and for annual improvements included in the City's Pavement Preservation Program; and

WHEREAS, a sales and use tax will apply to all persons who shop and thereby use streets and roadways in the City of Richland; and

WHEREAS, the City Council, as the governing board of the Richland TBD, deliberated on this matter during a duly noticed public meeting on September 16, 2025, and after careful review and consideration, finds that the best interests of the City of Richland and the Richland TBD are served by passage of this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. Findings. The above stated recitals are hereby adopted and incorporated by reference as findings in support of this Ordinance.

Section 2. Imposition of Additional 0.1% Sales and Use Tax. The City Council, as the governing board of the City of Richland Transportation Benefit District, finds that it is in the best interest of the City and the District to impose a sales and use tax of one-tenth of one percent (0.1) pursuant to RCW 36.73.040(3)(a), RCW 36.73.065(4)(v), and RCW 82.14.0455 for the purpose of raising revenue to acquire, invest in, construct, improve, provide, operate, preserve, maintain and/or fund transportation improvements in the District as provided in RMC 5.51.060, and to impose such sales and use tax. The sales and use tax shall be imposed for a period not exceeding ten (10) years. The tax shall be in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 of the Revised Code of Washington, as amended, upon the occurrence of any taxable event within the boundaries of the City of Richland Transportation Benefit District which is conterminous with the City of Richland city limits.

Section 3. Use of Revenue. The revenues received from the tax imposed by this Ordinance shall be general revenues of the district and shall be used for those purposes set forth in RMC 5.51.060 or as otherwise authorized by law. The cost of all construction, maintenance, preservation, operation, design, engineering, construction management, financial, legal and other consulting services, inspection and testing, administrative and relocation expenses, and other costs incurred in connection with the transportation benefit district projects shall be deemed to be part of the transportation improvements.

Section 4. Repeal of \$20 Vehicle License Fee. TBD Ordinance No. 01-17, establishing and imposing a \$20 Vehicle License Fee, is hereby repealed effective January 1, 2026.

Section 5. Notice to Department of Revenue. The City Clerk and the Finance Director are instructed to submit this Ordinance to the Washington State Department of Revenue (DOR), and

to direct DOR to take all steps necessary to implement and collect the tax imposed by this Ordinance beginning on January 1, 2026.

Section 6. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

Section 7. Should any section or provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid.

Section 8. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including but not limited to the correction of scrivener's errors/clerical errors, section numbering, references, or similar mistakes of form.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

First Reading: September 23, 2025

Second Reading: October 7, 2025

Date Published: October 12, 2025

Transportation Benefit District Funding Alternative

Recommended Elimination of the Car Tab Fee



BUDGET 2026

1

Background & History

- Allowed by RCW Chapters 35.21.225 and 36.73
- Established in 2017, Ord. No 02-17
- Codified into RMC Chapter 5.51, Transportation Benefit District
- TBD funds transportation improvements align with state/regional/local plans
- Governing Board: City Council; boundaries match city limits
- Program objective: keep good roads good, avoid costly reconstructions



BUDGET 2026

2

Pavement Preservation Program

- We maintain $\approx$ 650 center lane miles.
- Pavement Condition Index (PCI) 0–100: cracking, rutting, potholes, weathering.
- Council policy target: “Good” category—land around PCI 70–75 for best lifecycle value.



BUDGET 2026

3

Current Funding & Gap

- Annual need to maintain PCI target: $\approx$ \$4.0M.
- \$20 vehicle fee $\approx$ \$1.046M ($\approx$ 25% of need)
- General Fund $\approx$ \$1.23M; REET $\approx$ \$600k; Reserves $\approx$ \$1.45M bridge the rest
- Even with a change, General/REET will still contribute—goal is relief and less reliance



BUDGET 2026

4

Proposed Change

- Replace \$20 vehicle fee with a 0.1% local sales tax dedicated to TBD

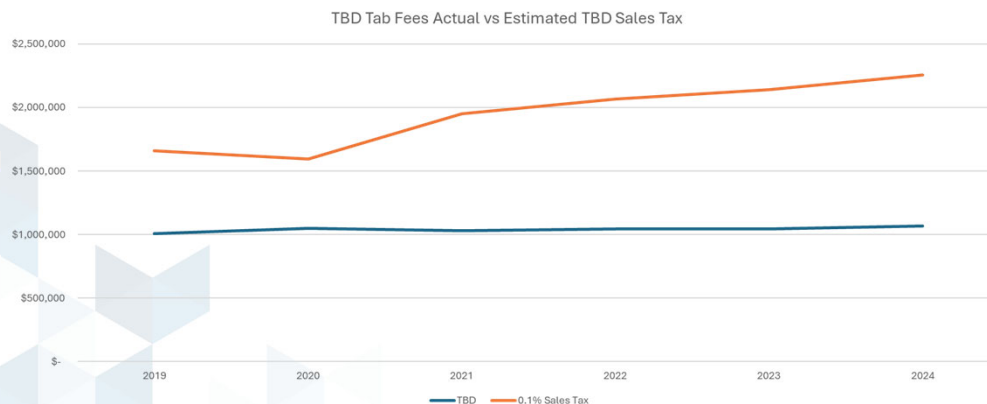
	Total Sales & Use Tax Rate	State Sales & Use Tax Rate	Local City/County Sales & Use Tax
Richland	8.7	6.5	2.2
Kennewick	8.8	6.5	2.3
Pasco	8.9	6.5	2.4
West Richland	8.7	6.5	2.2
Walla Walla	8.9	6.5	2.4
Prosser	8.7	6.5	2.2



BUDGET 2026

5

Dedicated TBD Revenue: Current vs Proposed



BUDGET 2026

6

Who Pays Under Each Method

- Residents $\approx$ 64K; daytime population $\approx$ 90K $\rightarrow$ $\approx$ 26.8K additional daily users ($\sim$ 30% non-resident).
- Vehicle fee: burden sits with Richland vehicle owners.
- 0.1% sales tax: commuters/visitors/tourists share costs when they buy taxable items in Richland.
- Regional context: Kennewick funds TBD with sales tax—reciprocity makes sense.



BUDGET 2026

7

Household Impact Breakdown

% Median Income	Income	Est. Sales & Excise Tax	Est. Taxable Spending	0.1% TBD Sales Tax	Vehicles p/ HH	Car Tab	% Saved
30%	\$31,700	10.90%	\$3,455	\$3.46	1	20	83
50%	\$52,800	8.70%	\$4,594	\$4.59	1.3	26	82
80%	\$84,500	7.50%	\$6,338	\$6.34	1.7	34	81
100%	\$105,600	6.10%	\$6,442	\$6.44	2	40	84
150%	\$158,400	5.40%	\$8,554	\$8.55	2.5	50	83
200%	\$211,200	4.70%	\$9,926	\$9.93	3	60	83



BUDGET 2026

8

Alternatives Considered

- Keep \$20 fee + backfill (continues structural pressure).
- Increase vehicle fees (resident-weighted; misses non-resident user contributions).
- Switch to 0.1% sales tax (recommended): broader base, higher dedicated revenue, growth-aligned, reduced reliance on General/REET/reserves.



BUDGET 2026

9

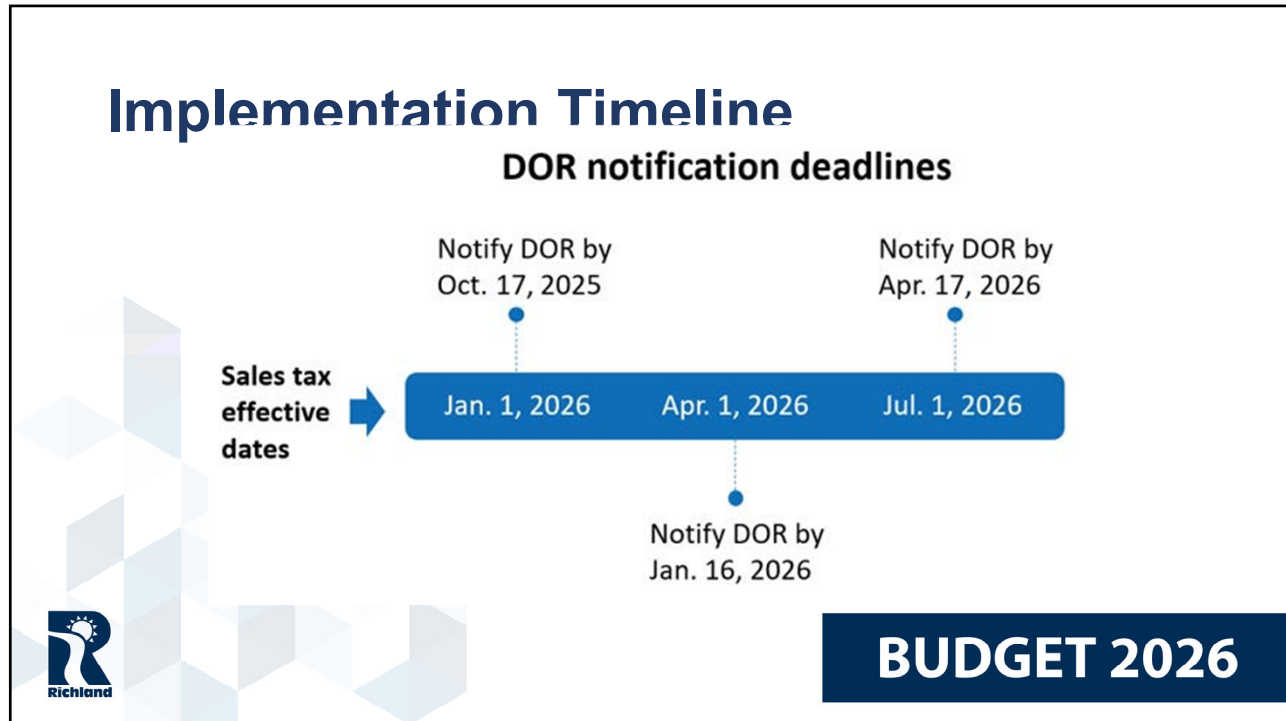
Recommendation & Next Steps

- Direct staff to bring back an ordinance to replace the \$20 vehicle fee with a 0.1% sales tax dedicated to the TBD
- Include implementation timeline (see next slide)
- Objective: maintain PCI 70–75, reduce reliance on flexible funds, share costs with daytime users



BUDGET 2026

10





COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Resolutions - Adoption

Strategic Priority 3 - Focused Development

Strategic Priority 4 - Quality of Life

Subject

Resolution No. 2025-122, Authorizing a Purchase Agreement with Crown Technical Systems, LLC for the Purchase of a Metalclad Switchgear for the Dallas Road Substation Bank I

Department/Office

Energy Services

Ordinance/Resolution Number

2025-122

Document Type

Resolution

Recommended Motion

Adopt Resolution No. 2025-122, authorizing the City Manager to sign and execute a purchase agreement with Crown Technical Systems, LLC to purchase a metalclad switchgear for the Dallas Road Substation Bank I.

Summary

The proposed purchase agreement is for one (1) 15kV metalclad switchgear with an integrated walkway to be installed at the new Dallas Road Substation. This purchase was identified in the 2025-2031 Capital Improvement Plan (CIP) and is included in the City's annual proposed budgets for 2026 and 2027.

Richland Energy Services's Dallas Road Substation will initially include one transformer bank. The facility is designed with infrastructure to accommodate a future second bank in response to anticipated economic growth in the Badger Mountain South area. The new substation is needed to provide additional capacity to support ongoing residential and commercial development in Badger Mountain South.

A formal invitation to the bid process was completed in accordance with City purchasing policies and RES technical specifications to solicit bids for the 15kV metalclad switchgear. Three (3) responsive bids were received and evaluated. Following review, RES selected Crown Technical Systems, LLC as the lowest responsible bidder. Crown Technical Systems, LLC is a Delaware limited liability company headquartered in Fontana, California.

Staff recommends adoption of Resolution No. 2025-122.

Fiscal Impact

Funding for this purchase totals \$1,468,913.10, which includes the base cost of \$1,351,346.00 plus \$117,567.10 in sales tax. This amount is included into the City's proposed 2026 and 2027 budgets for substation material purchases. The metalclad switchgear is expected to be delivered and paid for in 2026. The total budgeted allocation for Dallas Road Substation material purchases in 2026 and 2027 is \$1,650,000.

Attachments

1. Resolution No. 2025-122
2. Bid No. ITB 25-0061, Metalclad Switchgear - Dallas Road Substation
3. Draft Purchase Contract for Metalclad Switchgear - Dallas Road Substation

RESOLUTION NO. 2025-122

**A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON,
AUTHORIZING A PURCHASE AGREEMENT WITH CROWN
TECHNICAL SYSTEMS FOR PURCHASE OF A METALCLAD
SWITCHGEAR FOR THE DALLAS ROAD SUBSTATION BANK 1.**

WHEREAS, the City of Richland operates an electric utility providing customers reliable service at the lowest reasonable cost through wholesale power purchases, efficient operations and energy efficiency; and

WHEREAS, in preparation for known economic growth in the Badger Mountain South area, the City is taking steps to support anticipated load growth and provide connectivity for increased reliability; and

WHEREAS, construction of the Dallas Road Substation Bank 1, as well as the associated purchase of a new metalclad switchgear, is identified in the City's 2025-2031 Capital Improvement Plan (CIP), and the proposed 2026 and 2027 budgets include substation material purchase costs of \$1,650,000 in the Electric Fund; and

WHEREAS, the City issued Solicitation No. 25-0061 in accordance with the City's purchasing policies, with three (3) bids received and opened on July 22, 2025; and

WHEREAS, Crown Technical Systems submitted the lowest responsible bid in the amount of \$1,351,346.00 for one unit, excluding sales tax; and

WHEREAS, the City's best interests are served by completing the project in accordance with the CIP, project design and lowest responsible bid.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute a purchase agreement with Crown Technical Systems in the amount of \$1,468,913.10, inclusive of sales tax, for the purchase of a metalclad switchgear for the Dallas Road Substation Bank 1.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



City of Richland

DATE BID OPENED: 7/22/2025 2:00 p.m. ITB 25-0061 Metalclad Switchgear - Dallas Road Substation				VENDOR		VENDOR		VENDOR	
				Crown Technical Systems		Myers Power Product		Electro Tech Industries, Inc.	
Item	Description	Qty	Unit	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
SCHEDULE A - BASE BID									
A-1	Metalclad switchgear per attachment B, Material Specification MS-SWI-METALCLAD, Rev 8.	1	LS	1,337,412.00	1,337,412.00	1,441,841.00	1,441,841.00	2,090,000.00	2,090,000.00
A-2	Delivery method			FLATBED TRUCK		TRUCK		TRUCK	
A-3	Installation Assistance (Min Bid \$10,000)	1	LS	13,934.00	13,934.00	10,217.00	10,217.00	10,000.00	10,000.00
A-4	Number of weeks for Delivery ARO (after receipt of order)	N/A	WEEKS ARO	46-48	WEEKS ARO	78	WEEKS ARO	52	WEEKS ARO
Exceptions to bid									
Exceptions				YES		YES		YES	
Notes									
SCHEDULE A - BASE BID				SUBTOTAL		\$1,452,058.00		\$2,100,000.00	
8.7%				SALES TAX		126,329.05		182,700.00	
SCHEDULE A - BASE BID				TOTAL		\$1,578,387.05		\$2,282,700.00	
SCHEDULE A - BASE BID TOTAL				1,468,913.10		1,578,387.05		2,282,700.00	
				*CORRECTED		*CORRECTED			

				VENDOR		VENDOR	
				nVent EBS Holding, LLC		Panelmatic Electrical Solutions, LLC	
Item	Description	Qty	Unit	Unit Price	Total Price	Unit Price	Total Price
SCHEDULE A - BASE BID				NON-RESPONSIVE		NON-RESPONSIVE	
A-1	Metalclad switchgear per attachment B, Material Specification MS-SWI-METALCLAD, Rev 8.	1	LS		-		
A-2	Delivery method						
A-3	Installation Assistance (Min Bid \$10,000)	1	LS		-		
A-4	Number of weeks for Delivery ARO (after receipt of order)	N/A	WEEKS ARO		WEEKS ARO		
Exception to bid							
Exceptions				YES		YES	
Notes				Non-responsive: No Letter of Commitment from Surety, alterations to bid form with no notation, no experience record, no customer list, no warranty information.		Non-responsive: No Letter of Commitment from Surety, no drawings, no warranty information	



PURCHASE CONTRACT NO.: _____

THIS AGREEMENT, made and entered into on this _____ day of _____, 2025, (the Effective Date), by and between the CITY OF RICHLAND, hereinafter called the "City", and Crown Technical Systems, LLC hereinafter called the "Contractor".

WITNESSETH, that in consideration of the terms and conditions contained herein and attached and made a part of this Agreement, the parties hereto covenant and agree as follows:

I. The Contractor shall do all work and furnish all tools, materials, supplies, labor, equipment and other services necessary for the production and delivery of **Bid No. ITB 25-0061, Metalclad Switchgear – Dallas Road Substation, Contract No. _____** in the bid amount of **\$1,468,913.10** including taxes, in accordance with and as described in the attached Bid Documents, plans, general conditions and specifications which are by this reference incorporated herein and made a part hereof, and shall perform any alterations in or additions to the work provided under this contract and every part thereof.

Delivery of unit shall occur within 48 weeks after receipt of order. If said work is not completed within the time specified, liquidated damages will be deducted from the amount due the Contractor as specified in the Bid Documents.

The Contractor shall provide and bear the expense of all equipment; work and labor of any sort whatsoever that may be required for the transfer of materials and for manufacturing and completing the work provided for in this contract and every part thereof, EXCEPT such as are mentioned in the specifications to be furnished by the City.

II. The City hereby promises and agrees with the Contractor to employ and does employ the Contractor to provide the materials and to do and cause to be done the above-described work and to complete and finish the same according to the attached plans and specifications and the terms and conditions herein contained and hereby contracts to pay for the same according to the attached specifications and the schedule of unit or itemized prices hereto attached, at the time and in the manner and upon the conditions provided for in this contract.

III. The Contractor for himself, and for his heirs, executors, administrators, successors, and assigns, does hereby agree to the full performance of all the covenants herein contained upon the part of the Contractor.

IV. It is further provided that no liability shall attach to the City by reason of entering into this contract, EXCEPT as expressly provided herein.

Execution of this Contract and any amendment or other document related thereto may be by electronic signature and in any number of counterpart originals, each of which shall be deemed to constitute an original agreement, and all of which shall constitute one whole agreement.

IN WITNESS WHEREOF the parties hereto have caused this agreement to be executed as of the Effective Date above written.

CITY OF RICHLAND

CROWN TECHNICAL SYSTEMS, LLC

BY: _____
JON AMUNDSON, ICMA-CM
City Manager

BY: _____

Print: _____

Title: _____

Date

Date

ATTEST:

JENNIFER ROGERS, City Clerk

Date

FORM APPROVED:

HEATHER KINTZLEY, City Attorney

Date



City of Richland

DATE BID OPENED: 7/22/2025 2:00 p.m. ITB 25-0061 Metalclad Switchgear - Dallas Road Substation				VENDOR		VENDOR		VENDOR	
				Crown Technical Systems		Myers Power Product		Electro Tech Industries, Inc.	
Item	Description	Qty	Unit	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
SCHEDULE A - BASE BID									
A-1	Metalclad switchgear per attachment B, Material Specification MS-SWI-METALCLAD, Rev 8.	1	LS	1,337,412.00	1,337,412.00	1,441,841.00	1,441,841.00	2,090,000.00	2,090,000.00
A-2	Delivery method			FLATBED TRUCK		TRUCK		TRUCK	
A-3	Installation Assistance (Min Bid \$10,000)	1	LS	13,934.00	13,934.00	10,217.00	10,217.00	10,000.00	10,000.00
A-4	Number of weeks for Delivery ARO (after receipt of order)	N/A	WEEKS ARO	46-48	WEEKS ARO	78	WEEKS ARO	52	WEEKS ARO
Exceptions to bid									
Exceptions				YES		YES		YES	
Notes									
SCHEDULE A - BASE BID				SUBTOTAL		\$1,452,058.00		\$2,100,000.00	
8.7%				SALES TAX		126,329.05		182,700.00	
SCHEDULE A - BASE BID				TOTAL		\$1,578,387.05		\$2,282,700.00	
SCHEDULE A - BASE BID TOTAL				1,468,913.10		1,578,387.05		2,282,700.00	
				*CORRECTED		*CORRECTED			

				VENDOR		VENDOR	
				nVent EBS Holding, LLC		Panelmatic Electrical Solutions, LLC	
Item	Description	Qty	Unit	Unit Price	Total Price	Unit Price	Total Price
SCHEDULE A - BASE BID				NON-RESPONSIVE		NON-RESPONSIVE	
A-1	Metalclad switchgear per attachment B, Material Specification MS-SWI-METALCLAD, Rev 8.	1	LS		-		
A-2	Delivery method						
A-3	Installation Assistance (Min Bid \$10,000)	1	LS		-		
A-4	Number of weeks for Delivery ARO (after receipt of order)	N/A	WEEKS ARO		WEEKS ARO		
Exception to bid							
Exceptions				YES		YES	
Notes				Non-responsive: No Letter of Commitment from Surety, alterations to bid form with no notation, no experience record, no customer list, no warranty information.		Non-responsive: No Letter of Commitment from Surety, no drawings, no warranty information	

	Metalclad Switchgear – Dallas Road Substation	Solicitation Number: ITB 25-0061
	Attachment A Bid Response and Submittal Form	Page 1 of 8

1.1 Bid Form

A. Alterations

- Bidders are cautioned not to alter the original bid documents as issued by the City, unless it is to provide information requested or the City has authorized an alteration. Any alteration of such documents by erasure or interlineations shall be explained or noted and initialed by the Bidder.
- Any unauthorized alteration, addition, limitation or provision made or attached to the bid may render it non-responsive/or irregular and be cause for its rejection. Do not include your normal quote sheet as it may have terms and conditions that conflict with this ITB rendering your bid non-responsive.

1.2 Bid Pricing

- Bid prices shall include FOB Destination, to the designated delivery point.
- Bid prices shall include everything necessary for the prosecution and completion of the Contract, except as may be provided otherwise in this ITB.
- When applicable, in the event of the discrepancy between the unit price and the extended price, the unit price will prevail.
- Sales tax will be paid by the City as indicated in Section IV, item 5, Taxes.

1.3 Bid Submittal Checklist

- To be considered responsive, Bidders shall complete, sign and submit Attachment A – Bid Response and Submittal Form along with any required documentation.
 - Included, one (1) original, completed, **Attachment A, Bid Response and Submittal**, signed by an authorized representative of the Bidder.
 - Include, copies of technical or product information, specifications, etc. for items to be considered “or equal” or “substitution”.
 - Include copies of all warranties, including the length, time and conditions of warranty must be included with bid submittal or stated in the bid response.
 - Submit a Letter of Commitment from an approved surety (refer to ITB Section I, Item 1.16 Payment and Performance Bond Required, Item D).
- Bids submittals shall be electronically uploaded to www.publicpurchase.com as described in Section I, 1.3 Electronic Bid Submittal – Public Purchase.

Bid Submittal Checklist	Completed?
a – Completed Bid Schedule	☒ YES ☐ NO
b – Completed Bid Datasheet	☒ YES ☐ NO
c – Submit a Letter of Commitment from an approved surety (refer to ITB Section I, Item 1.16 Payment and Performance Bond Required, Item D)	☒ YES ☐ NO
d – Submit exceptions taken by the Bidder to the Attachment B, Material Specifications (listed on separate page provided by Bidder) Exceptions must referenced back to the applicable specification section.	☐ YES ☒ NO
e – 6.1 Metalclad Switchgear Description	☒ YES ☐ NO
f – 6.2 Drawings, including preliminary plan and elevation, and One-Line Diagram	☒ YES ☐ NO
g – 6.3 Complete Technical Data Sheet	☒ YES ☐ NO
h – 6.4 Bill of Materials	☒ YES ☐ NO
i – 6.5 Design Tests	☒ YES ☐ NO



Metalclad Switchgear – Dallas Road Substation

Solicitation Number:
ITB 25-0061

Attachment A Bid Response and Submittal Form

Page 2 of 8

j – 6.6 Production Tests	☒ YES	☐ NO
k – 6.7 Witness Testing	☒ YES	☐ NO
l – 6.8 List of accessories and spare parts	☒ YES	☐ NO
m – 6.9 Schedule for submission of drawings for approval and shipping date	☒ YES	☐ NO
n – 6.10.1 Guarantee and Warranty Statement	☒ YES	☐ NO
o – 6.10.2 Delivery date	☒ YES	☐ NO
p – 6.10.3 Experience record and customer contact list	☒ YES	☐ NO

1.4 Bidder's Contact Information

A. Primary Location:

Physical Address:

13470 Philadelphia Ave. Fontana, CA 92337

Mailing Address:

13470 Philadelphia Ave. Fontana, CA 92337

Name of Contact Person:

Ed Ecker

Email:

EEcker@Crowntechnicalsystems.co,

Telephone Number (Local/Toll Free):

(951) 332-4170 Ext 143

Washington State Unified Business Identifier (UBI) Number, if applicable

603125963

B. Days/Times of Operation:

1. Hours of Operation

6 am 11 pm ☐ ET ☐ CT ☐ MT ☒ PT

2. Days of Operation

From Monday To: Saturday

Other:

1.5 Remit Address (where payment will be mailed):

13470 Philadelphia Ave. Fontana, CA 92337

Street Address

City

State

Zip

	Metalclad Switchgear – Dallas Road Substation	Solicitation Number: ITB 25-0061
	Attachment A Bid Response and Submittal Form	Page 3 of 8

1.6 Prompt Pay Discount

- A. Prompt payment discounts offered by Bidders shall be used to calculate the low bid provided the discount offered allows a minimum of 20 days for payment
- B. The number of days is calculated from the date of acceptance of goods or services or from the date a complete invoice is date stamped as received by the City, whichever event occurs last, and the check/warrant date.
- C. The City will take advantage of any prompt payment discount terms offered. Discount periods shall be extended if:
1. The date printed on the invoice is more than three days earlier than the invoice receipt date;
 2. The delay is caused awaiting a credit memo, invoice correction, adjustment or reissue;
 3. An invoice is received prior to receiving goods ordered.

D. **Prompt pay discount offered:**

0 % 0 Days Net 30

1.7 Delivery

- A. Delivery shall be FOB Destination to the designated City location site.
- B. Bid price shall include all transportation charges pre-paid to the designated location site.
- C. The delivery location for the items is:
- City of Richland – Dallas Substation
 1925 Dallas Rd
 Richland, WA 99352
- or
- City of Richland – Warehouse Yard
 2700 Duportail St, Building 200
 Richland, WA 99352

The delivery hours are: 7:30 am to 3:00 pm, Monday – Friday, excluding holidays.

1.8 Cooperative Purchases

Are you willing to provide this product or service to other government agencies at the same bid price, terms and conditions until further notice? The City of Richland accepts no responsibility for the payment of the purchase price by other government agencies.

☒ **Yes** ☐ **No**

	Metalclad Switchgear – Dallas Road Substation	Solicitation Number: ITB 25-0061
	Attachment A Bid Response and Submittal Form	Page 4 of 8

1.9 Bid Schedule

Schedule A – Base Bid

ITEM NO.	QTY	UOM	DESCRIPTION	UNIT PRICE	TOTAL PRICE
A-1	1	LS	Metalclad switchgear per attachment B, Material Specification MS-SWI-METALCLAD, Rev 8. One (1) new, medium voltage 15kV metalclad switchgear assembly containing draw-out power circuit breakers, non-draw-out switches and related equipment and devices. The medium voltage switchgear shall be housed in an aisle-way enclosure. Desired delivery of Unit – Fourth Quarter 2026 after receipt of order. FOB Destination substation pad or designated storage pad at City Warehouse yard, including offloading metalclad switchgear onto the substation or storage pad.	\$1,337,412.00	\$1,337,412.00
A-2	Specify the delivery method(s) to substation site (preferred delivery is by truck which will be given preference over rail delivery): Flatbed Truck				
A-3	1	LS	Installation Assistance Minimum Bid \$10,000	\$13,934.00	\$13,934.00
Schedule A – Base Bid Subtotal \$ <u>1,351,346.00</u> Sales Tax @ 8.7% \$ <u>111,819.53</u> Schedule A – Base Bid Total \$ <u>1,463,165.53</u>					
A-4	Number of weeks for Delivery ARO (after receipt of order) Refer to Section III, 3.9 Backordered Items/Liquidated Damages			ARO 46-48	Weeks

1.10 Experience Record

A. Provide the following information for manufacturer's experience of similar equipment as requested in Attachment B, Material Specifications, 2.0 General Requirements.

- Using the table format example as shown below, Bidder shall include with their bid a document that includes at least 30 units of similar size over the last 10 years.

	Customer	Equipment type	Equipment size	Delivery date
1	See Attached Experience Record			
2				
3				
4				

	Metalclad Switchgear – Dallas Road Substation	Solicitation Number: ITB 25-0061
	Attachment A Bid Response and Submittal Form	Page 5 of 8

1.11 Customer List

A. Provide the following information for manufacturer's experience of similar equipment as requested in Attachment B, Material Specifications, 2.0 General Requirements.

- Using the table format example as shown below, Bidder shall include with their bid a document which includes at least 30 units in service in the USA for 10 years or more.
- The USA customers list must be from the proposed manufacturing facility of comparable design and ratings to that described in the Bid Schedule.

	Year	Customer	Customer Contact	Contact Phone Number	Metalclad Description
1		See Attached Experience Record			
2					
3					
4					

1.12 Bid Datasheet

A. Provide ALL of the following Manufacturer and Switchgear Design data as requested in the below bid Datasheet.

DESCRIPTION	UNITS	SPEC	VENDOR DATA
Switchgear Manufacturer	-	By Manufacturer	Crown Technical Systems
Breaker Manufacturer/Model No.	-	By Manufacturer	Eaton
Electrical Data			
Maximum Voltage	kV/L-L	15	15 kV
Continuous Current	A	2000	2000 A
Short-Circuit and Short-Time Current	kA	25	25 kA
Nominal Frequency	Hz	60	60 Hz
Mechanical Data			
Overall Height	ft	By Manufacturer	12' 0"
Base Width	ft	By Manufacturer	15' 6"
Base Length	ft	By Manufacturer	23' 0"
Estimated Shipping Weight	lbs	By Manufacturer	65,000
Estimated Heating Usage	BTU/year	By Manufacturer	TBD
Field Assembly Data			
Will Equipment Ship Completely Assembled?	Yes/No	By Manufacturer	No, the Bushing box is separate
Is Mfg's Rep. Required for Installation	Yes/No	By Manufacturer	No
Mfg's Rep. Cost per Day	\$/day	By Manufacturer	\$4,644.67
Total Number of Days Required for Mfg's Rep.	days	By Manufacturer	3
Quantity of Enclosure Shipping Splits	-	By Manufacturer	1
Quantity of Switchgear Shipping Splits	-	By Manufacturer	1
Quantity of External Ground Pads	-	By Manufacturer	4
Are any Special Tools Required for Reassembly	Yes/No	By Manufacturer	man Lift , fork Lift for bushing box
Quantity of Man Hours for Complete Reassembly	Hours	By Manufacturer	(1) 8 hour set/anchor, (2) 8 hour days attach bushing box adjust doors, rain test & final walk through

	Metalclad Switchgear – Dallas Road Substation	Solicitation Number: ITB 25-0061
	Attachment A Bid Response and Submittal Form	Page 6 of 8

DESCRIPTION	UNITS	SPEC	VENDOR DATA
Electrical Connections for Reassembly			
Quantity of Low-Voltage Pre-Terminated Connections	-	By Manufacturer	None
Quantity of Low-Voltage Bare Wire Connections	-	By Manufacturer	None
Quantity of Low-Voltage Quick Connect Connections	-	By Manufacturer	None
Quantity of Medium Voltage Connections	-	By Manufacturer	None
Description of Medium Voltage Connections	-	By Manufacturer	None
Manufacturing Data			
Manufacturing Plant Location	-	By Manufacturer	Fontana, CA
Warranty Duration	months	By Manufacturer	Full 5-year Part & Labor, 10-year Paint, 20-year structure from delivery
Delivery			
Method of Shipment (truck, rail, etc.)	-	By Manufacturer	Truck
Quantity of Days Exceeding Specified Delivery Date	days	By Manufacturer	0
Total No. of Weeks from NTP	weeks	By Manufacturer	46-48
Freight Terms	-	FOB Destination, Freight Prepaid and Allowed	prepaid & Allowed FOB destination
Delivery Destination	-	Dallas Substation	Dallas Substation
Schedule of Submissions			
Submittal of Review Drawings	weeks	By Manufacturer	10-12 ARAD
Manufacturing Time	weeks	By Manufacturer	33-35 Inc Testing
Drawings and Additional Information	weeks	By Manufacturer	Release for production 14-16 ARAD
Final Documents and As-Built	weeks	By Manufacturer	Final with Delivery

1.13 Bid Review and Award Criteria

A. Bids meeting all requirements of this ITB will be evaluated as described below.

B. Bid Award

- a. After review of all bids and in the opinion of the City, award will be to the vendor which best meets the requirements and is in the best interest of the City. Bids will be reviewed on, but not limited to:
 - i. Lowest total owning cost (present worth method), which shall be the sum of:
 1. Total Bid Price, including selection of any optional or additive bid items
 2. Cost of any other items associated with the Bidder's proposed unit.
 - ii. Delivery schedule
 - iii. Compliance with the bid documents and specifications.
 - iv. Bidder compliance with the City's warranty requirements.

	Metalclad Switchgear – Dallas Road Substation	Solicitation Number: ITB 25-0061
	Attachment A Bid Response and Submittal Form	Page 7 of 8

b. Anticipated Schedule

- i. The City anticipates issuing a Notice of Intent to Award on or before August 12, 2025, Council approval required.
- ii. Bidder's certificate of insurance, payment and performance bond and W-9 will be due prior to September 9, 2025.
- iii. Order Issued/Notice to Proceed is expected to be issued September 16, 2025.
- iv. Delivery of units must be within the time period listed after receipt of order.

1.14 Collusion

- A. By signing this bid, the Bidder certifies that they have not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding.
- B. If City determines that collusion has occurred among Bidders, none of the bids from the participants of such collusion will be considered. The City's determination will be final.

1.15 Bidder's Acknowledgement and Signature

We acknowledge that all Addenda 001 through 001 issued for this Bid have been examined as part of the bid documents and this bid submittal.

Signature page to follow

	Metalclad Switchgear – Dallas Road Substation	Solicitation Number: ITB 25-0061
	Attachment A Bid Response and Submittal Form	Page 8 of 8

Company Name

Crown Technical Systems, LLC

DocuSigned by:  F659F6D5A6074DF...	8/12/2025 06:45 PDT
Authorized Representative Signature	Date

Print Name

Josh Carruthers

Title

Vice President

Email

JCarruthers@Crowntechnicalsystems.com

Phone Number

(951) 332-4170 Ext 103

The following information is optionalIs your firm a Veteran Owned Small Business (VOSB)? ☐ YES ☒ NODo you have a certification number? ☐ YES ☒ NO

If yes, provide certification number and state or entity who issued the number:

Certification Number:

State or Entity Issued:

--	--

Is your firm a Minority Business Enterprise (MBE), Women Business Enterprise (WBE) or a Disadvantaged Business Enterprise (DBE)?

MBE: ☐ YES ☒ NO WBE: ☐ YES ☒ NO DBE: ☐ YES ☒ NODo you have a certification Number? ☐ YES ☒ NO

If yes, provide certification number and state or entity who issued the number:

Certification Number:

State or Entity Issued:

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City of Richland ITB 25-0061, Crown Technical Systems Proposal B225224
Summary of Exceptions/Clarifications to the Terms and Conditions
2025-09-23

Crown Technical Systems (Crown), in their response to City of Richland (the City) ITB 25-0061, proposed changes to the City's Terms and Conditions. Only those exceptions and clarifications summarized here are agreed to by the City and Crown for the Contract.

Note:

Language that is ~~struck through~~ is language originally included by the City with ITB 25-0061 that the City and Crown have agreed to remove from the Contract.

Language that is underlined is language not originally included by the City with ITB 25-0061 that the City and Crown have agreed to add to the Contract.

Item	Article/Section	Exception/Clarification
1	MS-SWI-METALCLAD Rev. 8 Section 12.8	Non-trunnion style fuse drawers can be permitted. Part numbers will be approved when cut sheets and drawings are submitted.
2	MS-SWI-METALCLAD Rev. 8 Section 15.25.1	Non-trunnion style PT drawers can be permitted. Part numbers will be approved when cut sheets and drawings are submitted.
3	Section III 11. Payment	11. Payment shall be made through the City's ordinary payment process, and shall be considered timely if made within 30 days of receipt of a properly completed invoice. <u>Milestone Progress Payment Terms as follows:</u> <u>a. 30% - Upon City approval of Supplier drawing submittals.</u> <u>b. 40% - Upon Supplier receipt of major materials such as HVAC units, panelboards, feeder breakers, breaker compartments, auxiliary bus transfer switches, multifunction protection relays (SEL-351S), feeder meters (SEL-735), transformer and bank protection relays (SEL-787), control equipment.</u> <u>c. 30% - Upon completion and acceptance of delivery of the metalclad switchgear, provided it is received undamaged at the designated site (acceptance not to exceed two weeks), and upon review and acceptance by the City of the deliverables outlined in Section 8.0 of Material Specification MS-SWI-METALCLAD Rev. 8, including as-builts, certified test data, and diagrams.</u> Payment for the metalclad switchgear ordered shall be made after the metalclad switchgear is received, undamaged, at the designated site and <u>All progress payments shall be properly invoiced by the Bidder. Payment for Installation Assistance shall be invoiced as a separate item and paid as</u>

City of Richland ITB 25-0061, Crown Technical Systems Proposal B225224
Summary of Exceptions/Clarifications to the Terms and Conditions
2025-09-23

		indicated in Attachment B – Material Specifications, Section 3.7. Payment will not be considered late if mailed or electronically disbursed within the time specified. All payments shall be subject to adjustment for any amounts, upon audit or otherwise, determined to have been improperly invoiced. <u>Supplier shall be notified of any patent (obvious) damages or shortages immediately upon City receipt and noted on Bill of Lading. Payments received but rejected by Contractor banking institution will not be considered “on time”.</u>
4	Section III 9. Backordered Items/Liquidated Damages	9. <u>Liquidated Damages at \$500.00 per day, capped at 5% of award total with the following conditions:</u> <u>A. If any of the milestones are not met by Purchaser (including but not limited to submittal approvals), Contractor will receive an equitable adjustment in the project schedule and delivery date without assessment of penalties or Liquidated Damages.</u> <u>B. No Liquidated Damages shall be assessed against the Contractor for delays beyond the reasonable control and without the fault or negligence of Contractor.</u> <u>C. The assessment of Liquidated Damages shall be the sole remedy of Purchaser against Crown for late equipment.</u> <u>D. Contractor’s proposal does NOT include any liquidated damages for late submittals.</u>
5	Section I 15. Insurance	15. <u>City permits Contractor the use of Additional Insured Endorsement CG 20 10 04 13 or its equivalent.</u>
6	Section III 21. <u>Proportionate Liability</u>	<u>21.</u> <u>Seller’s liability shall be only to the proportionate extent of Seller’s fault, negligence, or responsibility and not for any portion of any claim that is the fault, negligence or responsibility of other parties including the Indemnified Parties.</u>



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Resolutions - Adoption

Strategic Priority I - High Performance Government

Subject

Resolution No. 2025-123, Authorizing Change Order No. 3 to the Construction Contract with Prater Electric Inc. for the Stevens Drive Substation Expansion and Bank I Construction Project

Department/Office

Energy Services

Ordinance/Resolution Number

2025-123

Document Type

Resolution

Recommended Motion

Adopt Resolution No. 2025-123, authorizing the City Manager to sign and execute Change Order No. 3 to the construction contract with Prater Electric Inc. for the Stevens Drive Substation Expansion and Bank I Construction Project.

Summary

The Stevens Drive Substation Expansion and Bank I Construction (the "Project") replaces a 1948 vintage power transformer (13MVA) and switchgear with a new (22MVA) power transformer and upgraded equipment. These improvements will increase power delivery capacity, extend equipment life expectancy, and enhance system reliability for electric utility customers. The Project also aligns with the Bonneville Power Administration's (BPA) transmission upgrades between the Stevens Drive Substation and Richland Substation. Due to the scale of construction and concurrent BPA work, coordination has required multiple adjustments.

- On February 4, 2025, Richland City Council approved Resolution No. 2025-18 to award Prater Electric, Inc. a construction contract in the amount of \$3,373,504.50 (see Contract No. 67-25).
- On April 2, 2025, Change Order No. 1 was administratively approved in the amount of \$100,000 for varying and unforeseen underground site conditions.
- On May 28, 2025, at BPA's request, Change Order No. 2 was administratively approved in the amount of \$236,966. This change order, the value of which was reimbursed by BPA, was executed to reduce multiple contractors working in proximity that complicated construction of the City's and BPA's separate project work.

Change Order No. 3 is required for additional concrete footing, transformer pad, and switchgear vault removals. The cost of \$268,397.83 compensates the contractor and provides flexibility for additional unanticipated work while coordinating with BPA.

Resolution No. 2025-123 will increase to the original contract amount while reserving a reasonable amount of remaining contingency to ensure project completion.

Staff recommends adoption of Resolution No. 2025-123.

Fiscal Impact

The cost of Change Order No. 3 is \$291,748.44, including tax, and is an increase above the original \$3,373,504.50 amount. The approved 2025 Budget includes \$7,425,000 for substation capital improvement projects, with \$4,469,846.10 expended year-to-date.

Attachments

1. Resolution No. 2025-123
2. Proposed Change Order No. 3 with Prater Electric, Inc.

RESOLUTION NO. 2025-123

A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON, AUTHORIZING CHANGE ORDER NO. 3 FOR THE STEVENS DRIVE SUBSTATION EXPANSION AND BANK 1 CONSTRUCTION PROJECT.

WHEREAS, the City of Richland operates an electric utility providing customers reliable service at the lowest reasonable cost through wholesale power purchases, efficient operations and energy efficiency; and

WHEREAS, on February 4, 2025, Richland City Council adopted Resolution No. 2025-18, authorizing a construction contract with Prater Electric, Inc. in the amount of \$3,373,504.50 for the Stevens Drive Substation Expansion and Bank 1 Construction Project (*see* Richland Contract No. 67-25); and

WHEREAS, on April 2, 2025, Change Order No. 1 was approved in the amount of \$100,000 for varying and unforeseen underground site conditions; and

WHEREAS, on May 28, 2025, Change Order No. 2 was approved in the amount of \$236,966 at the request of the Bonneville Power Administration (BPA) to reduce multiple contractors working in proximity that complicated construction of the City's and BPA's separate project work. The value of Change Order No. 2 was reimbursed by BPA; and

WHEREAS, Change Order No. 3 is needed to compensate the contractor for services rendered; and

WHEREAS, the total value of unanticipated changes to the Project exceeds the administrative change order authority established by Resolution No. 2025-18, thereby requiring City Council approval; and

WHEREAS, the City's best interests are served by authorizing Change Order No. 3 to ensure successful execution of the Project and to compensate the contractor for services rendered.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute Change Order No. 3 to the construction contract with Prater Electric, Inc. in the amount of \$291,748.44 for the Stevens Drive Substation Expansion and Bank 1 Construction Project.

BE IT FURTHER RESOLVED that the change order authority established in Resolution No. 2025-18 is hereby increased from \$337,350.45 to an aggregate amount of \$440,244.08 to allow for future change order capacity for incidental changes and the efficient execution of the Project.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



Public Works Contract Change Order

Project: Stevens Drive Substation Expansion & Bank 1
Construction

Change Order No: 3

Contractor: Prater Electric, Inc.

Date: 09/30/2025

Federal/State/Grant

Aid Number: N/A

Contract Number: 67-25

Reason for Change:

☐ Regulatory Change ☐ City Requested ☐ Design Error ☒ Unforeseen/Unforeseeable

Change Description: (Describe the change(s) and the reason(s) for the change)

Add landscaping, fence and modify curbing: Current landscaping is weathered and has been poorly maintained. Curb needs to be removed and replaced due to entry into Substation in order for proper placement of gate. Enhancing curb appeal will align with neighboring areas while additional fencing will add safety and security to the Substation.

Concrete and Vault removal: remove footings, walls, transformer pad as well as extraction of rail road tracks and the vault removal. Plans submitted during bid did not include correct depth or presence of complete footing.

All attachments listed are made part of this Contract Change Order.

All terms & conditions defined in the Contract Documents & Change Orders issued to date remain in effect unless otherwise state herein.

The following adjustments, if any, to the Contract Sum and Contract Time constitute the complete and final settlement of all costs of labor, materials, equipment, overhead, fee, and damages, whether direct, indirect, and any other claim by the Contractor, as a result of the change.

Contract Summary:

Original Contract Amount:	\$ 3,373,504.50
Previous Change Orders:	\$ 336,966.00
This Change Order:	\$ 291,748.44
New Contract Amount:	\$
Total % of Change Orders	

Schedule Summary:

Original Contract Duration:	515 Days
Previous Added Days:	0 Day(s)
This Change Order:	0 Day(s)
New Contract Duration:	515 Days
Revised Completion Date	07/31/2026

Execution of this Change Order by the Contractor constitutes the Contractor's irrevocable acceptance of all the terms hereof, including the above described adjustments, if any, in the Contract Sum and Contract time. This Contract Change Order is hereby incorporated into and becomes part of the Contract Documents.

Approved:

Contractor:

Authorized Signature

Print Name

Date

City of Richland:

Department Director

Authorized Signature

Print Name

Date

City of Richland:

City Manager
(If over threshold)

Authorized Signature

Print Name

Date

WSDOT

(If applicable)

N/A

Authorized Signature

N/A

Print Name

N/A

Date



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Resolutions - Adoption

Strategic Priority I - High Performance Government

Subject

Resolution No. 2025-124, Setting a Public Hearing Date for Vacation of a Portion of Snively Road Right-of-Way

Department/Office	Ordinance/Resolution Number	Document Type
Public Works	2025-124	Resolution

Recommended Motion

Adopt Resolution No. 2025-124, setting November 4, 2025 at 6:00 p.m. as the public hearing date and time to receive public comment on the proposed vacation of a portion of Snively Road right-of-way.

Summary

The City of Richland, as the owner of land located in Section 11, Township 10 North, Range 27 East, Willamette Meridian, Benton County, Washington, proposes to vacate a portion of Snively Road located on city property (i.e., Government Lots 1, 4, 5, and 8).

Snively Road was originally quitclaimed to Benton County in 1935 by H.J. Snively as a sixty-foot strip of land across Sections 3, 9, 11, and 17. In 1943, the U.S. War Department and U.S. Army Corps of Engineers began acquiring land in Benton County that included this portion of Snively Road. In 1946, a portion of Section 11 was transferred from the Department of the Army through the Hanford Engineering Works to the Atomic Energy Commission by Executive Order No. 98165015. In 1967, per RCW 35.13.185 and by adoption of Ordinance No. 428, the City annexed federal land containing this portion of Snively Road. With that annexation, what began as a county road became a city road per RCW 35.02.180. In 1987, the United States of America, acting through the General Services Administration (GSA), quitclaimed to the City of Richland its portion of Section 11 adjacent to the road.

Now, nearly 40 years later, the existing right-of-way no longer supports planned development in the area. The City will coordinate with adjacent landowners to provide an alternate access route to Snively Road and State Route 240 (SR-240) in conjunction with this intended right-of-way vacation action.

State law requires that a public hearing be held to allow public consideration of any request for street vacation. Resolution No. 2025-124 establishes November 4, 2025 at 6:00 p.m. as the date and time for Council to hold a public hearing to receive public comment on the proposed vacation of a portion of Snively Road right-of-way.

Staff recommends adoption of Resolution No. 2025-124.

Fiscal Impact

None.

Attachments

1. Resolution No. 2025-124

RESOLUTION NO. 2025-124

**A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON,
SETTING A DATE FOR A PUBLIC HEARING TO CONSIDER THE
PROPOSED VACATION OF A PORTION OF SNIVELY ROAD
RIGHT-OF-WAY.**

WHEREAS, the City of Richland, as owner of land located in Section 11, Township 10 North, Range 27 East, Willamette Meridian, Benton County, Washington, wishes to vacate a portion of Snively Road right-of-way located on the City's property, Government Lots 1, 4, 5, 8; and

WHEREAS, Snively Road was originally quitclaimed in 1935 to Benton County as a sixty (60) foot strip of land across Sections 3, 9, 11, and 17 by H.J. Snively (*see* Auditor's File Number 139526, records of Benton County); and

WHEREAS, in 1943, the U.S. War Department and U.S. Army Corps of Engineers began acquiring land in Benton County to include this portion of Snively Road; and

WHEREAS, in 1946, a portion of Section 11 was transferred from the Department of the Army, acting by and through the Hanford Engineering Works, to the Atomic Energy Commission by E.O. 98165015, Drawing 5015, Drawing No. SE-RE 302, sheet 38 of 4; and

WHEREAS, in 1967, through Ordinance No. 428, the City annexed federal land containing a portion of Snively Road per RCW 35.13.185; and

WHEREAS, the City of Richland obtained rights for the road from Benton County through the annexation per RCW 35.02.180; and

WHEREAS, in 1987, the United States of America, acting by and through the General Services Administration (GSA), quitclaimed to the City of Richland that portion of Section 11 adjacent to the road; and

WHEREAS, the present right-of-way no longer suits the planned development of this area; and

WHEREAS, the City will work with adjacent land development to provide an alternate route to access Snively Road and State Route 240 (SR-240) in conjunction with this vacation; and

WHEREAS, state law requires a public hearing to allow public consideration of this vacation proposal.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the regularly scheduled City Council meeting to be held beginning at **6:00 p.m. on Tuesday, November 4, 2025** is hereby established as the date on which Council will conduct a public hearing to consider the proposed vacation of a portion of Snively Road right-of-way.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Resolutions - Adoption

Strategic Priority I - High Performance Government

Subject

Resolution No. 2025-125, Authorizing a Consultant Agreement with Commonstreet Consulting, LLC for Right-of-Way Acquisition Services for the Duportail Street Improvements Project

Department/Office

Public Works

Ordinance/Resolution Number

2025-125

Document Type

Resolution

Recommended Motion

Adopt Resolution No. 2025-125, authorizing the City Manager to sign and execute a consultant agreement with Commonstreet Consulting, LLC for right-of-way acquisition services for the Duportail Street Improvements Project.

Summary

The City of Richland has multiple capital improvement projects that require various types of right-of-way services, including acquisition of construction easements, permanent easements, and new right-of-way dedications. The City's 2025-2030 Transportation Improvement Program (TIP) and Capital Improvement Plan (CIP) include the Duportail/Kennedy Intersection Improvements Project and the Queensgate Drive and Duportail Street Intersection Improvements Project (collectively the "Duportail Street Improvements Project").

Because right-of-way acquisition is a highly regulated and technical process, the City issued a competitive Request for Qualifications (RFQ) to secure professional services. On May 6, 2025, Richland City Council adopted Resolution No. 2025-69, affirming the selection of Commonstreet Consulting, LLC as the most qualified vendor to complete the work. A scope of work and negotiated budget have been finalized with Commonstreet Consulting, LLC to provide acquisition services for the Duportail Street Improvements Project and other city projects, including the Downtown Connectivity Project and Center Parkway South.

Execution of this agreement ensures compliance with state and federal requirements and provides the professional expertise necessary to complete right-of-way acquisitions efficiently and effectively.

Staff recommends adoption of Resolution No. 2025-125.

Fiscal Impact

The agreement is estimated at \$234,775.45. Funding is available in the 2025 Budget and 2025 Capital Improvement Plan through a combination of traffic impact fees, real estate excise tax allocations, and Transportation Improvement Board (TIB) grant funds.

Attachments

1. Resolution No. 2025-125
2. Proposed Consultant Agreement with Commonstreet Consulting LLC

RESOLUTION NO. 2025-125

**A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON,
AUTHORIZING A CONSULTANT AGREEMENT WITH
COMMONSTREET CONSULTING, LLC FOR RIGHT-OF-WAY
ACQUISITION SERVICES FOR THE DUPORTAIL STREET
IMPROVEMENTS PROJECT.**

WHEREAS, the City of Richland has multiple capital improvement projects that require various types of right-of-way services, including acquiring construction easements, permanent easements, and parcel areas for new right-of-way dedications; and

WHEREAS, the City has a right-of-way procedure that meets all requirements for federally funded projects; and

WHEREAS, the City's 2025-2030 Transportation Improvement Program (TIP) and Capital Improvement Plan (CIP) include the Duportail/Kennedy Intersection Improvements Project and the Queensgate Drive and Duportail Street Intersection Improvements Project (collectively the "Duportail Street Improvements Project"); and

WHEREAS, the Project will require multiple partial right-of-way acquisitions consisting of temporary easements, permanent easements, and/or fee takes; and

WHEREAS, right-of-way acquisition is a highly regulated and time-consuming activity that requires specialized professional knowledge and certifications; and

WHEREAS, the City's best interests are served by acquiring professional support to execute these activities; and

WHEREAS, a competitive Request for Qualifications (RFQ) process was conducted in compliance with the City's purchasing policies to solicit a consultant for right-of-way services for the Duportail Street Improvements Project along with other City projects, including but not limited to the Downtown Connectivity Project and Center Parkway South; and

WHEREAS, on May 6, 2025, Richland City Council adopted Resolution No. 2025-69, affirming the selection of Commonstreet Consulting, LLC as the most qualified vendor to complete the work; and

WHEREAS, a scope of work and budget have been negotiated with Commonstreet Consulting, LLC for right-of-way acquisition services to support the Duportail Street Improvements Project; and

WHEREAS, the City's best interests are served by executing a consultant agreement with Commonstreet Consulting, LLC for right-of-way services to complete the Duportail Street Improvements Project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute a consultant agreement with Commonstreet Consulting, LLC in the amount of \$234,775.45 for right-of-way acquisition services for the Duportail Street Improvements Project.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



AGREEMENT BETWEEN CITY AND CONSULTANT

Duportail Street Corridor Improvements Right-of-Way Services

This Agreement is entered into this _____ day of October, 2025 ("Effective Date") by and between the **City of Richland** ("**City**"), a Washington municipal corporation located at 625 Swift Blvd. Richland, WA 99352, and **Commonstreet Consulting, LLC** ("**Consultant**"), a Washington limited liability company with service at 92 Lenora St, PMB 125, Seattle, WA 98121. **City** and **Consultant** are referred to individually herein as a "Party" and collectively herein as the "Parties."

WITNESSETH:

1. SCOPE OF WORK

- a. Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work outlined in Exhibit A. In performing these services, Consultant shall at all times comply with all federal, state and local statutes, rules and ordinances applicable to the performance of such services. In addition, these services and all duties incidental or necessary therefore, shall be performed diligently and completely and in accordance with professional standards of conduct and performance. All services performed under this Agreement will be conducted solely for the benefit of the City and will not be used for any other purpose without written consent of the City.
- b. This Agreement consists of this Agreement and other documents listed below. These form the entire Agreement between the Parties, and are fully integrated into this Agreement as if stated or repeated herein. In the event of a conflict between documents, the order of precedence will be the order listed below. An enumeration of the Agreement documents is set forth below (mark all that apply):
 1. ☒ City of Richland Agreement No. _____
 2. ☒ Exhibit A: Scope of Work
 3. ☒ City Richland Solicitation No. RFQ# 25-0036
 4. ☒ Exhibit B: Solicitation No. RFQ# 25-0036 proposal response submitted by Consultant dated March 21, 2025.
 5. ☒ Additional Documents – Exhibit C: Fee Summary.

2. TIME FOR COMPLETION

Consultant shall not begin any work under the terms of this Agreement until authorized in writing by the City. Consultant agrees to use best efforts to complete all work described under this Agreement by December 31, 2026.

3. TERM

The term of this Agreement shall commence on the Effective Date identified above and end at midnight on December 31, 2026.

4. PAYMENT

- a. Services rendered by Consultant under this Agreement will be paid at the rate set forth in Exhibit A Scope of Work, but in no event shall the total compensation for services rendered under this Agreement exceed **Two Hundred Thirty-Four Thousand Seven Hundred Seventy-Five Dollars and Forty-Five Cents. (\$234,775.45)**, including all fees and those reimbursable expenses listed in Exhibit A.
- b. City shall pay Consultant for services rendered after receipt of a detailed invoice. Invoices not in dispute by the City will be paid net thirty (30) days and shall reference the contract number and/or purchase order applicable to the work. The invoice shall provide sufficient detail on the work being billed and include detailed receipts for any invoices.
- c. Partial payments to cover the percentage of work completed may be requested by Consultant. These payments shall not be more than one (1) per month.
- d. Pre-approved travel, meals and lodging will be reimbursed at cost and only when consultant travels at least 150 miles per one way trip. Reimbursable expenses are limited to the following: coach airfare, ground transportation (taxi, shuttle, car rental), hotel accommodations as provided below, personal or company vehicle use at the then-current federal mileage rate, and meals at the current federal per-diem meal allowance or up to the current federal per-diem with detailed receipts, no alcohol, and a 20% maximum gratuity.
 - i. Hotel accommodations: eligible lodging expenses include the room cost only; itemized receipts must be provided for hotel reimbursements.
 - ii. Hotel reimbursement is limited to the single room rate. If two or more consultants are sharing a room, reimbursement is allowable for only one consultant at the double room rate.
 - iii. The maximum reimbursement should be limited to the best discount rate available and allowable that meets traveler's business needs and basic needs for health, safety and cleanliness. Non-smoking rooms are authorized even if they are more expensive.
- e. Reimbursement for extra services/reimbursable expenses are not authorized under this Agreement unless detailed in the Scope of Work or agreed upon in writing as a modification to this Agreement.
- f. Consultant will allow access to the City, State of Washington, Federal Grantor Agency, Comptroller General of the United States, or any of their duly authorized representatives, to any books, documents, papers, and records which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcriptions. Unless otherwise provided, said records must be retained for three (3) years from the date of receipt of final payment. If any litigation, claim, or audit arising out of, in connection with, or relating to this Agreement is initiated before the expiration of the three-year period, the records shall be retained until such litigation, claim, or audit involving the records is completed.

5. INDEPENDENT CONTRACTOR

Consultant, and any and all employees of Consultant or other persons engaged in the performance of any work or services required of Consultant under this Agreement, are

independent contractors and shall not be considered employees of the City. Any and all claims that arise at any time under any Workers' Compensation Act on behalf of said employees or other persons while so engaged, and any and all claims made by a third party as a consequence of any act or omission on the part of Consultant's employees or other persons engaged in any of the work or services required to be provided herein, shall be the sole obligation and responsibility of Consultant.

6. OWNERSHIP OF DOCUMENTS

Any and all data, analyses, documents, photographs, plans, designs, drawings, specifications, surveys, films, documents, reports and other work products created, prepared, produced, constructed, assembled, made, performed, or otherwise produced by Consultant or Consultant's subcontractors for delivery to the City pursuant to this Agreement shall become the sole and absolute property of the City upon completion of the services and payment in full of all payment due to Consultant of the fees set forth in this Agreement. Such property shall constitute "work made for hire" as defined by the U.S. Copyright Act of 1976, 17 U.S.C. § 101, and the ownership of the copyright and any other intellectual property rights in such property shall vest in the City at the time of its creation. Ownership of the intellectual property includes the right to copyright, patent, and register, and the ability to transfer these rights. Material which Consultant uses to perform this Agreement but is not created, prepared, constructed, assembled, made, performed or otherwise produced for or paid for by the City is owned by Consultant and is not "work made for hire" within the terms of this Agreement. Consultant will ensure that all independent contractors have written agreements in place that transfers ownership of all Intellectual Property created by them or provided by them to the City.

The City may make or permit to be made any modifications to the plans and specifications without the prior written authorization of Consultant. The City agrees to waive any claim against Consultant arising from any unauthorized reuse of the plans and specifications, and to indemnify and hold Consultant harmless from any claim, liability or cost arising or allegedly arising out of any reuse of the plans and specifications by the City or its agent not authorized by Consultant.

7. TERMINATION

- a. This Agreement may be terminated by either Party upon thirty (30) days' written notice. In the event this Agreement is terminated by Consultant, the City shall be entitled to reimbursement of costs occasioned by such termination. In the event the City terminates this Agreement, the City shall pay Consultant for the work performed, which shall be an amount equal to the percentage of completion of the work as mutually agreed between the City and Consultant.
- b. If any work covered by this Agreement shall be suspended or abandoned by the City before Consultant has completed the assigned work, Consultant shall be paid an amount equal to the costs incurred up to the date of termination or suspension as mutually agreed upon between the City and Consultant.

8. AVAILABILITY OF RECORDS FOR PUBLIC INSPECTION

- a. As a public contract, all records prepared, generated or used by Consultant or its agents, employees and subcontractors relating to this Agreement and associated work (hereinafter "public records") may be subject to disclosure under the Washington State Public Record Act, Chapter 42.56 RCW.

- b. Contractor shall maintain and retain all such public records in a manner that is readily accessible for a minimum term of no less than three (3) years following completion of the contract work. City shall have the right to timely review all such public records upon request. Contractor shall provide copies of any public records requested by City within thirty (30) calendar days of City's request. If City requests that copies of public records be provided to City in an electronic format, said records shall be provided at no cost to City. If paper copies are requested by City, City shall pay \$.10 per page. Payment for paper copies shall be rendered to Consultant within twenty (20) calendar days of receipt.
- c. All records subject to a public disclosure request will be provided to a requester unless exempted from disclosure by law. The City's decision to exempt or redact any public record shall be based only upon valid exemptions that apply to the City. City will not refrain from disclosing any record under an exemption that may be personal to Consultant. In the event Consultant objects to release of any public record under this Agreement, Consultant may seek judicial approval to prevent such disclosure at Consultant's sole expense. City shall neither aid nor interfere with Consultant's request for an injunction to prevent disclosure of any public record under this Agreement.
- d. Consultant shall insert this provision in all contracts with subcontractors or agents providing services relating to this Agreement.

9. DISPUTE RESOLUTION

- a. The City and Consultant agree to negotiate in good faith for a period of thirty (30) days from the date of notice of all disputes between them prior to exercising their rights under this Agreement, or under law.
- b. All disputes between the City and Consultant not resolved by negotiation between the Parties may be arbitrated only by mutual agreement of the City and Consultant. If not mutually agreed to resolve the claim by arbitration, the claim will resolve by legal action.

10. DEBARMENT CERTIFICATION

Consultant certifies that neither Consultant nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this contract by any federal or state department or agency. Further, Consultant agrees not to enter into any arrangements or contracts related to completion of the work contemplated under this Agreement with any party that is on the "General Service Administration List of Parties Excluded from Federal Procurement or Non-Procurement Programs" which can be found at:

www.sam.gov and <https://secure.lni.wa.gov/verify/>

11. VENUE, APPLICABLE LAW AND PERSONAL JURISDICTION

In the event that either Party deems it necessary to initiate a legal action to enforce any right or obligation under this Agreement, the Parties agree that any such action shall be initiated in the Superior Court of the State of Washington situated in Benton County. The Parties agree that all questions shall be resolved by application of Washington law, and that the Parties to such action shall have the right of appeal from such decision of the Superior Court in accordance with the laws of the State of Washington. Consultant hereby consents to the personal jurisdiction of the Superior Court of the State of Washington situated in Benton County.

12. ATTORNEY'S FEES

The Parties agree that should legal action be necessary to enforce any of the provisions of this Agreement, that the substantially prevailing Party will be awarded its reasonable attorney's fees and costs in action, including costs and attorney's fees on appeal if appeal is taken.

13. INSURANCE

Consultant shall procure and maintain for the duration of the Agreement 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 Consultant, its agents, representatives, or employees.

- a. No Limitation. Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.
- b. Minimum Scope of Insurance. Consultant 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.
 2. Commercial General Liability insurance shall be as least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.
 3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
 4. Professional Liability, Errors or Omissions insurance appropriate to the Consultant's profession. Coverage shall be provided if Consultant is providing services under this Agreement as a licensed professional, including, but not limited to, engineers, architects, accountants, surveyors, and attorneys.
- c. Minimum Amounts of Insurance. Consultant 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 \$2,000,000 each occurrence, \$2,000,000 general aggregate.
 3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.
- d. Other Insurance Provisions. Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be

primary insurance with respect to the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of Consultant's insurance and shall not contribute with it.

- e. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.
- f. Verification of Coverage. Consultant 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 insurance requirements of Consultant before commencement of the work.
- g. Notice of Cancellation. Consultant shall provide the City with written notice of any policy cancellation within two (2) business days of Consultant's receipt of such notice.
- h. Failure to Maintain Insurance. Failure on the part of Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days' notice to Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due Consultant from the City.
- i. Public Entity Full Availability of Consultant Limits. If Consultant maintains higher insurance limits than the minimum shown above, the City shall be insured for the full available limits of the Commercial General and Excess or Umbrella liability maintained by Consultant, irrespective of whether such limits maintained by Consultant are greater than those required by this contract or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by Consultant.

14. INDEMNIFICATION / HOLD HARMLESS

- a. Consultant shall defend, indemnify, 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 resulting from the willful or negligent acts, or alleged willful or alleged negligent acts, errors or omissions of the Consultant or the Consultant's employees or agents in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.
- b. Should a court of competent jurisdiction determine that this Agreement 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 Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant'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.

15. STANDARD OF CARE

The professional services will be furnished in accordance with the care and skill ordinarily used by members of the same profession practicing under similar conditions at the same time and in the same locality.

16. SUCCESSORS OR ASSIGNS

All of the terms, conditions and provisions hereof shall inure to the benefit of and be binding upon the Parties hereto, and their respective successors and assigns; provided, however, that no assignment of the Agreement shall be made without written consent of the non-assigning Party, which may be given in the non-assigning Party's sole discretion.

17. NOTICES

Any notices required under this Agreement will be in writing, addressed to the appropriate Party at the address which appears below (as modified in writing from time to time by such party), and given by electronic submission, by facsimile personally, by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service. All notices shall be effective upon the date sent.

Purchasing Manager
City of Richland
625 Swift Blvd., MS-11
Richland, WA 99352
Email: purchasing@ci.richland.wa.us
Phone: (509) 942-7710

Contact Name: Morgan Bishop
Name of Firm: Commonstreet Consulting, LLC
Address: 92 Lenora St., PMB 125
Address: Seattle, WA 98121
Email: morgan@csrow.com
Phone Number: (509) 868-3950

18. EQUAL OPPORTUNITY AGREEMENT

Consultant agrees that Consultant will not discriminate against any employee or job applicants for work under this Agreement for reasons of race, sex, nationality, religious creed, or sexual orientation.

19. SEVERABILITY

If any provision of this Agreement conflicts with applicable law, or its application is found to be invalid by a court of competent jurisdiction, the remainder of this Agreement shall not be affected, and to this end, the terms of this Agreement are declared to be severable.

20. AMENDMENTS

All amendments must be in writing and be approved and signed by both Parties.

21. CHANGE IN LAW

The Parties hereto agree that in the event legislation is enacted or regulations are promulgated, or a decision of court is rendered, or any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation is published that affects or may affect the legality of this Agreement or any part thereof or that materially and adversely affects the ability of either Party to perform its obligations or receive the benefits intended hereunder ("Adverse Change in Law"), then within fourteen (14) calendar days following written notice by either Party to the other Party of such adverse change in law, the Parties shall meet to negotiate in good faith an amendment which will carry out the original intention of the Parties to the extent possible. If, despite good faith attempts, the Parties cannot reach agreement upon an amendment within sixty (60) calendar days after commencing negotiation, then this Agreement may be terminated by either Party as of the

earlier of: (i) the effective date of the adverse change in law, or (ii) the expiration of a period of sixty (60) days following written notice of termination provided by one Party to the other.

22. CONFIDENTIALITY

In the course of performing under this Agreement, Consultant, including its employees, agents or representatives, may receive, be exposed to, or acquire confidential information. Confidential information may include, but is not limited to, patient information, contract terms, sensitive employee information, or proprietary data in any form, whether written, oral, or contained in any computer database or computer readable form. Consultant shall: i) not disclose or sell confidential information except as permitted by this Agreement; (ii) only permit use of such confidential information by employees, agents and representatives having a need to know in connection with performance under this Agreement; and (iii) advise each of its employees, agents, and representatives of their obligations to keep such information confidential.

23. CHANGES OF WORK

- a. When required to do so, and without any additional compensation, Consultant shall make such changes and revisions in the completed work of this Agreement as necessary to correct or revise any errors, omissions, or other deficiencies in the design, drawings, specifications, reports, and other similar documents which Consultant is responsible for preparing or furnishing under this Agreement.
- b. Should the City find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, Consultant shall make such revisions as directed by the City. This work shall be considered as Extra Work and will be paid for as herein provided under Section 24, Extra Work.

24. EXTRA WORK

The City may desire to have Consultant perform work or render additional services within the general scope of this Agreement. Such work shall be considered as extra work and will be specified in a written supplement to this Agreement which will set forth the nature of the scope, schedule for additional work, additional fees and the method of payment. Work under a supplemental Agreement shall not proceed until authorized in writing by the City.

25. ENTIRE AGREEMENT

This Agreement contains the entire agreement of the Parties hereto and supersedes all previous understandings and agreements, written and oral, with respect to this transaction. Neither Party shall be liable to the other for any representations made by any person regarding the terms of this Agreement, except to the extent that the same are expressed in this Agreement.

26. AUTHORITY TO EXECUTE

Each person executing this Agreement on behalf of another person, corporation, partnership, company, or other organization or entity represents and warrants that he or she is fully authorized to so execute and deliver this Agreement on behalf of the entity or party for which he or she is signing. The Parties hereby warrant to each other that each has full power and authority to enter into this Agreement and to undertake the actions contemplated herein, and that this Agreement is enforceable in accordance with its terms.

27. COUNTERPART ORIGINALS

Execution of this Agreement and any amendment or other document related to this Agreement may be by electronic signature and in any number of counterpart originals, each of which shall be deemed to constitute an original agreement, and all of which shall constitute one whole agreement.

(Signature page to follow)

Draft

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

CITY OF RICHLAND

CONSULTANT

Jon Amundson, ICMA-CM
City Manager

Signature

Attest:

Printed Name

Jennifer Rogers, City Clerk

Title

Approved as to form:

Heather Kintzley, City Attorney

EXHIBIT A: Detailed Scope of Work

See Attached.

Draft



COMMONSTREET

CONSULTING

92 Lenora St, PMB 125
Seattle, WA 98121
(206)920-4017



info@csrow.com
www.csrow.com



September 22, 2025

Sheldon Williamson, P.E.

City of Richland Public Works
625 Swift Blvd., MS-26
Richland, WA 99352

Re: Scope and Fee Proposal – City of Richland – Duportail Street Corridor Improvements

Thank you for the opportunity to provide right of way services for this important transportation project for the City of Richland. It is our understanding that Commonstreet is providing turnkey right of way services for the Duportail Street Corridor Improvements project. This work will include pre-acquisition support services, valuations, property owner negotiations, acquisition documentation, and Washington State Department of Transportation (WSDOT) certification support if needed.

Scope Summary and Project Understanding

This project will include constructing roundabouts at Duportail Street and Kennedy Road intersection, associated signage, pavement markings, concrete median, curb, gutter, sidewalk, and streetlights from Keene Road to 500 ft east of Kennedy. The fee proposal provided herein are based upon an assumption of potential ROW impacts assuming up to thirteen (13) strip fee acquisition (FEE), and up to two (2) temporary easements (TE). It is understood that any change in scope will require an amendment in scope and fee. All right of way activities will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), WSDOT LAG manual, and the City's WSDOT Approved ROW Procedures. This is a total amount not to exceed (NTE) budget and allocation between subtasks is for reference only and does not constitute separate budgets for each subtask.

Assumptions

- WSDOT ROW Certification may be required.
- The City requires no more than fifteen (15) partial acquisitions consisting of up to thirteen (13) strip fee acquisitions and two (2) temporary easements.
- There are no full acquisitions.
- No design changes will occur after the initial valuation assignment is authorized.
- No occupants or personal property will be displaced requiring relocation services, and no relocation services will be required.
- Commonstreet will utilize WSDOT templates and provide to the City for review and approval.
- No more than thirteen (13) full appraisals, thirteen (13) appraisal reviews, and two (2) waiver valuations will be required.
- Title reports will be provided by the city.

- The City will pay directly to the title company all expenses for title commitments, recording fees, escrow services, and title insurance.
- If the Notice to Proceed (NTP) is received after 120 days from this proposal, fees and billing rates may require revision to reflect cost of living increases and current business conditions.

Best regards,

Morgan Bishop
Senior Project Manager

Scope of Services

Task 1.0 – ROW Project Management

- Prepare for and attend early design development meetings as requested by the city or the project team;
- Provide pre-acquisition services as requested by the city or project team to support early design development;
- Respond to inquiries and needs identified by your team, the city, and/or Project Stakeholders;
- Oversight of preliminary ROW activities to comply with WSDOT requirements;
- Provide written and oral status updates on right of way activities;
- Provide oversight to all aspects of the right of way program;
- Review of City's approved Right of Way Procedures;
- Develop and execute the Right of Way program in compliance with state law, Uniform Act and WSDOT requirements;
- Provide oversight of ROW activities to comply with WSDOT certification requirements;
- Maintain quality control/quality assurance protocols in the execution of the right of way tasks;
- Coordinate title review.

Task 2.0 – Title Searches and Review

- Create state and federal compliant project files for each parcel;
- Request the City order new and/or updates to existing title commitments;
- Review title reports for each parcel and identify each exception;
- Once a parcel's title interest has been reviewed, identify methods of clearance per City direction.

Task 3.0 – Valuation Services

- Coordinate valuation task and any subconsultants;
- Provide all documentation required to complete the City's Determinations of Value and integrate findings into offer packages.
- Commonstreet will manage Right of Way Team sub-consultants to prepare the appraisals, appraisal reviews, and waiver valuations;
- Coordinate the development of DV/Just Compensation approved by the Agency.

Task 4.0 - Negotiations, Administrative Settlements, QA/QC

- Project file set-up;
- Review of all valuation and compensation data;
- QA/QC of all documents, tasks, and processes before, during, and after acquisition process;
- Prepare, deliver, and present offer packages in person if possible;
- Negotiate settlement, and draft justification memos when necessary;
- Clear encroachments to comply with federal and state requirements;
- Additionally, includes support preparing condemnation ordinance(s) when required.

Task 5.0– WSDOT Certification and File Close Out

- Collaborate with City during certification process;
- Set up client escrow account or facilitate execution of all conveyance documents, payment vouchers, proof of payment and closing data along with recorded conveyance documents and closing of files;
- Compile completed/closed files to provide to WSDOT LAC;
- Address any items brought forth by Local Programs;
- Prepare parcel files (electronic and/or hard copy) in a format requested by the city and provide to City for retention.

Deliverables

- When/if property owners agree to settlement, executed offer packages.
- Completed acquisition files that adhere to Federal standards for certification.

Exhibit C

Scope and Fee Table Summary					
City of Richland - Duportail Street Corridor Improvements					
9/22/2025					
				Indirect Cost Rate	121.85%
				Fixed Fee %	30.00%
Tasks		Job Classifications	Fully Burdened NTE Rate	Qty.	Total
1.0	Project Management and Administration			0	\$0.00
		Senior Project Manager / Senior Field Manager/Risk management	\$193.12	50	\$9,656.00
				0	\$0.00
				0	\$0.00
				0	\$0.00
				0	\$0.00
				0	\$0.00
2.0	Title Review			0	\$0.00
		Senior ROW Technician	\$138.84	80	\$11,107.20
				0	\$0.00
				0	\$0.00
				0	\$0.00
				0	\$0.00
				0	\$0.00
3.0	*Appraisal and Appraisal Review Coordination			0	\$0.00
		Waiver Valuations	\$2,500.00	2	\$5,000.00
		Appraisal subconsultant @ 13 appraisals	\$5,000.00	13	\$65,000.00
		Appraisal subconsultant @ 13 appraisal reviews	\$2,500.00	13	\$32,500.00
				0	\$0.00
				0	\$0.00
				0	\$0.00
4.0	Negotiations, Administrative Settlements, and QA/QC			0	\$0.00
				0	\$0.00
		Senior Right of Way Agent/Lead	\$151.36	225	\$34,056.00
		Right of Way Agent	\$95.35	650	\$61,977.50
				0	\$0.00
				0	\$0.00
				0	\$0.00
5.0	File management, Document control, Project Support			0	\$0.00
				0	\$0.00
		Project Control Specialist	\$110.61	125	\$13,826.25
				0	\$0.00
				0	\$0.00
				0	\$0.00
				0	\$0.00
Labor Hours Total			1033	\$233,122.95	
Expenses	Type	Rate	Qty.	Total	
Other Direct Costs (ODC's)	Certified mailings	\$20.00	14	\$280.00	
	Mileage at current federal rate	\$0.70	1500	\$1,050.00	
	Per Diem - GSA rate	\$64.50	5	\$322.50	
Expense Total				\$1,652.50	
Contract Total				\$234,775.45	



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Resolutions - Adoption

Strategic Priority I - High Performance Government

Subject

Resolution No. 2025-126, Ratifying a Purchase Order with Axon Enterprise, Inc. for the Richland Police Department's Public Safety Video Camera System

Department/Office

Police

Ordinance/Resolution Number

2025-126

Document Type

Resolution

Recommended Motion

Adopt Resolution No. 2025-126, ratifying the City Manager's approval of a purchase order with Axon Enterprise, Inc. for the Richland Police Department's public safety video camera system.

Summary

In 2021, the Richland Police Department and neighboring jurisdictions engaged in discussion on how to best meet the recording requirements established under the Uniform Electronic Recordation of Custodial Interrogations Act, and to select a system that would serve officers, justice partners, and community stakeholders. After careful consideration, Axon Enterprise, Inc. ("Axon") was identified as the most effective solution.

On October 5, 2021, Richland City Council adopted Resolution No. 115-21, approving the initial purchase of the public safety video system from Axon. The initial five (5) year agreement is now reaching an end, and Axon has provided a quote for continuation of and addition to RPD's public safety video camera system.

RMC 3.04.100 allows the City to waive the formal bid process in favor of another agency's cooperative purchasing agreement so long as the other agency's agreement meets the City's purchasing requirements. The City has a long-standing cooperative purchasing agreement with Sourcewell that allows the City to purchase products and services under the same terms and conditions bargained for by Sourcewell (i.e., "piggybacking"). Sourcewell contracted with Axon for public safety camera systems under Contract No. 101223-AXN, and Richland is able to get the same contract terms with Axon under this Sourcewell agreement. The Sourcewell solicitation and current cooperative purchasing agreement have been reviewed by the City's Purchasing staff to ensure compliance with RCW 39.34.030 and RMC 3.04.100.

The updated plan significantly improves RPD's technology package by providing all patrol officers with Axon Body 4 cameras and refresh cycles, deploying Fleet 3 in-car systems to all patrol vehicles, upgrading to the TASER 10 platform, introducing Drone as First Responder capability with Skydio, adding FususONE real-time video for future Real Time Information Center operations, implementing virtual reality (VR) training systems with refresh cycles, and expanding Axon Evidence to include AI transcription, redaction, and increased storage, which will improve case management, discovery, and public records processing.

This upgrade transitions RPD from a device-focused approach to an integrated safety and evidence system, enhancing officer safety, transparency, and investigation effectiveness.

Staff recommends adoption of Resolution No. 2025-126.

Fiscal Impact

The 5-year contract includes a first payment of \$516,620.85, followed by three annual payments of \$535,620.85, and a final fifth payment of \$535,620.89.

Attachments

1. Resolution No. 2025-126
2. 2025 Purchase Order with Axon Enterprises, Inc.

RESOLUTION NO. 2025-126

A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON, RATIFYING A PURCHASE ORDER WITH AXON ENTERPRISE, INC. FOR A PUBLIC SAFETY VIDEO CAMERA SYSTEM.

WHEREAS, under the Uniform Electronic Recordation of Custodial Interrogations Act, adopted by the Washington State Legislature in 2021, all custodial interrogations of suspects believed to have committed felony or juvenile offenses must be electronically recorded, to include a video component for interrogations occurring in a cell, jail, or law enforcement office; and

WHEREAS, on October 5, 2021, to meet the requirements of the new law, Richland City Council adopted Resolution No. 115-21, approving the initial purchase of a public safety video camera system including body-worn cameras, dashboard cameras, air cards, interview room cameras, and tasers; and

WHEREAS, the initial 5-year agreement with Axon Enterprise, Inc. (“Axon”) is reaching an end, and Axon has provided a quote for continuation of and addition to the public safety video camera system; and

WHEREAS, RCW 39.34.030 and RMC 3.04.100 allow for waiver of the City’s formal solicitation process when a suitable cooperative purchasing agreement is available; and

WHEREAS, the acquisition of goods or services under an established cooperative purchasing agreement (also known as “piggybacking”) allows the City to use the terms and conditions of an established contract in lieu of a formal bid process; and

WHEREAS, Richland has a long-standing cooperative purchasing agreement with Sourcewell, which allows the City to purchase products and services under the Sourcewell contracts; and

WHEREAS, Sourcewell has contracted with Axon Enterprise, Inc. for public safety video camera systems under Contract No. 101223-AXN, which is a cooperative purchasing agreement available to the City; and

WHEREAS, the Sourcewell solicitation and current cooperative purchasing agreement have been reviewed by the City’s Purchasing division to ensure compliance with RCW 39.34.030 and RMC 3.04.100; and

WHEREAS, Sourcewell’s solicitation process satisfies the City’s requirements and specifications for purchasing the products and services identified herein, which are the same as those listed in the Sourcewell solicitation; and

WHEREAS, the City will pay Axon Enterprises, Inc. the same rates and fees for the procurement of these products and services as established in the Sourcewell contract; and

WHEREAS, in order to take advantage of pricing, the City executed a five-year payment plan with a first payment of \$516,702.81, followed by three annual payments of \$535,620.85 and a fifth payment of \$535,620.89.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager's execution of a purchase order with Axon Enterprises, Inc. for the purchase of products and services necessary to support the public safety video camera system in the Richland Police Department is hereby ratified.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



Axon Enterprise, Inc.
17800 N 85th St
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic:(800) 978-2737
International: +1.800.978.2737

Contract No. 347-21

Q-722891-45924KH

Issued: 09/24/2025

Quote Expiration: 09/30/2025

Estimated Contract Start Date: 01/15/2026

Account Number: 166375

Payment Terms: N30

Mode of Delivery: UPS-GND

Credit/Debit Amount: \$0.00

SHIP TO	BILL TO
Richland Police Department 871 George Washington Way Richland, WA 99352-3538 USA	Richland Police Dept. - WA 625 Swift Blvd Richland WA 99352-3500 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Kyle Hunt Phone: Email: huntk@axon.com Fax: (480) 930-4484	Christopher Mason Phone: Email: cmason@ci.richland.wa.us Fax:

Quote Summary

Program Length	60 Months
TOTAL COST	\$2,453,171.69
ESTIMATED TOTAL W/ TAX	\$2,640,983.86

Discount Summary

Average Savings Per Year	\$236,293.56
TOTAL SAVINGS	\$1,181,467.82

Payment Summary

Date	Subtotal	Tax	Total
Jan 2026	\$486,121.81	\$37,315.67	\$523,437.48
Jan 2027	\$491,762.47	\$37,624.12	\$529,386.59
Jan 2028	\$491,762.47	\$37,624.12	\$529,386.59
Jan 2029	\$491,762.47	\$37,624.12	\$529,386.59
Jan 2030	\$491,762.47	\$37,624.14	\$529,386.61
Total	\$2,453,171.69	\$187,812.17	\$2,640,983.86

Quote Unbundled Price:	\$3,326,090.42
Quote List Price:	\$2,606,392.82
Quote Subtotal:	\$2,453,171.69

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
Program									
100553	TRANSFER BALANCE - SOFTWARE AND SERVICES	1			\$1.00	(\$20,674.60)	(\$20,674.60)	(\$1,798.69)	(\$22,473.29)
100552	TRANSFER BALANCE - GOODS	1			\$1.00	\$32,402.89	\$32,402.89	\$2,819.06	\$35,221.95
Fleet3BRe	Fleet 3 Basic Renewal	35	60	\$97.43	\$96.41	\$83.88	\$176,148.00	\$9,284.47	\$185,432.47
M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	74	60	\$429.15	\$287.06	\$264.10	\$1,172,604.00	\$93,041.56	\$1,265,645.56
B00066	BUNDLE - LIGHTPOST WITH TAP	10	60	\$561.02	\$416.56	\$333.25	\$199,950.00	\$17,395.57	\$217,345.57
A la Carte Hardware									
101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	3			\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00
101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	3			\$600.00	\$0.00	\$0.00	\$0.00	\$0.00
101408	AXON FUSUS - CORE - CAD	1			\$600.00	\$0.00	\$0.00	\$0.00	\$0.00
101526	AXON AIR - SKYDIO - ASSURED FUTURE EQPMNT PARACHUTE REFRESH	2			\$4,000.00	\$4,000.00	\$8,000.00	\$696.00	\$8,696.00
101250	AXON AIR - SKYDIO PARACHUTE FOR X10	2			\$4,000.00	\$4,000.00	\$8,000.00	\$696.00	\$8,696.00
101968	AXON AIR - SKYDIO ASSURED FUTURE EQUIPMENT DFR KIT	2			\$28,268.00	\$28,268.00	\$56,536.00	\$4,918.64	\$61,454.64
72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	35			\$2,695.00	\$2,695.00	\$94,325.00	\$8,206.28	\$102,531.28
H00001	AB4 Camera Bundle	70			\$899.00	\$0.00	\$0.00	\$0.00	\$0.00
H00002	AB4 Multi Bay Dock Bundle	9			\$1,638.90	\$0.00	\$0.00	\$0.00	\$0.00
H00001	AB4 Camera Bundle	4			\$899.00	\$0.00	\$0.00	\$0.00	\$0.00
H00002	AB4 Multi Bay Dock Bundle	1			\$1,638.90	\$0.00	\$0.00	\$0.00	\$0.00
F00011	BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	35			\$1,713.00	\$274.08	\$9,592.80	\$834.58	\$10,427.38
A00008	BUNDLE - AXON AIR DFR SINGLE DOCK	2	60		\$113,947.43	\$4,045.98	\$485,517.60	\$33,975.05	\$519,492.65
A00007	BUNDLE - AXON DFR PATROL	1	60		\$66,224.76	\$0.00	\$0.00	\$0.00	\$0.00
A la Carte Software									
50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	2	60		\$28.21	\$0.00	\$0.00	\$0.00	\$0.00
50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	60		\$32.98	\$0.00	\$0.00	\$0.00	\$0.00
50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	4	60		\$111.75	\$111.75	\$26,820.00	\$0.00	\$26,820.00
102011	AXON AI ASSISTANT	74	60		\$32.55	\$32.55	\$144,522.00	\$12,573.41	\$157,095.41
ProLicense	Pro License Bundle	20	60		\$48.82	\$48.75	\$58,500.00	\$5,089.50	\$63,589.50
A la Carte Services									
100968	AXON AIR - SKYDIO WAIVER APPLICATION - REMOTE OPS ESSENTIAL	1			\$20,000.00	\$0.00	\$0.00	\$0.00	\$0.00
A la Carte Warranties									
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	48		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	48		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	48		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	2			\$464.00	\$464.00	\$928.00	\$80.74	\$1,008.74
Total							\$2,453,171.69	\$187,812.17	\$2,640,983.86

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	70	1	12/15/2025
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	2	1	12/15/2025
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	4	1	12/15/2025
AB4 Camera Bundle	100466	AXON BODY 4 - CABLE - USB-C TO USB-C	5	1	12/15/2025
AB4 Camera Bundle	100466	AXON BODY 4 - CABLE - USB-C TO USB-C	77	1	12/15/2025
AB4 Camera Bundle	100775	AXON BODY 4 - MAGNETIC DISCONNECT CABLE	77	1	12/15/2025
AB4 Camera Bundle	100775	AXON BODY 4 - MAGNETIC DISCONNECT CABLE	5	1	12/15/2025
AB4 Camera Bundle	74028	AXON BODY - MOUNT - WING CLIP RAPIDLOCK	77	1	12/15/2025
AB4 Camera Bundle	74028	AXON BODY - MOUNT - WING CLIP RAPIDLOCK	5	1	12/15/2025
AB4 Multi Bay Dock Bundle	100206	AXON BODY 4 - 8 BAY DOCK	1	1	12/15/2025
AB4 Multi Bay Dock Bundle	100206	AXON BODY 4 - 8 BAY DOCK	9	1	12/15/2025
AB4 Multi Bay Dock Bundle	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	1	1	12/15/2025
AB4 Multi Bay Dock Bundle	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	9	1	12/15/2025
AB4 Multi Bay Dock Bundle	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	9	1	12/15/2025
AB4 Multi Bay Dock Bundle	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	1	1	12/15/2025
BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	100989	AXON FLEET - CRADLEPOINT R920-C7A+5YR NETCLOUD	35	1	12/15/2025
BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	71200	AXON FLEET - AIRGAIN ANT - 5-IN-1 2LTE 2WIFI 1GNSS BL	35	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100126	AXON VR - TACTICAL BAG	3	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100390	AXON TASER 10 - HANDLE - YELLOW CLASS 3R	2	2	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100390	AXON TASER 10 - HANDLE - YELLOW CLASS 3R	74	2	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100394	AXON TASER 10 - MAGAZINE - HALT TRAINING BLUE	4	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100396	AXON TASER 10 - MAGAZINE - INERT RED	2	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	1480	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	740	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100401	AXON TASER 10 - CARTRIDGE - INERT	30	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100591	AXON TASER - CLEANING KIT	1	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100611	AXON TASER 10 - SAFARILAND HOLSTER - RH	74	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100623	ENHANCED HOOK-AND-LOOP TRAINING (HALT) SUIT (V2)	1	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100681	AXON SIGNAL - SIDEARM SENSOR ONLY	74	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100748	AXON VR - CONTROLLER - TASER 10	3	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100832	AXON VR - CONTROLLER - HANDGUN VR19H	3	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101122	AXON VR - HOLSTER - T10 SAFARILAND GRAY - RH	3	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101294	AXON VR - TABLET	3	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101300	AXON VR - TABLET CASE	3	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101455	AXON TASER 10 - REPLACEMENT TOOL KIT - INTERPOSER BUCKET	1	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101456	AXON TASER 10 - REPLACEMENT INTERPOSER BUCKET	1	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101751	AXON VR - HEADSET - HTC FOCUS VISION	3	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101755	AXON TASER 10 - MAGAZINE - LIVE DUTY BLACK V2	2	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101755	AXON TASER 10 - MAGAZINE - LIVE DUTY BLACK V2	74	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101757	AXON TASER 10 - MAGAZINE - LIVE TRAINING PURPLE V2	3	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20018	AXON TASER - BATTERY PACK - TACTICAL	74	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20018	AXON TASER - BATTERY PACK - TACTICAL	15	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20018	AXON TASER - BATTERY PACK - TACTICAL	2	1	12/15/2025

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	1	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	1	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	71044	AXON SIGNAL - BATTERY - CR2430 SINGLE PACK	148	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	74200	AXON TASER - DOCK - SIX BAY PLUS CORE	1	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80087	AXON TASER - TARGET - CONDUCTIVE PROFESSIONAL RUGGEDIZED	1	1	12/15/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80090	AXON TASER - TARGET FRAME - PROFESSIONAL 27.5 IN X 75 IN	1	1	12/15/2025
A la Carte	72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	35	1	12/15/2025
BUNDLE - AXON AIR DFR SINGLE DOCK	101736	AXON AIR - SKYDIO X10 DOCK HW KIT	2	1	01/15/2026
BUNDLE - AXON DFR PATROL	101737	AXON AIR - SKYDIO SAFE PATROL KIT HW REFRESH	1	1	01/15/2026
BUNDLE - AXON DFR PATROL	101738	AXON AIR - SKYDIO X10 PATROL HW KIT	1	1	01/15/2026
BUNDLE - LIGHTPOST WITH TAP	102131	AXON LIGHTPOST - 3P CAMERA	10	1	01/15/2026
BUNDLE - LIGHTPOST WITH TAP	102132	UBIHUB 2.0 WITH AXON EMBEDDED CAPABILITY (CORE/AI)	10	1	01/15/2026
BUNDLE - LIGHTPOST WITH TAP	102164	AXON LIGHTPOST - 3P CAMERA MOUNTING HARDWARE	10	1	01/15/2026
A la Carte	101250	AXON AIR - SKYDIO PARACHUTE FOR X10	2	1	01/15/2026
A la Carte	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	3	1	01/15/2026
A la Carte	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	3	1	01/15/2026
A la Carte	101408	AXON FUSUS - CORE - CAD	1	1	01/15/2026
A la Carte	101526	AXON AIR - SKYDIO - ASSURED FUTURE EQPMNT PARACHUTE REFRESH	2	1	01/15/2026
A la Carte	101968	AXON AIR - SKYDIO ASSURED FUTURE EQUIPMENT DFR KIT	2	1	01/15/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	230	1	12/15/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	600	1	12/15/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	220	1	12/15/2027
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	590	1	12/15/2027
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100210	AXON VR - TAP REFRESH 1 - TABLET	3	1	06/15/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101009	AXON VR - TAP REFRESH 1 - SIDEARM CONTROLLER	3	1	06/15/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101012	AXON VR - TAP REFRESH 1 - CONTROLLER	3	1	06/15/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20373	AXON VR - TAP REFRESH 1 - HEADSET	3	1	06/15/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73309	AXON BODY - TAP REFRESH 1 - CAMERA	76	1	06/15/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73689	AXON BODY - TAP REFRESH 1 - DOCK MULTI BAY	10	1	06/15/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	220	1	12/15/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	590	1	12/15/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	220	1	12/15/2029
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	590	1	12/15/2029
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73310	AXON BODY - TAP REFRESH 2 - CAMERA	76	1	12/15/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73688	AXON BODY - TAP REFRESH 2 - DOCK MULTI BAY	10	1	12/15/2030
BUNDLE - LIGHTPOST WITH TAP	102154	AXON LIGHTPOST - TAP REFRESH 3P CAMERA	10	1	01/14/2031
BUNDLE - LIGHTPOST WITH TAP	102162	AXON LIGHTPOST - TAP REFRESH - UBIHUB	10	1	01/14/2031

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BUNDLE - AXON AIR DFR SINGLE DOCK	100112	AXON AIR - EVIDENCE.COM LICENSE - PILOT DATA	2	01/15/2026	01/14/2031
BUNDLE - AXON AIR DFR SINGLE DOCK	100551	AXON AIR - DRONESENSE CLOUDSTREAM FOR SKYDIO	2	01/15/2026	01/14/2031
BUNDLE - AXON AIR DFR SINGLE DOCK	101199	AXON AIR - SKYDIO DFR COMMAND	2	01/15/2026	01/14/2031
BUNDLE - AXON DFR PATROL	100112	AXON AIR - EVIDENCE.COM LICENSE - PILOT DATA	1	01/15/2026	01/14/2031
BUNDLE - AXON DFR PATROL	101199	AXON AIR - SKYDIO DFR COMMAND	1	01/15/2026	01/14/2031
BUNDLE - LIGHTPOST WITH TAP	102142	AXON VEHICLE INTELLIGENCE - ALPR LICENSE	10	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101180	AXON TASER - DATA SCIENCE PROGRAM	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101705	AXON FUSUS - LICENSE - PRO USER	74	01/15/2026	01/14/2031

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101711	AXON FUSUS - LICENSE - ADDITIONAL CCTV STREAMS	150	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20248	AXON TASER - EVIDENCE.COM LICENSE	1	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20248	AXON TASER - EVIDENCE.COM LICENSE	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20370	AXON VR - USER ACCESS - FULL VR	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73449	AXON BODY - LICENSE - DEVICE CONNECTIVITY	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73478	AXON EVIDENCE - REDACTION ASSISTANT USER LICENSE	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73618	AXON COMMUNITY REQUEST	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73638	AXON STANDARDS - LICENSE	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73682	AXON EVIDENCE - AUTO TAGGING LICENSE	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73683	AXON EVIDENCE - STORAGE - 10GB A LA CARTE	740	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73686	AXON EVIDENCE - STORAGE - UNLIMITED (AXON DEVICE)	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73739	AXON PERFORMANCE - LICENSE	74	01/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73746	AXON EVIDENCE - ECOM LICENSE - PRO	74	01/15/2026	01/14/2031
Fleet 3 Basic Renewal	80400	AXON EVIDENCE - FLEET VEHICLE LICENSE	35	01/15/2026	01/14/2031
Fleet 3 Basic Renewal	80410	AXON EVIDENCE - STORAGE - FLEET 1 CAMERA UNLIMITED	70	01/15/2026	01/14/2031
Pro License Bundle	73683	AXON EVIDENCE - STORAGE - 10GB A LA CARTE	60	01/15/2026	01/14/2031
Pro License Bundle	73746	AXON EVIDENCE - ECOM LICENSE - PRO	20	01/15/2026	01/14/2031
A la Carte	102011	AXON AI ASSISTANT	74	01/15/2026	01/14/2031
A la Carte	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	2	01/15/2026	01/14/2031
A la Carte	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	01/15/2026	01/14/2031
A la Carte	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	4	01/15/2026	01/14/2031

Services

Bundle	Item	Description	QTY
BUNDLE - AXON AIR DFR SINGLE DOCK	101502	AXON AIR - SKYDIO - DEPLOYMENT AND TRAINING - DOCK FOR X10	2
BUNDLE - AXON AIR DFR SINGLE DOCK	102294	AXON AIR - SKYDIO DOCK FOR X10 - MAINT. AND REPAIR - PREMIUM	2
BUNDLE - AXON AIR DFR SINGLE DOCK	12021	AXON AIR - PROFESSIONAL IMPLEMENTATION	1
BUNDLE - AXON DFR PATROL	101246	AXON AIR - SKYDIO X10 IN-PERSON TRAINING	1
BUNDLE - AXON DFR PATROL	12021	AXON AIR - PROFESSIONAL IMPLEMENTATION	1
BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	100738	AXON FLEET 3 - SIM INSERTION - VZW 4FF	35
BUNDLE - LIGHTPOST WITH TAP	102153	AXON LIGHTPOST - INSTALL SERVICE	20
BUNDLE - LIGHTPOST WITH TAP	102156	AXON LIGHTPOST - INTERNET ACCESS	10
BUNDLE - LIGHTPOST WITH TAP	102394	AXON LIGHTPOST - 5YR MAINTENANCE, MONITORING, WTY SERVICE	10
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100751	AXON TASER 10 - REPLACEMENT ACCESS PROGRAM - DUTY CARTRIDGE	74
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101184	AXON INVESTIGATE - TRAINING - OPERATOR AND EXAMINER	4
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101193	AXON TASER - ON DEMAND CERTIFICATION	74
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101780	AXON FUSUS - PSO - SW IMPLEMENTATION - PRO	1
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	11642	AXON INVESTIGATE - THIRD PARTY VIDEO SUPPORT	74
Fleet 3 Basic Renewal	73392	AXON FLEET 3 - INSTALLATION - UPGRADE (PER VEHICLE)	35
A la Carte	100968	AXON AIR - SKYDIO WAIVER APPLICATION - REMOTE OPS ESSENTIAL	1

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BUNDLE - AXON AIR DFR SINGLE DOCK	101508	AXON AIR - SKYDIO - CARE FOR X10 CELLULAR 5G + VT300-Z 3YR	2		
BUNDLE - AXON DFR PATROL	101508	AXON AIR - SKYDIO - CARE FOR X10 CELLULAR 5G + VT300-Z 3YR	1		
A la Carte	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	2		
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100197	AXON VR - EXT WARRANTY - HEADSET	3	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100213	AXON VR - EXT WARRANTY - TABLET	3	12/15/2026	01/14/2031

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100704	AXON TASER 10 - EXT WARRANTY - HANDLE	74	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100704	AXON TASER 10 - EXT WARRANTY - HANDLE	2	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101007	AXON VR - EXT WARRANTY - CONTROLLER	3	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101008	AXON VR - EXT WARRANTY - HANDGUN CONTROLLER	3	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	74	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	2	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	15	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80396	AXON TASER - EXT WARRANTY - DOCK SIX BAY T7/T10	1	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80464	AXON BODY - TAP WARRANTY - CAMERA	74	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80464	AXON BODY - TAP WARRANTY - CAMERA	2	12/15/2026	01/14/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80465	AXON BODY - TAP WARRANTY - MULTI BAY DOCK	10	12/15/2026	01/14/2031
Fleet 3 Basic Renewal	80495	AXON FLEET 3 - EXT WARRANTY - 2 CAMERA KIT	35	12/15/2026	01/14/2031
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	01/15/2027	01/14/2031
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	01/15/2027	01/14/2031
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	01/15/2027	01/14/2031

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	871 George Washington Way	Richland	WA	99352-3538	USA
2	871 George Washington Way	Richland	WA	99352-3538	USA

Payment Details

Jan 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 1	100552	TRANSFER BALANCE - GOODS	1	\$32,402.89	\$2,819.06	\$35,221.95
Year 1	100553	TRANSFER BALANCE - SOFTWARE AND SERVICES	1	(\$20,674.60)	(\$1,798.69)	(\$22,473.29)
Year 1	100968	AXON AIR - SKYDIO WAIVER APPLICATION - REMOTE OPS ESSENTIAL	1	\$0.00	\$0.00	\$0.00
Year 1	101250	AXON AIR - SKYDIO PARACHUTE FOR X10	2	\$1,554.47	\$135.24	\$1,689.71
Year 1	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	3	\$0.00	\$0.00	\$0.00
Year 1	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	3	\$0.00	\$0.00	\$0.00
Year 1	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 1	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 1	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 1	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 1	101526	AXON AIR - SKYDIO - ASSURED FUTURE EQPMNT PARACHUTE REFRESH	2	\$1,554.47	\$135.24	\$1,689.71
Year 1	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	2	\$180.32	\$15.69	\$196.01
Year 1	101968	AXON AIR - SKYDIO ASSURED FUTURE EQUIPMENT DFR KIT	2	\$10,985.43	\$955.73	\$11,941.16
Year 1	102011	AXON AI ASSISTANT	74	\$28,081.91	\$2,443.12	\$30,525.03
Year 1	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	2	\$0.00	\$0.00	\$0.00
Year 1	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$0.00	\$0.00	\$0.00
Year 1	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	4	\$5,211.36	\$0.00	\$5,211.36
Year 1	72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	35	\$18,328.16	\$1,594.55	\$19,922.71
Year 1	A00007	BUNDLE - AXON DFR PATROL	1	\$0.00	\$0.00	\$0.00
Year 1	A00008	BUNDLE - AXON AIR DFR SINGLE DOCK	2	\$94,340.25	\$6,601.65	\$100,941.90
Year 1	B00066	BUNDLE - LIGHTPOST WITH TAP	10	\$38,852.01	\$3,380.13	\$42,232.14
Year 1	F00011	BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	35	\$1,863.96	\$162.16	\$2,026.12
Year 1	Fleet3BRe	Fleet 3 Basic Renewal	35	\$34,227.08	\$1,804.05	\$36,031.13
Year 1	H00001	AB4 Camera Bundle	4	\$0.00	\$0.00	\$0.00
Year 1	H00001	AB4 Camera Bundle	70	\$0.00	\$0.00	\$0.00
Year 1	H00002	AB4 Multi Bay Dock Bundle	9	\$0.00	\$0.00	\$0.00
Year 1	H00002	AB4 Multi Bay Dock Bundle	1	\$0.00	\$0.00	\$0.00
Year 1	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	74	\$227,847.05	\$18,078.81	\$245,925.86
Year 1	ProLicense	Pro License Bundle	20	\$11,367.05	\$988.93	\$12,355.98
Total				\$486,121.81	\$37,315.67	\$523,437.48

Jan 2027

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 2	100968	AXON AIR - SKYDIO WAIVER APPLICATION - REMOTE OPS ESSENTIAL	1	\$0.00	\$0.00	\$0.00
Year 2	101250	AXON AIR - SKYDIO PARACHUTE FOR X10	2	\$1,611.38	\$140.19	\$1,751.57
Year 2	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	3	\$0.00	\$0.00	\$0.00
Year 2	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	3	\$0.00	\$0.00	\$0.00
Year 2	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00

Jan 2027						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 2	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 2	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 2	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 2	101526	AXON AIR - SKYDIO - ASSURED FUTURE EQPMNT PARACHUTE REFRESH	2	\$1,611.38	\$140.19	\$1,751.57
Year 2	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	2	\$186.92	\$16.26	\$203.18
Year 2	101968	AXON AIR - SKYDIO ASSURED FUTURE EQUIPMENT DFR KIT	2	\$11,387.64	\$990.73	\$12,378.37
Year 2	102011	AXON AI ASSISTANT	74	\$29,110.02	\$2,532.57	\$31,642.59
Year 2	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	2	\$0.00	\$0.00	\$0.00
Year 2	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$0.00	\$0.00	\$0.00
Year 2	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	4	\$5,402.16	\$0.00	\$5,402.16
Year 2	72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	35	\$18,999.21	\$1,652.93	\$20,652.14
Year 2	A00007	BUNDLE - AXON DFR PATROL	1	\$0.00	\$0.00	\$0.00
Year 2	A00008	BUNDLE - AXON AIR DFR SINGLE DOCK	2	\$97,794.34	\$6,843.36	\$104,637.70
Year 2	B00066	BUNDLE - LIGHTPOST WITH TAP	10	\$40,274.50	\$3,503.86	\$43,778.36
Year 2	F00011	BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	35	\$1,932.21	\$168.11	\$2,100.32
Year 2	Fleet3BRe	Fleet 3 Basic Renewal	35	\$35,480.23	\$1,870.10	\$37,350.33
Year 2	H00001	AB4 Camera Bundle	70	\$0.00	\$0.00	\$0.00
Year 2	H00001	AB4 Camera Bundle	4	\$0.00	\$0.00	\$0.00
Year 2	H00002	AB4 Multi Bay Dock Bundle	9	\$0.00	\$0.00	\$0.00
Year 2	H00002	AB4 Multi Bay Dock Bundle	1	\$0.00	\$0.00	\$0.00
Year 2	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	74	\$236,189.24	\$18,740.68	\$254,929.92
Year 2	ProLicense	Pro License Bundle	20	\$11,783.24	\$1,025.14	\$12,808.38
Total				\$491,762.47	\$37,624.12	\$529,386.59

Jan 2028						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 3	100968	AXON AIR - SKYDIO WAIVER APPLICATION - REMOTE OPS ESSENTIAL	1	\$0.00	\$0.00	\$0.00
Year 3	101250	AXON AIR - SKYDIO PARACHUTE FOR X10	2	\$1,611.38	\$140.19	\$1,751.57
Year 3	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	3	\$0.00	\$0.00	\$0.00
Year 3	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	3	\$0.00	\$0.00	\$0.00
Year 3	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 3	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 3	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 3	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 3	101526	AXON AIR - SKYDIO - ASSURED FUTURE EQPMNT PARACHUTE REFRESH	2	\$1,611.38	\$140.19	\$1,751.57
Year 3	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	2	\$186.92	\$16.26	\$203.18
Year 3	101968	AXON AIR - SKYDIO ASSURED FUTURE EQUIPMENT DFR KIT	2	\$11,387.64	\$990.73	\$12,378.37
Year 3	102011	AXON AI ASSISTANT	74	\$29,110.02	\$2,532.57	\$31,642.59
Year 3	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	2	\$0.00	\$0.00	\$0.00
Year 3	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$0.00	\$0.00	\$0.00
Year 3	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	4	\$5,402.16	\$0.00	\$5,402.16
Year 3	72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	35	\$18,999.21	\$1,652.93	\$20,652.14
Year 3	A00007	BUNDLE - AXON DFR PATROL	1	\$0.00	\$0.00	\$0.00
Year 3	A00008	BUNDLE - AXON AIR DFR SINGLE DOCK	2	\$97,794.34	\$6,843.36	\$104,637.70
Year 3	B00066	BUNDLE - LIGHTPOST WITH TAP	10	\$40,274.50	\$3,503.86	\$43,778.36
Year 3	F00011	BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	35	\$1,932.21	\$168.11	\$2,100.32
Year 3	Fleet3BRe	Fleet 3 Basic Renewal	35	\$35,480.23	\$1,870.10	\$37,350.33
Year 3	H00001	AB4 Camera Bundle	4	\$0.00	\$0.00	\$0.00
Year 3	H00001	AB4 Camera Bundle	70	\$0.00	\$0.00	\$0.00
Year 3	H00002	AB4 Multi Bay Dock Bundle	1	\$0.00	\$0.00	\$0.00
Year 3	H00002	AB4 Multi Bay Dock Bundle	9	\$0.00	\$0.00	\$0.00
Year 3	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	74	\$236,189.24	\$18,740.68	\$254,929.92

Jan 2028						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 3	ProLicense	Pro License Bundle	20	\$11,783.24	\$1,025.14	\$12,808.38
Total				\$491,762.47	\$37,624.12	\$529,386.59

Jan 2029						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 4	100968	AXON AIR - SKYDIO WAIVER APPLICATION - REMOTE OPS ESSENTIAL	1	\$0.00	\$0.00	\$0.00
Year 4	101250	AXON AIR - SKYDIO PARACHUTE FOR X10	2	\$1,611.38	\$140.19	\$1,751.57
Year 4	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	3	\$0.00	\$0.00	\$0.00
Year 4	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	3	\$0.00	\$0.00	\$0.00
Year 4	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 4	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 4	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 4	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 4	101526	AXON AIR - SKYDIO - ASSURED FUTURE EQPMNT PARACHUTE REFRESH	2	\$1,611.38	\$140.19	\$1,751.57
Year 4	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	2	\$186.92	\$16.26	\$203.18
Year 4	101968	AXON AIR - SKYDIO ASSURED FUTURE EQUIPMENT DFR KIT	2	\$11,387.64	\$990.73	\$12,378.37
Year 4	102011	AXON AI ASSISTANT	74	\$29,110.02	\$2,532.57	\$31,642.59
Year 4	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	2	\$0.00	\$0.00	\$0.00
Year 4	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$0.00	\$0.00	\$0.00
Year 4	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	4	\$5,402.16	\$0.00	\$5,402.16
Year 4	72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	35	\$18,999.21	\$1,652.93	\$20,652.14
Year 4	A00007	BUNDLE - AXON DFR PATROL	1	\$0.00	\$0.00	\$0.00
Year 4	A00008	BUNDLE - AXON AIR DFR SINGLE DOCK	2	\$97,794.34	\$6,843.36	\$104,637.70
Year 4	B00066	BUNDLE - LIGHTPOST WITH TAP	10	\$40,274.50	\$3,503.86	\$43,778.36
Year 4	F00011	BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	35	\$1,932.21	\$168.11	\$2,100.32
Year 4	Fleet3BRe	Fleet 3 Basic Renewal	35	\$35,480.23	\$1,870.10	\$37,350.33
Year 4	H00001	AB4 Camera Bundle	4	\$0.00	\$0.00	\$0.00
Year 4	H00001	AB4 Camera Bundle	70	\$0.00	\$0.00	\$0.00
Year 4	H00002	AB4 Multi Bay Dock Bundle	1	\$0.00	\$0.00	\$0.00
Year 4	H00002	AB4 Multi Bay Dock Bundle	9	\$0.00	\$0.00	\$0.00
Year 4	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	74	\$236,189.24	\$18,740.68	\$254,929.92
Year 4	ProLicense	Pro License Bundle	20	\$11,783.24	\$1,025.14	\$12,808.38
Total				\$491,762.47	\$37,624.12	\$529,386.59

Jan 2030						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	100968	AXON AIR - SKYDIO WAIVER APPLICATION - REMOTE OPS ESSENTIAL	1	\$0.00	\$0.00	\$0.00
Year 5	101250	AXON AIR - SKYDIO PARACHUTE FOR X10	2	\$1,611.38	\$140.19	\$1,751.57
Year 5	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	3	\$0.00	\$0.00	\$0.00
Year 5	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	3	\$0.00	\$0.00	\$0.00
Year 5	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 5	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 5	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 5	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 5	101526	AXON AIR - SKYDIO - ASSURED FUTURE EQPMNT PARACHUTE REFRESH	2	\$1,611.38	\$140.19	\$1,751.57
Year 5	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	2	\$186.92	\$16.27	\$203.19
Year 5	101968	AXON AIR - SKYDIO ASSURED FUTURE EQUIPMENT DFR KIT	2	\$11,387.64	\$990.72	\$12,378.36
Year 5	102011	AXON AI ASSISTANT	74	\$29,110.02	\$2,532.58	\$31,642.60
Year 5	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	2	\$0.00	\$0.00	\$0.00
Year 5	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$0.00	\$0.00	\$0.00
Year 5	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	4	\$5,402.16	\$0.00	\$5,402.16

Jan 2030						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	35	\$18,999.21	\$1,652.94	\$20,652.15
Year 5	A00007	BUNDLE - AXON DFR PATROL	1	\$0.00	\$0.00	\$0.00
Year 5	A00008	BUNDLE - AXON AIR DFR SINGLE DOCK	2	\$97,794.34	\$6,843.32	\$104,637.66
Year 5	B00066	BUNDLE - LIGHTPOST WITH TAP	10	\$40,274.50	\$3,503.86	\$43,778.36
Year 5	F00011	BUNDLE - FLEET CRADLEPOINT R920 SINGLE MODEM KIT	35	\$1,932.21	\$168.09	\$2,100.30
Year 5	Fleet3BRe	Fleet 3 Basic Renewal	35	\$35,480.23	\$1,870.12	\$37,350.35
Year 5	H00001	AB4 Camera Bundle	4	\$0.00	\$0.00	\$0.00
Year 5	H00001	AB4 Camera Bundle	70	\$0.00	\$0.00	\$0.00
Year 5	H00002	AB4 Multi Bay Dock Bundle	9	\$0.00	\$0.00	\$0.00
Year 5	H00002	AB4 Multi Bay Dock Bundle	1	\$0.00	\$0.00	\$0.00
Year 5	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	74	\$236,189.24	\$18,740.71	\$254,929.95
Year 5	ProLicense	Pro License Bundle	20	\$11,783.24	\$1,025.15	\$12,808.39
Total				\$491,762.47	\$37,624.14	\$529,386.61

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Contract Sourcwell #101223-AXN is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms of Axon's Master Services and Purchasing Agreement shall govern.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at <https://www.axon.com/sales-terms-and-conditions>), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Exceptions to Standard Terms and Conditions

Agency has existing contract(s) originated via Quote(s):

Q-357965, Q-390021, Q-435607, Q-439718, Q-691962

Agency is terminating those contracts effective 1/15/2026 Any changes in this date will result in modification of the program value which may result in additional fees or credits due to or from Axon.

The parties agree that Axon is applying a Net Transfer Debit of \$11,728.29

Any credits contained in this quote are contingent upon payment in full of the following amounts:

Q-691962 - Pending - 7/1/2025 - \$3,072.65

100% discounted body-worn camera and docking station hardware contained in this quote reflects a TAP replacement for hardware purchased under existing quotes aforementioned above. All TAP obligations from this contract will be considered fulfilled upon execution of this quote.



Signature

September 25, 2025

Date Signed

9/24/2025





COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Resolutions - Adoption

Strategic Priority 3 - Focused Development

Subject

Resolution No. 2025-127, Awarding Commercial Façade Improvement Program Grant Funds to E & J Hospitality, Inc. for Improvements to 1301A George Washington Way

Department/Office
Development Services

Ordinance/Resolution Number
2025-127

Document Type
Resolution

Recommended Motion

Adopt Resolution No. 2025-127, authorizing the City Manager to sign and execute a Commercial Façade Improvement Program grant agreement with E & J Hospitality, Inc. for improvements to 1301A George Washington Way.

Summary

The City administers a Commercial Façade Improvement Program (CFIP; the "Program") established by Richland City Council on July 15, 2008 through Ordinance No. 15-08. The Program is intended to enhance the exterior appearance of private commercial buildings, eliminate blight, and encourage reinvestment in the community. Eligible improvements under the Program include, but are not limited to, replacement of windows and exterior doors, roof-line lighting, and exterior wall enhancements.

E & J Hospitality, Inc. (d/b/a Denny's) has applied for CFIP funds to update the exterior of the building located at 1301A George Washington Way. Denney's has occupied this corner lot on George Washington Way and Williams Avenue for 45 years. The new owner of the Denney's franchise, E & J Hospitality, Inc., has demonstrated a commitment to this location by making exterior improvements one of its first investments. The applicant is seeking CFIP funds to replace windows and the exterior door, install roof-line lighting, and create exterior wall enhancements, all of which are eligible Program expenses. The current property owner, S & B Marks, LLC, has given permission to E & J Hospitality, Inc. to pursue these facade improvements.

The overall project includes additional improvements not eligible for reimbursement, such as painting the roof and building, and installing new interior and exterior signage. The total project cost is estimated at \$77,776.58. The applicant is eligible for reimbursement of \$20,000 (the maximum) under the Program.

At its September 25, 2025 regular meeting, the Economic Development Committee (EDC) favorably recommended awarding \$20,000 to E & J Hospitality, Inc. for eligible facade improvements.

Staff recommends adoption of Resolution No. 2025-127.

Fiscal Impact

Based on eligible project costs, the Commercial Façade Improvement Program will provide \$20,000 in matching funds for this project. If approved, the Program will have a remaining balance of \$92,804 for additional projects.

Attachments

1. Resolution No. 2025-127
2. Vicinity Map and Renderings
3. CFIP Application 2025-102 E&J Hospitality (dba Denny's)

RESOLUTION NO. 2025-127

**A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON,
AWARDING COMMERCIAL FAÇADE IMPROVEMENT PROGRAM
FUNDS TO E & J HOSPITALITY, INC. FOR IMPROVEMENTS TO
1301 GEORGE WASHINGTON WAY SUITE A.**

WHEREAS, improving the exterior of buildings in the City of Richland enhances the overall appearance and economic character of the city; and

WHEREAS, Ordinance No. 15-08, as amended, established the Commercial Façade Improvement Program (CFIP) intended to encourage economic development and the reduction of blight within the city; and

WHEREAS, in accordance with Richland Municipal Code (RMC) Section 2.14.15, the Economic Development Committee (EDC) reviews and recommends projects for funding from the CFIP to the Richland City Council; and

WHEREAS, at its September 15, 2025 meeting, the EDC recommended award \$20,000 in CFIP funds to E & J Hospitality, Inc. (d/b/a Denny's Restaurant) to reimburse eligible expenses associated with improving the façade of 1301 George Washington Way Suite A consistent with RMC 5.04.388 and as further described in the CFIP application.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute a Commercial Façade Improvement Program funding agreement with E & J Hospitality, Inc. in the amount of \$20,000.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

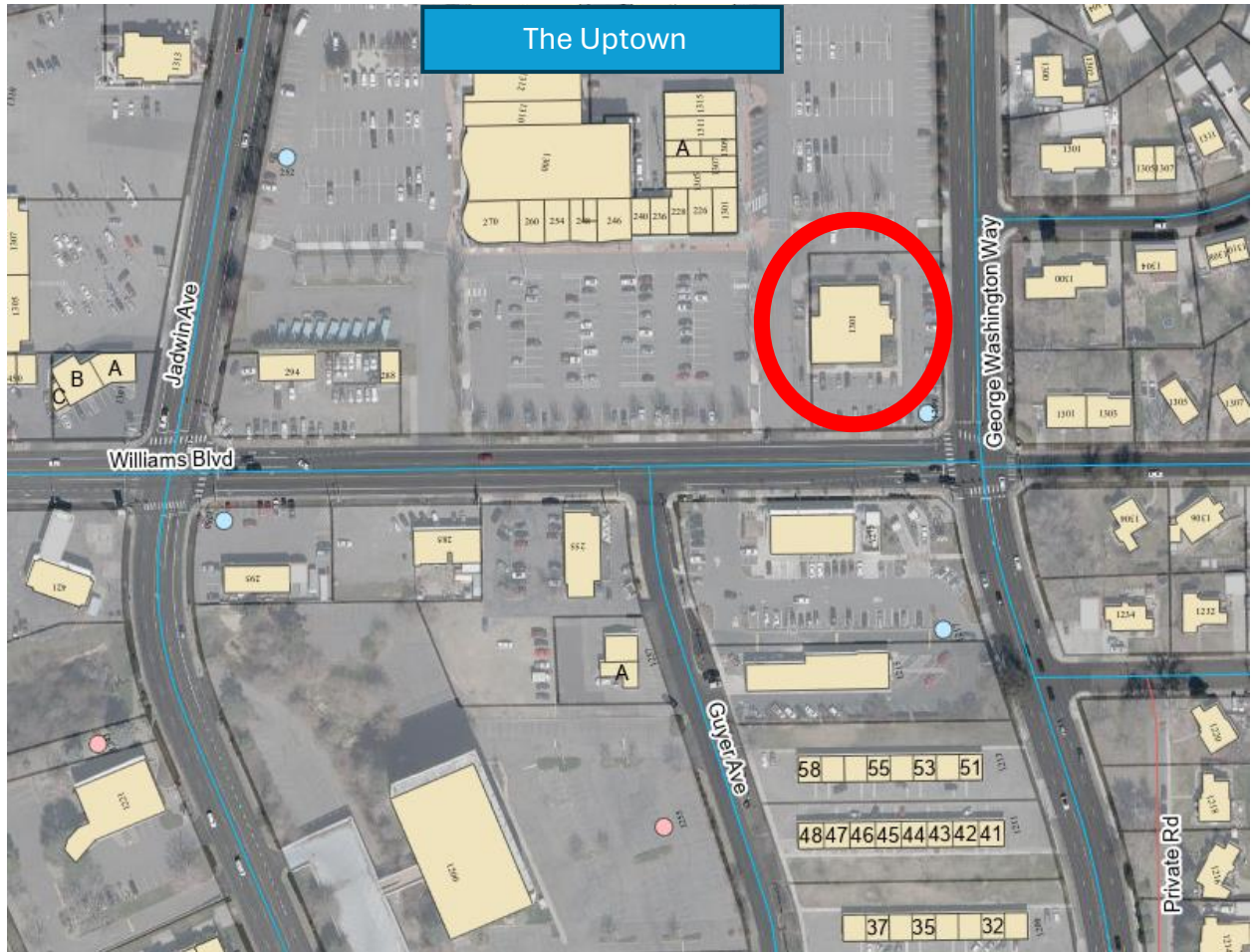
Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

VICINITY MAP

1301 A GEORGE WASHINGTON WAY



EXISTING CONDITIONS



6694 - RICHLAND, WA



EP-01 Exterior Paint SW 6670 Gold Crest	EP-02 Exterior Paint SW 9165 Gossamer Veil	EP-03 Exterior Paint SW 7048 Urbane Bronze	EP-08 Exterior Paint SW 6869 Stop Red	EWS-01 Slatwall System Illuminated Red Louvers	EXCC-1 Nichiha Vintage Wood Fiber Cement Color: Spruce
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NOTICE!

SURVEY REQ'D

BEFORE PRODUCTION

CONTACT FSI BEFORE PROCEEDING

New Faces



6694 - RICHLAND, WA





5) Can the project be completed within 12 months? Please explain.

yes_ want to start on the exterior soon- Asking for help with the LED Slat wall and Led band

Revenue (Attach additional pages as necessary)

Source	Amount
Sba business loan and original investment	\$ - \$36,000.00 \$45,380.00
Work below PLUS paint roof; paint building; two new signs outside	\$ 32,406.58
crating fees, installation fees, permitting fees, etc.	\$
	\$
	\$
	\$
Total	\$ - \$36,000.00 \$77,786.58

Expenses (Attach additional pages as necessary)

Source	Amount
Led band on roof line	\$ \$11,000.00- \$9,550
Paint of roof New Windows	\$ \$6,200.00- \$26,000 \$26,000
paint of buidling	\$ \$7,500.00-
Led slate wall 25%	\$ - \$7,500.00 \$7,280
New "americas Diner"	\$ - \$2,800.00
Uptown Facing Door	\$ 2,550
Total	\$ - \$36,000.00 \$45,380

You may use additional pages if necessary to complete the application. Please attach any additional information about the project or your organization that you believe is relevant to this application.

Application Requirements

Please check the box beside each item to note that you have met that requirement.

☒	Requirements for Submittal
☒	The business applicant has a current Richland Business License
☒	The applicant has available funds to complete the project before requesting reimbursement from the City
☒	The project complies with Richland Municipal Code and all applicable building and life safety codes
☒	The project improvements are clearly visible to the general public
☒	The reimbursement request is no more than 50% of total project cost
☒	The project requests reimbursement of no more than \$20,000 per enclosed unit in this application
☒	The project is well designed, and the applicant provided a sketch or rendering of the proposal
☒	The project is permanent and long lasting
☒	The applicant provided two (2) estimates for the project

Application Review Criteria

In order to encourage applicants to incorporate multiple improvements into a given project, it is recommended that all projects submitted attempt to **fulfill some or all of the criteria listed below**. It is not required that a project fulfill each criterion, but projects that fulfill multiple criteria will be looked upon more favorably. The Economic Development Committee reserves the right to reject or table applications for further review if they do not meet the criteria described.



CRITERIA CONSIDERED

Physical



The project enhances the building and surrounding neighborhood



The project enhances existing historical or architectural features



The project is designed in consistency with the surrounding area



The project enhances the immediate common area shared by two or more businesses



The project is decorative and/or artfully designed in compatibility with its surrounding area



The project improvements replace existing aging or decaying exterior appurtenances

Programmatic Goals



The project clusters two or more on-site improvements



It is the first application awarded at the project site



The improvements are in an area identified as a priority funding area



The project narrative describes the project's positive economic impact on the business

Relationship Building



The project encourages favorable aesthetics in a shopping strip or center with adjacent retail/commercial vacancies



The project is performed in tandem with another demonstrated economic development effort in the immediate area, or is made by two or more adjacent businesses

By signing below, you are affirming that you:

- Have read the **Commercial Facade Improvement Program Guidelines and Procedures** document
- Are aware of the limitations of this program
- Certify that requested funds will only be used for purposes as described in this application and/or as approved by the City of Richland
- You understand that use of funds is subject to audit by the State of Washington
- Will submit, if approved for award, a detailed project schedule and updated budget within 30 days of receipt of a fully executed contract

eSigned via GovOS.com

eric fanciullo

Key: 2cbe0583122e25d0971227c0603c64b

Signature

eric fanciullo

07-30-2025

Printed Name

Date

Application Submittal

Applications completed digitally:

- Applications that were completed digitally may be saved and sent via email to info@richlandbusiness.com
- Save your application with a different file name than the original
- Attach any accompanying documentation as a separate attachment, saved as a PDF or JPG

Applications completed handwritten:

- Applications that are handwritten may be sent via email, dropped off, or mailed
- If sent via email, please legibly scan your document as a PDF
- If dropped off, bring to 625 Swift Blvd. in Richland: Attn: Mandy Wallner
- If mailed, mail to:

Richland BEDO
Attn: Mandy Wallner, Economic Development
625 Swift Boulevard, MS-18
Richland, WA 99352



Project Name: Denny's Richland

PROPOSAL IS VALID FOR 30 DAYS FROM: 8/15/25

Name: Eric Fanciullo

Phone: 509-551-9433

Email: ericfanciullo@gmail.com

Address: 1301 George Washington Way
Richland Washinton 99354

Quote #

Perfection Glass, Inc. will provide all labor, equipment, and material for the complete installation of the following items.

BASE PRICE: REPLACEMENT OF STOREFRONT WINDOWS

Kawneer Storefront System, Trifab 451T, Center Glazed, #40 Anodized Dark Bronze Finish

GLAZING:

1" OA 1/4" SN68 / Argon / 1/4" Clear Tempered

ALTERNATE #1:

Kawneer Entrance System, 350 Stile, 6" Mutton, #40 Anodized Dark Bronze Finish

**** Doors to Include ****

- Surface mount Closer
- Continuous Geared Hinges
- 1786 Panic Exit Device
- CO9 Pull Handle

ALTERNATE #2: HARDWARE FOOR DOOR

- Replace Surface Mount Closer
- Replace 1786 Panic Exit Device

PRICE TO BREAK METAL CLAD BETWEEN WINDOW FRAMES - \$ 1997

BID: \$ 34,520

ALTERNATE #1: \$ 13,915

ALTERNATE #2: \$ 1,832

QUOTED BY Tanner Brown | (509) 853-5299 | tanner@perfectionglass.com

SIGNATURE

PROPOSAL DETAILS

1. All proposals are good for 30 calendar days. After the 30-day period, the provided proposal may need to be revised.
2. The customer is responsible for reviewing this proposal for accuracy to ensure all required aspects of the project are listed.
3. Perfection Glass will not be held liable for issues arising by acts of God or other delays beyond our control.
4. Perfection Glass will not be held responsible for material not listed on this proposal.
 - a. In the case in which material must be provided that is not listed in this proposal, a change order will be issued to the customer.
5. If this agreement shall be default and placed with an attorney for collection, the owner agrees to pay all attorney's fees and cost of collection
6. Perfection Glass will provide a one (1) year warranty on all workmanship.
7. Manufacturer's warranties vary depending on the manufacturer. Perfection Glass will honor warranties on material from manufacturers, but labor to replace manufacturers defects will be charged to the customer.
8. Expedited orders may require an additional fee, depending on material availability and production schedule.
9. All lead times given are estimates. **Lead times are subject to change.**



Commercial Quote

304 E. Columbia Drive
 Kennewick, WA 99336
 509 586-0454 (Ph.)
 509 586-7493 (Fax)

Proposal Submitted To: Eric Fanciullo	Job Location: 1301 George Washington Way Richland, WA	Date: 09/03/2025	Job Name: Denny's - Richland
		Cell: 509-551-9433	
		Office:	Date Of Plans: N/A
			Addendum: None
			Attention: Eric Fanciullo

Aluminum Framed Storefront

Kawneer VG451T, 2" x 4 1/2", Center Set, #40 Dark Bronze Anodized.
 Quantities include: Sixteen (16) replacement windows.

Glazing

1/4" Solarban 60 #2 over 1/4" Clear, warm edge spacers, 1" O.A.
 (tempered where indicated or in accordance to code)

Hollow Metal door

Hollow Metal door replacement
 43 3/4" x 83 3/16"
 Prepped for existing hardware
 Quantities include: One (1) RH Outswing

Demo and disposal of existing included

Installed Complete: \$28,734.00 (Sales Tax Included)

Deduct \$2,674.00 if hollow metal door removed from project

Exclusions: glazing not listed above by others, door hardware, break shape, flashing or window wrap, all testing fees, permits, engineered design calculations, bonding, final cleaning, electrical and/or alarm hookups, preparation/protection and temporary closure of openings.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practice. Any alteration or deviation from above specification involving extra cost will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accident's or delays beyond our control. Owner to carry fire, tornado and necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

THIS PROPOSAL IS VALID FOR 30 DAYS


 Authorized Signature
 Todd Willette

Acceptance Of Proposal. The above prices, Specifications and conditions are satisfactory and are hereby accepted. You are authorized to do work as specified. Payment will be made as outlined above.

Date Of Acceptance: _____

Signature: _____

2/7

PROPOSAL

Client:	Denny's #6694	Project:	Denny's #6694	Date:
Contact:	Eric Fanciullo ericfanciullo@gmail.com	Site Address:	1301 George Washington Way Richland, WA 99354	07/10/25
				Signs
		Job#		FSI Proj Mgr:
				Brandy Lomeli

The following is a proposal from Franchise Signs, International (FSI)
to supply the signs requested at the above referenced location

QTY	DESCRIPTION	Price Each	TOTAL
	Sign New Signage		
1	FD 4' x 8' Denny's French Diamond Sign	\$ 2,786.00	\$ 2,786.00
1	AD 12" x 12'-11" America's Diner Channel Letters	\$ 3,335.00	\$ 3,335.00
1	SW Slat Wall Lighting System (approx. 72 sq ft)	\$ 3,750.00	\$ 3,750.00
1	LED Starwire LED Border Tube Red (approx. 264 LF)	\$ 7,920.00	\$ 7,920.00
2	FR 1'-0" x 6'-0" LOUNGE face replacement for pylon sign	\$ 290.00	\$ 580.00

1	SW Slat Wall Lighting System (approx. 95 sq ft)	\$ 4,940.00	\$ 4,940.00
---	---	-------------	-------------

1		Crating	\$ 220.00	\$ 220.00
		Product subtotal	\$ 18,591.00	
		Sign Installation		
1	FD	Installation 4' x 8' Denny's French Diamond Sign	\$ 850.00	\$ 850.00
1	AD	Install 12" x 12'-11" America's Diner Channel Letters	\$ 995.00	\$ 995.00
1	SW	Install Slat Wall Lighting System	\$ 1,750.00	\$ 1,750.00
1	LED	Install Starwire LED Border Tube	\$ 2,680.00	\$ 2,680.00
1	FR	Install (2) 1'-0" x 6'-0" S/F FaceLounge Replacement, clean pylon faces, service sign, paint cabienr and pole	\$ 2,000.00	\$ 2,000.00
		Installation subtotal	\$ 8,275.00	
		Interior Signage		
1	i10	18" RICHLAND Marquee "may drop down to a 12"	\$ 2,552.00	\$ 2,552.00
1		Crating	\$ 100.00	\$ 100.00
		Subtotal Mfr Interior Signs	\$ 2,652.00	
		Standard Manufacturing Lead Time: 5 Weeks		
		Standard Permitting Lead Times: (Estimated) 2-4 weeks		
		Standard Shipping Lead Time: 1 Week		

Important Information:		Proposal SUBTOTAL	\$ 29,518.00
NEC Code now requires #2161 transformers with secondary ground fault		Engineering	\$ - \$ -
Unusual ground conditions causing excessive drilling time is not included		TAX	AT COST
Electrical service to sign location will be customer's responsibility		Survey	\$ 600.00
Permit fees, Engineering & time to obtain not included and will be billed as required		Permit Acquisition	\$ - \$ 350.00
		PERMITS	At cost At cost
		FREIGHT	estimated \$ 3,100.00
		TOTAL	\$ 33,568.00

Any applicable taxes are the responsibility of the customer

FSI Approval:

Brandy Lomeli - Project Manager
Phone: 602-565-2479
lomeli.brandy@gmail.com

Accepted By:

Date:

Quote is valid for 30 days; 50% deposit is required; net due 30 days from date of final invoice
Franchise Signs International, LLC 21421 N 11th Ave, Suite 4 Phoenix, Arizona 85027
Phone: 623.792.3061 Fax: 623.792.3063

95 sq ft
100 sq ft

3/7



Lektron Branding Solutions
4111 S 74th E Ave
Tulsa, OK, 74145
Phone: (918) 622-4978

Web: lektroninc.com

QUOTE

Quote Nbr.: Q003248
Order Date: 8/11/2025
Valid Until: 9/10/2025
Sales Person: Wayne Campbell
Customer ID: C0006431
Reference:
Payment Terms:
For: Eric Fanciullo

FOR:	SHIP TO:	BILL TO:
E&J Hospitality 1301 George Washington Way Richland WA 99354 United States of America	E&J Hospitality 433 Greenbrook Place Richland WA 99352 United States of America	E&J Hospitality 1301 George Washington Way Richland WA 99354 United States of America

NO.	ITEM	QTY.	UOM	PRICE	AMOUNT
1	03LL-0816: 2024 - Laser Red 20L Bundle (existing housing, new .75" SMD PCB)	272.00	FT	22.49	6,117.28

This quote is active for 7 days. Freight is estimated and will be adjusted based on shipping rates at time of shipment. All orders paid with a credit card will incur a 3% credit card processing fee. To avoid this fee, customers can pay by ACH or check.

Email billing inquiries to A/R: Accounting@Lektroninc.com

Notes: Customer is responsible for final electrical hook-up to primary power supply and any required municipal or electrical permits, sales taxes, use taxes or other taxes. If Lektron to install, all other trades must be clear of installation area to avoid additional daily per diem charges of \$450.00/day if required to wait.

Estimated Freight:	\$516.00
Quote Total:	\$6,117.28
Tax Total:	\$0.00
Total (USD):	\$6,633.28

Signature:

4/7

Stark Design Plus
6001 W Deschutes ave #618 Kennewick, WA 99336
info@starkdesignplus.com
(509) 371-9094

starkdesignplus.com



Quote 1880

Rooftop LED Installation

SALES REP INFO
Matt Starkey
Administrator
matt@starkdesignplus.com
(509) 205-7756

QUOTE DATE
Fri, 07/25/2025
QUOTE EXPIRY DATE
Sun, 08/24/2025

TERMS
Due on receipt

REQUESTED BY
Eric

SHIPPING ADDRESS
Eric

CONTACT INFO
Eric Fanciullo
ejhosp@gmail.com
(509) 551-9433

#	ITEM	QTY	UOM	U.PRICE	TOTAL (EXCL. TAX)	TAXABLE
1	Sign-LED Tube Lighting	1	Each	\$2,700.00	\$2,700.00	Y

- Installation of 270' of LED tube on rooftop.
- Electrical hook up
- Quoted off of Lextron Vibraline.

Altec Bucket Truck

When you approve this quote, you are agreeing to pay 100% of the quoted price. We require a 50% deposit to begin work on your project. Once we receive your deposit, we'll schedule your project and email you an estimated completion date. The remaining balance is due upon completion of your order.

Need to make that changes?

No problem - but please realize, changes to quantity or specifications will affect your price. We will provide you with an updated quote based on the changes.

Subtotal: \$2,700.00
Sales Tax (8.8%): \$237.60
Total: \$2,937.60

Downpayment (100.0 %)

\$2,937.60

SIGNATURE:

DATE:

MacRoberts Handyman LLC
221007 E Game Farm Rd
Kennewick, WA 99337-9164 USA
5095281002
matthewmacroberts@gmail.com

Estimate

ADDRESS

Denny's
1301a George Washington
Way

ESTIMATE # 1373

DATE 09/03/2025

DATE	SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
	Labor		10	160.00	1,600.00T
	Material		1	750.00	750.00T

Sign support

SUBTOTAL

2,350.00

TAX

204.45

TOTAL

\$2,554.45

Accepted By

Accepted Date

6/7

MP Construction, Inc.

6190 West Van Giesen.
West Richland, WA 99353

MPCONCI941BC
Licensed and Bonded
mark_mp_construction@msn.com

509-967-8191

Fax 509-967-3819

Date: 08/21/2025

Quote: 2508-169

Dennys Restaurant
1301A George Washington Way
Richland, WA 99352

New Back Door:

- Remove existing back door and frame, cut out of block
- Install Custom Hollow metal frame and door
- New Hinges, exist devise, auto closer and weather strip
- Install Door Scope door viewer
- Stainless steel lower armor plate on door,
- Interior door pull
- Use existing deadbolt
- Paint door

\$ 3,514.00 Plus WSST

Price is good for 30 days
All invoices are due on receipt

Thank You
Mark Phillips
Owner
509-554-1210



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Resolutions - Adoption

Strategic Priority I - High Performance Government

Subject

Resolution No. 2025-128, Authorizing an Application to the Washington State Department of Commerce Clean Energy Siting and Permitting Grant Program for Planning Activities related to Horn Rapids, the Richland Innovation Center, and the Northwest Advanced Clean Energy Park

Department/Office

Development Services

Ordinance/Resolution Number

2025-128

Document Type

Resolution

Recommended Motion

Adopt Resolution No. 2025-128, authorizing submission of a grant application to the Washington State Department of Commerce CESP Grant Program for planning activities related to Horn Rapids, the Richland Innovation Center, and the Northwest Advanced Clean Energy Park as provided therein.

Summary

The Washington State Department of Commerce, through Climate Commitment Act funding, established the Clean Energy Siting and Permitting (CESP) Grant Program. This Program will pay for land use and environmental studies, planning efforts, and redevelopment work around clean energy development projects.

The City's application will focus on economic development planning efforts for Horn Rapids, the Richland Innovation Center, and the Northwest Advanced Clean Energy Park. These three areas are central to advancing Richland's economic development and clean energy initiatives. If awarded, the grant would fund master planning efforts around these three important economic development areas.

The Program will award grants up to \$1.2 million, with over \$4.85 million available this year. No local match is required. Grant applications must be submitted by October 9, 2025, with awards announced by November 7, 2025. Contract execution could begin as early as December 1, 2025, and projects must be completed by June 30, 2027.

Staff recommends adoption of Resolution No. 2025-128.

Fiscal Impact

None.

Attachments

1. Resolution No. 2025-128
2. 2025 Clean Energy Siting & Permitting Grant Request for Applications (RFA)

RESOLUTION NO. 2025-128

A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON, AUTHORIZING A GRANT APPLICATION TO THE WASHINGTON STATE DEPARTMENT OF COMMERCE CLEAN ENERGY SITING AND PERMITTING PROGRAM FOR PLANNING ACTIVITIES RELATED TO HORN RAPIDS, THE RICHLAND INNOVATION CENTER, AND THE NORTHWEST ADVANCED CLEAN ENERGY PARK.

WHEREAS, the City of Richland owns industrially zoned lands that are conducive for clean energy-related industrial development; and

WHEREAS, the Washington State Department of Commerce developed the Clean Energy Siting and Permitting (CESP) Grant Program (the “CESP Program”) through the Climate Commitment Act; and

WHEREAS, the CESP Program funds planning activities that reduce barriers, streamline reviews, and help communities prepare for clean energy projects.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that staff is authorized to submit a grant application to the Washington State Department of Commerce Clean Energy Siting and Permitting Grant Program for planning activities related to Horn Rapids, the Richland Innovation Center, and the Northwest Advanced Clean Energy Park.

BE IT FURTHER RESOLVED that the City Manager is authorized to sign and execute all documents necessary to accept and administer the CESP grant in the event the City’s application is successful.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

REQUEST FOR APPLICATIONS (RFA)

RFA NO. CESP-CLEANENERGY25

NOTE: Please read this entire document before submitting a response. Responses that do not meet one or more requirement stated herein may be disqualified and not scored.

If you download this RFA from the Department of Commerce website, you are responsible for regularly checking the Program Website listed in [Section 2.1 RFA Coordinator](#) in order for your organization to receive any RFA amendments or Applicant questions/agency answers.

PROJECT TITLE: RFA for Clean Energy Siting & Permitting Grants 2025

APPLICATION DUE: October 9, 2025 at 11:59 AM, Pacific Time, Olympia, WA

ESTIMATED TIME PERIOD FOR CONTRACT: Period of performance begins as soon as contracts are executed and ends June 2027.

APPLICANT ELIGIBILITY: This RFA is open to those applicants listed below which satisfy the minimum qualifications stated herein and are available for work in Washington. Additional applicant eligibility requirements correspond to specific project categories.

- ❖ Port Districts
- ❖ Counties
- ❖ Cities and Towns
- ❖ Special Purpose Districts
- ❖ Other Municipal Corporations
- ❖ Quasi-municipal corporations
- ❖ Federally Recognized Tribes

FUNDING SOURCE AND METHOD: This is state funding. Payments will be made on a reimbursement basis for deliverables accepted.

CONTENTS OF THE REQUEST FOR APPLICATIONS:

1. Introduction
2. General Information for Applicants
3. Application Contents
4. Evaluation and Contract Award
5. RFA Exhibits

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1. INTRODUCTION

1.1 PURPOSE AND BACKGROUND

The Washington State Department of COMMERCE, hereafter called “COMMERCE,” is initiating this Request for Applications (RFA) to fund clean energy siting and permitting projects in Washington.

Funding amounts are estimated and are subject to legislative authority and fund balances at the time of awards.

In total, approximately **\$4.85** million is available through this solicitation.

COMMERCE intends to award *multiple* grants to provide the services described in this RFA.

This RFA includes program guidelines and requirements and instructions for applying. Read the entire RFA carefully, and refer to these sections for key information:

- [Section 1.3 Minimum Qualifications](#) provides further details on applicant eligibility and project categories.
- [Section 2.1 RFA Coordinator](#) provides contact information for questions about this RFA.
- [Section 2.2 Estimated Schedule of Procurement Activities](#) describes the timeline of application submission and review.
- [Section 2.3 Question and Answer Period](#) explains the process for asking questions.
- [Section 2.4 Pre-Application Conference](#) contains links to register for the virtual conferences about this RFA.
- [Section 2.5 Submission of Applications](#) describes how applications will be accepted.
- [Section 3 Application Contents](#) details the requirements for the application.
- [Section 4.2 Evaluation Breakdown](#) describes how applications will be evaluated.

1.2 OBJECTIVES AND SCOPE OF WORK

To advance state policy goals, including the 2021 [Washington State Energy Strategy](#) and the [HEAL Act](#), COMMERCE is prioritizing projects that advance clean energy and reduce greenhouse gas emissions through activities that facilitate the siting and permitting of clean energy projects.

The primary purpose of grants funded under this solicitation must be to support planning of clean energy projects in Washington. By providing targeted grant funding, this program aims to reduce barriers to clean energy development, increase local capacity, and promote more timely and efficient permitting processes. These efforts are intended to help communities prepare for and attract clean energy investments, while aligning with the state’s broader climate and energy goals. All awards made under this solicitation will be required to follow [executive order 21-02](#), as applicable.

Applicants are required to demonstrate project readiness with a detailed plan to commence activities immediately upon award and present clear objectives with a detailed, feasible project plan.

In addition, priority is given geographies that are experiencing the highest volume of development interest, to tribes and to jurisdictions that have received, reviewed, or supported a permitting application since 2022 for clean energy projects of at least 10 megawatt (MW) capacity (renewable, non-emitting, energy storage, or a combination of these technologies).

1.3 MINIMUM QUALIFICATIONS

Applications that do not clearly meet or exceed the minimum qualifications listed below will be rejected as non-responsive and will not be evaluated.

- Unless the Applicant is a federally recognized tribe, applicants must be licensed to do business in the State of Washington or submit a statement of commitment that it will become licensed in Washington within thirty (30) calendar days of being selected as an Apparently Successful Contractor.
- Applicants must be in good standing with all applicable federal, state, and local laws and requirements, including with the Department of Commerce.
- Applicants must be one of the following entities
 - Port Districts
 - Counties
 - Cities and Towns
 - Special Purpose Districts
 - Other Municipal Corporations
 - Quasi-municipal corporations
 - Federally Recognized Tribes
- All proposed projects and technologies must be consistent with the State Energy Strategy per RCW 43.21F and/or related energy and climate policies as determined by Commerce.
 - Eligible uses of grant funding provided in this section include:
 - clean energy planning, siting and permitting
 - supporting predevelopment work for sites intended for clean energy projects
 - land use studies
 - conducting or engaging in planning efforts such as:
 - planned actions
 - programmatic environmental impact statements
 - staff to improve permit timeliness and certainty
 - Fund staff and consultants to improve permitting workflows, reduce delays, and improve interagency coordination at the local level.

Applications that do not clearly meet or exceed all minimum qualifications listed above are non-responsive and will not be evaluated.

1.4 FUNDING

Funding for this program is authorized by the state's 2025-2027 biennial operating budget. Projects selected to receive awards may be funded in whole or in part by Climate Commitment Act funding. Please refer to the Sample Contracts provided in Exhibit D to review grantee obligations for acknowledging Climate Commitment Act Funding.

This program aims to award approximately \$4.85 million in grants. Funding amounts are estimated and are subject to legislative authority and fund balances at the time of awards. Additional funds may become available through other sources including but not limited to additional funding as authorized by the legislature or the federal government.

Commerce intends to award multiple contracts through this RFA. The minimum award amount is \$30K and the maximum award amount for a single award is \$1,200,000. Applications requesting below the minimum or in excess of the maximum will be considered non-responsive and will not be evaluated.

Grants are not to exceed 100 percent of the cost of the project, taking into account any federal tax credits or other federal or nonfederal grants or incentives that the project is benefiting from.

Contracts will be performance-based, with final payment made upon successful completion of the scope of work. Progress payments for completed milestones can be negotiated during contract development.

Any contract awarded as a result of this competitive process is contingent upon no successful process protests. Any contract awarded as a result of this procurement is contingent upon the availability of funding.

Matching Funds

Matching funds are not required. However, projects that document match may be prioritized in the event of a scoring tie with another project.

Match funds do not need to be secured prior to application but must be secured before the contract is Executed.

Match can include but not limited to:

- Non-State Local Match
- Direct investment (cash)
- In-Kind (varied options)

1.5 PERIOD OF PERFORMANCE

Period of performance begins as soon as contracts are executed and ends June 30, 2027.

Amendments extending the period of performance, if any, shall be at the sole discretion of COMMERCE.

COMMERCE reserves the right to extend the contract for two one-year periods, subject to availability of funding.

1.5 CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

Specific restrictions apply to contracting with current or former state employees pursuant to [chapter 42.52 of the Revised Code of Washington \(RCW\)](#). Applicants are encouraged to familiarize themselves with the requirements prior to submitting a Proposal that includes current or former state employees.

1.6 DEFINITIONS

Definitions for the purposes of this RFA include:

Apparent Successful Contractor/Grantee/Awardee: The Applicant selected to perform the anticipated services, subject to successful completion of contract negotiations and execution of a written contract.

Applicant: Individual, firm, organization, company, or other entity or group of entities that submits an application to attain a contract with COMMERCE.

Application: A formal offer submitted in response to this Request for Applications.

Certainty: This includes projects that give applicants, developers, and stakeholders greater confidence and predictability in the permitting process—knowing what to expect, how long it will take, and what requirements will apply.

COMMERCE or AGENCY: The Department of Commerce is the agency of the state of Washington that is issuing this RFA.

Contract: A written, legally binding agreement to perform the services proposed, also called a Grant or Interagency Agreement.

Contractor: Individual or organization whose Proposal has been accepted by COMMERCE and is awarded a fully executed, written contract. Also called Grantee, Awardee, or Recipient.

Environmental benefits: means activities that:

- a) Prevent or reduce existing environmental harms or associated risks that contribute significantly to cumulative environmental health impacts;
- b) Prevent or mitigate impacts to overburdened communities or vulnerable populations from, or support community response to, the impacts of environmental harm; or
- c) Meet a community need formally identified to a covered agency by an overburdened community or vulnerable population that is consistent with RCW 70A.02.

Environmental harm: means the individual or cumulative environmental health impacts and risks to communities caused by historic, current, or projected:

- a) Exposure to pollution, conventional or toxic pollutants, environmental hazards, or other contamination in the air, water, and land;
- b) Adverse environmental effects, including exposure to contamination, hazardous substances, or pollution that increase the risk of adverse environmental health outcomes or create vulnerabilities to the impacts of climate change;
- c) Loss or impairment of ecosystem functions or traditional food resources or loss of access to gather cultural resources or harvest traditional foods; or
- d) Health and economic impacts from climate change.

Environmental impacts: means environmental benefits or environmental harms, or the combination of environmental benefits and harms, resulting or expected to result from a proposed action.

Environmental justice: means the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, rules, and policies. Environmental justice includes addressing disproportionate environmental and health impacts in all laws, rules, and policies with environmental impacts by prioritizing vulnerable populations and overburdened communities, the equitable distribution of resources and benefits, and eliminating harm.

Exhibit: Document attached to this RFA, also referred to as Attachment.

Overburdened communities: as defined in RCW 70A.02.010 - a geographic area where vulnerable populations face combined, multiple environmental harms and health impacts, and includes, but is not limited to, highly impacted communities as defined in RCW 19.405.020.

Planned action: types of development or redevelopment undertaken by a city or county in alignment with their comprehensive plan under the Growth Management Act. The development or redevelopment must be in an urban growth area.

Request for Application (RFA): Formal procurement document in which needed services are identified and entities are invited to submit their Application to provide those services; this procurement document.

Resilience: the ability to prepare, mitigate and plan for, withstand, recover from, and more successfully adapt to adverse events and changing conditions, and reorganize in an equitable manner that results in a new and better condition.

Total project cost: All eligible costs to complete the proposed project except any contingency funds, including but not limited to labor, project management, materials, sales tax, etc.

Vulnerable populations: as defined in [RCW 70A.02.010](#):

- (a) Population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms, due to:
 - i. Adverse socioeconomic factors, such as unemployment, high housing and transportation costs relative to income, limited access to nutritious food and adequate health care, linguistic isolation, and other factors that negatively affect health outcomes and increase vulnerability to the effects of environmental harms;

- ii. Sensitivity factors, such as low birth weight and higher rates of hospitalization.
- (b) "Vulnerable populations" includes, but is not limited to:
- i. Racial or ethnic minorities;
 - ii. Low-income populations;
 - iii. Populations disproportionately impacted by environmental harms; and
 - iv. Populations of workers experiencing environmental harms.

1.7 ADA

COMMERCE complies with the Americans with Disabilities Act (ADA). Applicants may contact the RFA Coordinator to receive this Request for Applications in Braille or on tape.

2. GENERAL INFORMATION FOR APPLICANTS

2.1 RFA COORDINATOR

The RFA Coordinator is the sole point of contact in COMMERCE for this RFA. All communication between the Applicant and COMMERCE upon release of this RFA shall be with the RFA Coordinator, as follows:

Name	Esther Nielsen
E-Mail Address	epicgrants@commerce.wa.gov
Program Website	EPIC website

Any other communication will be considered unofficial and non-binding on COMMERCE. Applicants are to rely only on written statements issued by the RFA Coordinator. Communication directed to parties other than the RFA Coordinator may result in disqualification of the Applicant.

2.2 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Issue Request for Applications	9/3/25
Question & answer period	9/3/25 – 9/18/25 5:00 pm PT
Answers to Q&A posted periodically	9/3/2025 – 10/2/2025
Pre-Proposal Conference	9/11/25
Applications due	10/9/25 by 11:59 a.m. PT
Evaluate Applications	10/10/25 – 10/27/25
Announce "Apparent Successful Contractor" and send notification via e-mail to unsuccessful Applicants	10/27/25 – 11/7/25
Hold debriefing conferences (if requested)	11/7/25-11/19/25
Negotiate contract	11/19/25-1/1/25
Earliest date contract may be signed	12/1/25

COMMERCE reserves the right to revise the above schedule.

2.3 QUESTION AND ANSWER PERIOD

COMMERCE will accept questions about this RFA sent to the RFA Coordinator at the email address listed in Section 2.1 during this period. Questions should not identify the submitting person or organization. COMMERCE will answer all questions in a Q&A document posted on the program website no later than the date identified in Section 2.2.

COMMERCE will be bound only to COMMERCE written answers to questions. Questions arising at the pre-application conferences will be documented and answered in written form. No answers will be provided by phone.

2.4 PRE-APPLICATION CONFERENCE

A pre-application conference will be held on *September 11, 2025 at 1:00 pm*, Pacific time. The pre-proposal conference will be virtual only, on Zoom. Register [at this link](#) to receive the meeting link for the pre-application conference. All prospective Applicants are encouraged attend; however, attendance is not mandatory.

COMMERCE will be bound only to COMMERCE written answers to questions. Questions arising at the pre-proposal conference will be documented and answered in written form. Pre-application conferences will be recorded and posted with the Q&A responses.

2.5 SUBMISSION OF APPLICATIONS

ELECTRONIC APPLICATIONS:

Applications must be submitted electronically through ZoomGrants. Only electronic applications will be accepted. The application must be received through ZoomGrants no later than the deadline stated in Section 2.2 Estimated Schedule of Procurement Activities.

Application link: <https://www.zoomgrants.com/zgf/CESP2025>

Applicants must adhere to the character limit for each question in ZoomGrants, unless otherwise noted.

E-mail and e-mail attachments will not be accepted unless the ZoomGrants system does not allow documents to be uploaded due to the size or file type, and only with prior permission from COMMERCE. Please email the address listed in Section 2.1 RFA Coordinator for additional instructions if you cannot upload documents to ZoomGrants.

Zippered files cannot be received by COMMERCE and cannot be used for submission of Applications. Forms requiring signature must have a scanned or digital signature of the individual within the organization authorized to bind the Applicant to the offer. If COMMERCE email is not working, appropriate allowances will be made. Applications may not be transmitted using facsimile transmission.

The Application must be submitted by the entity for which a contract would be negotiated should the project be contingently awarded. Applications submitted by a third party, or on behalf of the applicant, will not be accepted. ZoomGrants allows the applicant to provide access to a third party to assist with completing the Application, if desired.

COMMERCE does not assume responsibility for problems with Applicant's submissions. If ZoomGrants prevents complete and timely submissions, COMMERCE may make appropriate allowances at its sole determination.

Applicants should allow sufficient time to ensure timely receipt of the Application by the RFA Coordinator. Applicants are highly encouraged to submit the application 24 hours ahead of the deadline to allow time to resolve technical issues. In the event ZoomGrants is found to be at fault, late acceptance will be at COMMERCE'S sole determination.

Partial submissions will be disqualified. Partial submissions do not include any communication from the RFA Coordinator for any additional information. Exceptions will not be made for partial submissions. Requests for deadline extensions will not be granted. Applications and any accompanying documentation from Applicants that are not tribes become the property of COMMERCE and will not be returned.

Applicants may submit unlimited qualifying applications.

The proposal must be received by the RFA Coordinator no later than **11:59 AM**, Pacific Time, in Olympia, Washington, on **October 9, 2025**.

Applications may not be transmitted using facsimile transmission.

2.6 PROPRIETARY INFORMATION AND PUBLIC DISCLOSURE

Applications submitted in response to this RFA shall become the property of COMMERCE. All Applications received shall remain confidential until the Apparent Successful Contractor is announced; thereafter, all Applications are subject to disclosure as provided for in Chapter 42.56 of the Revised Code of Washington (RCW).

Any information in the application that the Applicant desires to claim as proprietary and exempt from disclosure under the provisions of Chapter 42.56 RCW, or other state or federal law that provides for the nondisclosure of your document, must be clearly designated. The information must be clearly identified and the particular exemption from disclosure upon which the Applicant is making the claim must be cited. Each page containing the information claimed to be exempt from disclosure must be clearly identified by the words "Proprietary Information" printed on the lower right hand corner of the page. Marking the entire proposal exempt from disclosure or as Proprietary Information will not be honored.

If a public records request is made for the information that the Applicant has marked as "Proprietary Information," COMMERCE will notify the Applicant of the request and of the date that the records will be released to the requester unless the Applicant obtains a court order enjoining that disclosure. If the Applicant fails to obtain the court order enjoining disclosure, COMMERCE will release the requested information on the date specified. If an applicant obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to Chapter 42.56 RCW, or other state or federal law that provides for nondisclosure, COMMERCE shall maintain the confidentiality of the Applicant's information per the court order.

A charge will be made for copying and shipping as allowed by law. No fee shall be charged for inspection of contract files, but twenty-four (24) hours' notice to the RFA Coordinator is required. All requests for information should be directed to the RFA Coordinator.

2.7 REVISIONS TO THE RFA

In the event it becomes necessary to revise any part of this RFA, addenda will be published:

- On the program website listed in [Section 2.1 RFA Coordinator](#)
- COMMERCE'S public webpage, located at <https://www.commerce.wa.gov/contracting/>
- CESP program documents [on Box](#)

If you download this RFA from the Department of Commerce website, you are responsible for regularly checking the Program Website listed in [Section 2.1 RFA Coordinator](#) in order for your organization to receive any RFA amendments or Applicant questions/agency answers. COMMERCE also reserves the right to cancel or to reissue the RFA in whole or in part, prior to execution of a contract.

COMMERCE also reserves the right to cancel or to reissue the RFA in whole or in part, prior to execution of a contract.

2.8 DIVERSE BUSINESS INCLUSION PLAN

Applicants are required to submit a Diverse Business Inclusion Plan with their Application describing in good faith their aspirational goals for subcontractor types. In accordance with legislative findings and policies set forth in RCW 39.19, the state of Washington encourages participation in all contracts by firms certified by the Office of Minority and Women's Business Enterprises (OMWBE), set forth in RCW 43.60A.200 for firms certified by the Washington State Department of Veterans Affairs, and set forth in RCW 39.26.005 for firms that are Washington Small Businesses. No minimum level of minority- or women-owned business, Washington Small Businesses, or Washington State certified Veteran Business participation is required as a condition for receiving an award. Any affirmative action requirements set forth in any federal governmental rules included or referenced in the contract documents will apply.

COMMERCE has the following agency goals:

- 10% participation by Minority Owned Business
- 6% participation by Women Owned Business
- 5% participation by Veteran Owned Business
- 5% participation by Small Businesses

2.9 ACCEPTANCE PERIOD

Applicants must provide 60 days for acceptance by COMMERCE from the due date for receipt of applications.

2.10 COMPLAINT PROCESS

Potential Applicants may submit a complaint to COMMERCE based on any of following:

- a) The solicitation unnecessarily restricts competition;
- b) The solicitation evaluation or scoring process is unfair; or
- c) The solicitation requirements are inadequate or insufficient to prepare a response.

A complaint may be submitted to COMMERCE at any time prior to 5 days before the application response deadline. The complaint must meet the following requirements:

- a) The complaint must be in writing;
- b) The complaint must be sent to the RFA coordinator in a timely manner;
- c) The complaint should clearly articulate the basis for the complaint; and
- d) The complaint should include a proposed remedy.

The RFA coordinator will respond to the complaint in writing. The response to the complaint and any changes to the solicitation will be posted on WEBS. The Director of COMMERCE will be notified of all complaints and will be provided a copy of COMMERCE'S response. The complaint may not be raised again during the protest period. COMMERCE'S action or inaction in response to the complaint is final. There is no appeal process.

2.11 RESPONSIVENESS

All Applications will be reviewed by the RFA Coordinator to determine compliance with administrative requirements and instructions specified in this RFA. The Applicant is specifically notified that failure to comply with any part of this RFA may result in disqualification of the Proposal as incomplete and/or non-responsive.

Disqualified Applicants will be notified after the announcement of the Apparently Successful Contractor(s).

Disqualified Applicants will be informed of the reason for disqualification; this shall constitute a debriefing conference for the purposes of [Section 4.5, Protest Procedure](#).

COMMERCE reserves the right at its sole discretion to waive minor administrative irregularities.

2.12 MOST FAVORABLE TERMS

COMMERCE reserves the right to make an award without further discussion of the Application submitted. Therefore, the application should be submitted initially on the most favorable terms which the Applicant can propose. There will be no best and final offer procedure. COMMERCE reserves the right to contact a Applicant for clarification of its Application.

The Apparent Successful Contractor should be prepared to accept this RFA for incorporation into a contract resulting from this RFA. Contract negotiations may incorporate some, or all, of the Applicant's Proposal. The Proposal will become a part of the official procurement file on this matter without obligation to COMMERCE.

2.13 CONTRACT GENERAL TERMS & CONDITIONS

The Apparent Successful Contractor will be expected to enter into a contract which is substantially the same as the example contract and its general terms and conditions attached as Exhibit D. This sample contract is for information and review only and should not be returned with your Application. In no event is an applicant to submit its own standard contract terms and conditions in response to this RFA. All proposed edits to the contract terms and conditions must be submitted as an attachment to Exhibit A, Certifications and Assurances form. COMMERCE will review requested edits and accept or reject the same at its sole discretion.

2.14 COSTS TO APPLY

COMMERCE will not be liable for any costs incurred by the Applicant in preparation of a Proposal submitted in response to this RFA, travel to or conduct of a presentation, or any other activities related to responding to this RFA.

2.15 NO OBLIGATION TO CONTRACT

This RFA does not obligate the state of Washington or COMMERCE to contract for services specified herein.

2.16 REJECTION OF APPLICATIONS

COMMERCE reserves the right at its sole discretion to reject any and all Applications received without penalty and not to issue a contract as a result of this RFA.

2.17 COMMITMENT OF FUNDS

The Director of COMMERCE or delegate is the only individual who may legally commit COMMERCE to the expenditures of funds for a contract resulting from this RFA. No services may begin and no cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

2.18 ELECTRONIC PAYMENT

The state of Washington prefers to utilize electronic payment in its transactions. The successful Contractor must have or obtain a Statewide Vendor Number (SWV) from the Office of Financial Management to be paid by COMMERCE. For more information, visit: www.ofm.wa.gov.

2.19 INSURANCE COVERAGE

The Contractor is to furnish COMMERCE with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth within the contract if requested.

The Contractor shall, at its own expense, obtain and keep in force insurance coverage which shall be maintained in full force and effect during the term of the contract. The Contractor shall furnish evidence in the form of a Certificate of Insurance that insurance shall be provided, and, if requested, a copy shall be forwarded to COMMERCE within fifteen (15) days of the contract effective date. Standard insurance requirements are included within the example contract and its special terms and conditions attached as Exhibit D.

3. APPLICATION CONTENTS

3.1 APPLICATION INSTRUCTIONS

To be responsive, Applications must contain all seven items below, written in English, and submitted electronically through the link provided in [Section 2.5 Submission of Applications](#) with all attachments appropriately named and included.

Proposals must provide information in the same order as presented in the above table with the same headings. This will not only be helpful to the evaluators of the Proposal but should also assist the applicant in preparing a thorough response.

All application materials will be identified as follows:

- **Mandatory, Scored** – responses are required and will be used to calculate the score
- **Mandatory, Not Scored** – responses are required but will not be used to calculate the score
- **Required Attachments**– “Required Attachment – Estimated Costs” and Exhibits A, B, and C must be completed, signed and included
- **Optional Attachments:** attachments may be used to supplement responses to questions, but will not be used to directly calculate the score

Applicants must answer all required questions in the ZoomGrants application and provide all required documentation. Any required document that is not included in the application submission may result in application disqualification.

3.2 APPLICATION CONTENTS CHECKLIST

1. Basic Information		
	Project Name	Mandatory, Not Scored
	Amount Requested	Mandatory, Not Scored
	Organizational Information	Mandatory, Not Scored
	Organization Official Contact	Mandatory, Not Scored
	Primary Contact	Mandatory, Not Scored
	Additional Contacts	Optional, Not Scored
2. Application Information		
	Applicant Type	Mandatory, Not Scored
	WA Unified Business Identifier (UBI) number	Mandatory, Not Scored
	Current or Former State Employees	Mandatory, Not Scored
3. Project Information		
	Project Summary	Mandatory, Not Scored
	Project Purpose Explanation	Mandatory, Not Scored
	History of Recent Project Applications since 2022	Mandatory, Scored
	Project Location (Planning projects only)	Mandatory, Not Scored
	Project Description	Mandatory, Scored
	Match Funds	Mandatory, Not Scored
	Funding Sources	Mandatory, Not Scored
	Project Approach, Methodology, and Work Plan	Mandatory, Scored
4. Equity, Environmental Justice, Community Impact		
	Environmental Benefits	Mandatory, Scored
	Economic Benefits	Mandatory, Scored
	Community and Tribal Engagement	Mandatory, Scored
5. Management and Technical Proposals		
	Project Team and Partners	Mandatory, Scored
	Project Readiness	Mandatory, Scored
	Project Alignment with state energy goals	Mandatory, Scored
	Project Schedule	Mandatory, Scored
6. Budget		
	Funding Sources	Mandatory, Scored
	Project Costs	Mandatory, Scored

	Budget Narrative	Mandatory, Scored
7. Attachments		
	Exhibit A – Certifications and Assurances*	Mandatory, Not Scored
	Exhibit B – Diverse Business Inclusion Plan*	Mandatory, Not Scored
	Exhibit C – Worker’s Rights Verification*	Mandatory, Scored
	Letters of Support	Optional
	Proposals, estimates, or other information to support project costs	Optional
	Other attachments	Optional

*** Attachments must be completed and signed**

4. EVALUATION AND CONTRACT AWARD

4.1 EVALUATION PROCEDURE

COMMERCE staff will review the Application to determine whether it was a) properly completed, b) submitted on time, and c) addresses and aligns with the minimum qualifications described in [Section 1.3 Minimum Qualifications](#). Applications that fail to meet the Minimum Qualifications will be disqualified from further consideration.

Responsive Applications will be evaluated strictly in accordance with the requirements stated in this RFA and any addenda issued. The evaluation of Applications will be accomplished by one or more evaluation team(s) designated by COMMERCE. Evaluation team(s) will align applications with the most appropriate project category and determine the ranking of the applications. Applications may be eligible for more than one project category.

The RFA Coordinator may contact the Applicant for clarification of any portion of their Proposal. Applicants are not permitted to submit, resubmit, correct, or change any materials of any kind after the date and time stated in [Section 2.2 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES](#).

To facilitate the equitable distribution of funds, COMMERCE may engage community members as grant application reviewers to assess applications on an environmental justice-focused basis.

4.2 EVALUATION BREAKDOWN

The following weighting will be assigned to each Application section for evaluation purposes. Subsections may or may not be of equal weight.

Scoring Rubric

• Prioritized Applicants: Any jurisdiction that has received, reviewed, or supported a permitting application since 2022 for clean energy projects of at least 10 MW capacity (renewable, non-emitting, energy storage, or a combination). • Geographies that are experiencing the highest volume of development interest. • Or Tribes or their authorized representative.	10 pts
• Match: In the event of a tie between applications, the application with a higher percentage of matching funds above the relevant minimum will receive award	Tiebreaker
• Workers rights certification (additional points): Those Applicants which certify they do not require their employees to sign an individual arbitration clause as a condition of employment will receive an extra 5% added to their score (see Attachment C).	5%
EQUITY, ENVIRONMENTAL JUSTICE AND COMMUNITY IMPACT	
• Environmental Benefits: The project's ability to provide environmental benefits to overburdened communities and vulnerable populations, as described with mapping tool(s) and a short narrative. • Economic Benefits: The project's ability to provide economic benefits to overburdened communities and vulnerable populations, including supporting workforce development or reducing energy burden. • Community Engagement: Applicants who conduct significant community engagement to identify community needs and preferences. • Tribal Engagement: Applicants who have completed appropriate tribal engagement and consultation.	30 pts
MANAGEMENT AND TECHNICAL PROPOSALS	
• Project readiness: Applicant has a detailed plan of how activities will commence immediately upon award. • Project design and feasibility: Objectives are clearly defined. Project plan is detailed, clear, and likely to achieve the objectives. • Project alignment with state energy goals: Applicant clearly describes how the project advances Washington's clean energy and climate objectives. • Structure and qualifications of project team: Applicant has a qualified team to implement the project and adequate plans to select contractors. Appropriate partners are engaged and support the project. • Cost effectiveness: Costs are reasonable and projects provide a high value for the investment.	50 pts
Total Available Points: 90 pts	

To evaluate the Equity, Environmental Justice and Community Impact criteria, applicants will provide a short narrative which will be evaluated. Applicants can use a mapping tool below to identify the population(s) served by their project.

- [Washington State Environmental Health Disparities Map](#)
- [Low-Income Energy Affordability Data Tool \(LEAD\)](#)
- [WA State Department of Ecology's Overburdened Communities Highly Impacted by Air Pollution StoryMap](#)
- [Social Vulnerability Index](#)

COMMERCE reserves the right to award the contract(s) to the Applicant(s) whose application is deemed to be in the best interest of COMMERCE and the state of Washington. COMMERCE reserves the right to consider geographic diversity or other service gaps when awarding funding.

4.3 NOTIFICATION TO APPLICANTS

COMMERCE will notify the Apparent Successful Contractor(s) of their selection in writing upon completion of the evaluation process. Applicants who were not selected for further negotiation or award will be notified separately. Notification may also be made to the COMMERCE public website, Washington Electronic Business Solution (WEBS), or other publicly accessible locations.

4.4 DEBRIEFING OF UNSUCCESSFUL APPLICANTS

Any Applicant who has submitted an application and received notice that they were not selected for contract negotiation may request a debriefing. The request for a debriefing conference must be received by the RFA Coordinator within three (3) business days after the Unsuccessful Applicant Notification is e-mailed to the Applicant. The debriefing must be scheduled within three (3) business days of the request.

Discussion at the debriefing conference is strictly limited to the following:

- Evaluation and scoring of that Applicant's Application;
- Any written comments from evaluators related to that Applicant;
- Review of Applicant's final score in comparison with the other final scores **without** identifying the other Applicants or reviewing their Applications.

Comparisons between Applications or evaluations of the other Applications is not allowed. COMMERCE will not discuss any items other than the three bullet points above. Debriefing conferences may be conducted on the telephone or by other electronic means and will be scheduled for a maximum of thirty (30) minutes. COMMERCE reserves the right to end a debriefing for any reason.

4.5 PROTEST PROCEDURE

Protests may be filed only by Applicants who submitted a response to this RFA and who have participated in a debriefing conference. Upon completing the debriefing conference, the Applicant is allowed five (5) business days to file a protest with the RFA Coordinator. Protests must be received by the RFA Coordinator no later than 5:00pm Pacific time on the fifth business day following the debriefing. Protests must be submitted by email. Applicants may choose to copy COMMERCE'S Central Contracts Office at centralcontracts@commerce.wa.gov. Do not copy any other COMMERCE staff.

Applicants protesting this RFA shall follow the procedures described below. Protests that do not follow these procedures will not be considered. This protest procedure constitutes the sole administrative remedy available to Applicants under this RFA.

All protests must be in writing, addressed to the RFA Coordinator, and signed by the protesting party or an authorized agent. The protest must state the RFA number, the grounds for the protest from the

list below with specific facts, and complete statements of the action(s) being protested. A description of the relief or corrective action being requested should also be included.

Only protests stipulating an issue of fact concerning the following subjects shall be considered:

- A matter of bias, discrimination, or conflict of interest on the part of an evaluator;
- Errors in computing the score;
- Non-compliance with procedures described in this RFA or COMMERCE policy.

Protests not based on procedural matters will not be considered. Protests will be dismissed as without merit if they address issues such as an evaluator's professional judgment on the quality of a proposal, or COMMERCE'S assessment of its own and/or other agencies' needs or requirements.

Scores received are not a valid basis of protest and will be dismissed as without merit unless included with facts supporting bias, discrimination, or conflict of interest on the part of an evaluator.

Upon receipt of a protest, a protest review will be held by COMMERCE. COMMERCE'S Chief Contracts Officer, or other employee delegated by the Director who was not involved in the award process, will consider the record along with all available facts and issue a decision within ten (10) business days of receipt of the protest. If additional time is required, the protesting party will be notified of the delay.

In the event a protest may directly impact the actual interest of another Applicant, such Applicant may be given an opportunity to submit its views and any relevant information on the protest.

The final determination of the protest shall:

- Find the protest lacking in merit and uphold COMMERCE'S action; or
- Find only technical or harmless errors in COMMERCE'S process and determine COMMERCE to be in substantial compliance and reject the protest; or
- Find merit in the protest and provide COMMERCE options which may include:
 - Correct the error(s) and re-evaluate all applications, or
 - Cancel this RFA and begin a new process, or
 - Make other findings and determine other courses of action as appropriate.

If COMMERCE does not find merit in the protest, COMMERCE may enter into a contract with the Apparent Successful Contractor(s). If the protest is determined to have merit, one of the options above will be taken.

5. RFA EXHIBITS

Exhibit A **Certifications and Assurances**

Exhibit B **Diverse Business Inclusion Plan**

Exhibit C **Workers' Rights Certification**

Exhibit D **Service Contract Format with General Terms and Conditions**

CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the Proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract:

1. I/we declare that all answers and statements made in the Proposal are true and correct.
2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
3. The attached Proposal is a firm offer for a period of 60 days following receipt, and it may be accepted by COMMERCE without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 60-day period.
4. In preparing this Proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this RFA or prospective contract, and who was assisting in other than his or her official, public capacity. If there are exceptions to these assurances, I/we have described them in full detail on a separate page attached to this document.
5. I/we understand that COMMERCE will not reimburse me/us for any costs incurred in the preparation of this Proposal. All Applications become the property of COMMERCE, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this Proposal.
6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Applicant and will not be knowingly disclosed by him/her prior to opening, directly or indirectly, to any other Applicant or to any competitor.
7. I/we agree that submission of the attached Proposal constitutes acceptance of the RFA contents and the attached example contract and general terms and conditions. If there are any proposed edits to these terms, I/we have described those edits in detail on a page attached to this document.
8. No attempt has been made or will be made by the Applicant to induce any other person or organization to submit or not to submit a Proposal for the purpose of restricting competition.
9. I/we grant COMMERCE the right to contact references and any others who may have pertinent information regarding the ability of the Applicant and the lead staff person to perform the services contemplated in this RFA.
10. If any staff member(s) who will perform work on this contract has retired from the state of Washington under the provisions of the 2008 Early Retirement Factors legislation, his/her name(s) is noted on a separately attached page.
11. I/we are not debarred from doing business with the state of Washington or the United States.

I/We have reviewed the Contract and General Terms and Conditions and I/we: *(check one)*

- ☐ are submitting proposed contract edits. If proposed contract edits are being submitted for consideration, I/we have attached them to this form. *(See Section 2.14)*
- ☐ are not submitting proposed contract edits. *(Default if neither are checked)*

On behalf of the Applicant submitting this Proposal, my signature below attests to the accuracy of the above statement as well as my authority to bind the submitting organization.

Signature of Applicant

Date

Printed Name

Title

DIVERSE BUSINESS INCLUSION PLAN

Please see Section 2.9 for more information regarding the Diverse Business Inclusion Plan.

If awarded a contract as a result of this RFA, do you anticipate subcontracting* with or purchasing from any of the following:

	Yes	No
State Certified Minority Owned Businesses?	☐	☐
State Certified Woman Owned Businesses?	☐	☐
State Certified Veteran Owned Businesses?	☐	☐
Washington Small Businesses?	☐	☐

Organizational Goals:

Please list the approximate percentage of funding received through this RFA which is expected to be subcontracted to each subcontractor category:

For example, say the total contract amount is \$10,000. Of that, \$1,000 will be subcontracted to a business to create one of the deliverables and the organization plans to use a Washington Small Business. They would enter "10%" on the appropriate line below. On the other hand, if all subcontracts will be with nonprofit organizations or with businesses not described below, they would enter "0%".

State Certified Minority Owned Businesses:	___%
State Certified Woman Owned Businesses:	___%
State Certified Veteran Owned Businesses:	___%
Washington Small Businesses:	___%

Please list the approximate percentage of purchases reimbursed by funding received as a result of this RFA that will be made from each category:

For example, say allowable expenses are estimated to be \$1000, most of which will reimburse the cost of supplies purchased from various sources. If the organization plans to make half of those purchases from a Certified Woman-Owned Business, they would enter "50%" on the appropriate line below.

State Certified Minority Owned Businesses:	___%
State Certified Woman Owned Businesses:	___%
State Certified Veteran Owned Businesses:	___%
Washington Small Businesses:	___%

If you plan to subcontract and/or purchase with funding received as a result of this RFA and answered 'No' to all questions above, please explain:

[Click or tap here to enter text.](#)

- ☐ I/We do not plan to subcontract any of the work described in this RFA.
- ☐ I/We do not plan to make any purchases reimbursable under this RFA.

Please identify the person in your organization who will manage your Diverse Business Inclusion Plan related to this project:

Name: _____

Title: _____

Phone: _____

E-Mail: _____

*Please note that subcontracting must be done in accordance with contractual terms and conditions which may include specific subcontractor selection requirements. Do not select subcontractors until you have reviewed all applicable requirements.

CONTRACTOR CERTIFICATION
EXECUTIVE ORDER 18-03 – WORKERS' RIGHTS
WASHINGTON STATE GOODS & SERVICES CONTRACTS

Pursuant to the Washington State Governor's Executive Order 18-03 dated June 12, 2018, the Washington Department of Commerce is seeking to contract with qualified organizations which certify that their employees are not, as a condition of employment, subject to mandatory individual arbitration clauses and class or collective action waivers. See Section 4.2.

RFA Number: CESP-CLEANENERGY25

I hereby certify, on behalf of the organization identified below, as follows (check one and sign below):

- ☐ NO MANDATORY INDIVIDUAL ARBITRATION CLAUSES AND CLASS OR COLLECTIVE ACTION WAIVERS FOR EMPLOYEES. This organization does NOT require its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.

OR

- ☐ MANDATORY INDIVIDUAL ARBITRATION CLAUSES AND CLASS OR COLLECTIVE ACTION WAIVERS FOR EMPLOYEES. This organization requires its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.

OR

- ☐ This organization certifies it has no employees.

I hereby certify, under penalty of perjury under the laws of the state of Washington, that the certifications herein are true and correct and that I am authorized to make these certifications on behalf of the organization listed herein.

NAME: _____
Print full legal entity name of organization

By: _____
Signature of authorized person Printed Name

Title: _____ Place: _____
Title of person signing certificate Print city and state where signed

Date: _____

Return to Procurement Coordinator as part of your complete response.



Interagency Agreement with

Enter Name of Governmental Entity

through

**Energy Programs in Community
Clean Energy Siting & Permitting 2025**

**Contract Number:
Please enter Contract Number**

For

Provide Project Title/ Primary Contract Purpose in 25 words or less

Dated: Please enter start date of contract

Program Specific Terms and Conditions

As identified herein, notwithstanding General & Specific Terms and Conditions SECTIONS, the following Program Specific Terms and Conditions take precedence over any similarly referenced Special or General Terms and Conditions:

1. BILLING AND COMPENSATION FOR PERFORMANCE BASED CONTRACT **(Replaces Special Terms and Conditions #4 Billing Procedures and Payment)**

COMMERCE will pay Contractor not more often than monthly upon acceptance of services provided and receipt of properly completed invoices for completed milestones, which shall be submitted to the Representative for COMMERCE.

The Contractor shall provide the Representative of COMMERCE a signed electronic Invoice A19 form that includes the contract number referenced on the declarations page.

The invoices shall describe and document, to COMMERCE's satisfaction, a description of the work performed and the milestone number(s) achieved.

The Contractor is required to maintain documentation to support invoiced costs and cost share obligations. The Contractor shall make these documents available to COMMERCE if requested.

COMMERCE will pay Contractor the amounts set forth in Attachment B upon full completion of each milestone. Upon full completion of each Milestone, Contractor will provide an invoice and any required supporting documentation to the Representative of COMMERCE. Except as may be agreed by COMMERCE in its discretion, COMMERCE shall only be obligated to make payments upon demonstration of completion of all Deliverables within a given Milestone.

However, it is acknowledged that in the event one or two Deliverables of a Milestone is unduly delayed (more than 3 months) due to circumstances outside Contractor's control, COMMERCE may, in its sole discretion, reasonably negotiate with Contractor regarding paying for those Deliverables of such Milestones that are completed.

Payment shall be considered timely if made by COMMERCE within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

COMMERCE may, in its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by COMMERCE.

Invoices and End of Fiscal Year

Invoices are due on the 20th of the month following the provision of services.

Final invoices for a state fiscal year may be due sooner than the 20th and Commerce will provide notification of the end of fiscal year due date.

The contractor must invoice for all expenses from the beginning of the contract through June 30, regardless of the contract start and end date.

Duplication of Billed Costs

The Contractor shall not bill COMMERCE for services performed under this Agreement, and COMMERCE shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for that service.

Disallowed Costs

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

2. SUBCONTRACTING (Replaces General Terms and Conditions #15 Subcontracting)

The Contractor may only subcontract work contemplated under this Contract if it provides written notification to COMMERCE of any subcontractors who will be performing work under this Grant Agreement. The written notice must provide the names and address of the subcontractor with a brief description of which tasks within the Contractor Scope of Work (Attachment A) that will be undertaken by the subcontractor(s).

The Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract.

In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to COMMERCE for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

All reference to the Contractor under this clause shall also include Contractor's employees, agents or subcontractors.

3. PREVAILING WAGE LAW

The contractor certifies that all contractors and subcontractors performing work on the Project shall comply with state Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable to the Project funded by this Agreement, including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The contractor shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for COMMERCE's review upon request

4. HISTORICAL OR CULTURAL ARTIFACTS

Prior to approval and disbursement of any funds awarded under this Contract, Contractor shall complete the requirements of Governor's Executive Order 21-02, where applicable, or Contractor shall complete a review under Section 106 of the National Historic Preservation Act, if applicable. Contractor agrees that the Contractor is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural resources and agrees to hold harmless COMMERCE and the state of Washington in relation to any claim related

to such historical or cultural resources discovered, disturbed, or damaged as a result of the project funded by this Contract.

In addition to the requirements set forth in this Contract, Contractor shall, in accordance with Governor's Executive Order 21-02 coordinate with Commerce and the Washington State Department of Archaeology and Historic Preservation ("DAHP"), including any recommended consultation with any affected tribe(s), during Project design and prior to construction to determine the existence of any tribal cultural resources affected by Project. Contractor agrees to avoid, minimize, or mitigate impacts to the cultural resource as a continuing prerequisite to receipt of funds under this Contract.

The Contractor agrees that, unless the Contractor is proceeding under an approved historical and cultural monitoring plan or other memorandum of agreement, if historical or cultural artifacts are discovered during construction, the Contractor shall immediately stop construction and notify the local historical preservation officer and the state's historical preservation officer at DAHP, and the Commerce Representative identified on the Face Sheet. If human remains are uncovered, the Contractor shall report the presence and location of the remains to the coroner and local enforcement immediately, then contact DAHP and the concerned tribe's cultural staff or committee. The Contractor shall require this provision to be contained in all subcontracts for work or services related to the Scope of Work attached hereto.

In addition to the requirements set forth in this Contract, Contractor agrees to comply with RCW 27.44 regarding Indian Graves and Records; RCW 27.53 regarding Archaeological Sites and Resources; RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves; and WAC 25-48 regarding Archaeological Excavation and Removal Permit. Completion of the requirements of Section 106 of the National Historic Preservation Act shall substitute for completion of Governor's Executive Order 21-02.

In the event that the Contractor finds it necessary to amend the Scope of Work the Contractor may be required to re-comply with Governor's Executive Order 21-02 or Section 106 of the National Historic Preservation Act.

Special Terms and Conditions

1. AUTHORITY

COMMERCE and Contractor enter into this Contract pursuant to the authority granted by Chapter 39.34 RCW.

2. ACKNOWLEDGEMENT OF CLIMATE COMMITMENT ACT FUNDING

If this Agreement is funded in whole or in part by the Climate Commitment Act, Grantee agrees that any website, announcement, press release, and/or publication (written, visual, or sound) used for media-related activities, publicity, and public outreach issued by or on behalf of Grantee which reference programs or projects funded in whole or in part with Washington's Climate Commitment Act (CCA) funds under this Grant, shall contain the following statement:

"The [PROGRAM NAME / GRANT / ETC.] is supported with funding from Washington's Climate Commitment Act. The CCA supports Washington's climate action efforts by putting cap-and-invest dollars to work reducing climate pollution, creating jobs, and improving public health. Information about the CCA is available at www.climate.wa.gov."

The Grantee agrees to ensure coordinated Climate Commitment Act branding on work completed by or on behalf of the Grantee. The CCA logo must be used in the following circumstances, consistent with the branding guidelines posted at [CCA brand toolkit](#), including:

- A. Any project related website or webpage that includes logos from other funding partners;
- B. Any publication materials that include logos from other funding partners;
- C. Any on-site signage including pre-during Construction signage and permanent signage at completed project sites; and
- D. Any equipment purchased with CCA funding through a generally visible decal.

3. CONTRACT MANAGEMENT

The Representative for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Contract.

The Representative for COMMERCE and their contact information are identified on the Face Sheet of this Contract.

The Representative for the Contractor and their contact information are identified on the Face Sheet of this Contract.

4. COMPENSATION

COMMERCE shall pay an amount not to exceed \$ _____ for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. Grantee's compensation shall be based on the terms of the Scope of Work and Budget.

Expenses

Grantee shall receive reimbursement for approved expenses as identified below or as authorized in advance by COMMERCE as reimbursable. The maximum amount to be paid to the Grantee for authorized expenses shall not exceed \$0, which amount is included in the Grant total above.

If travel is required to complete the scope of work and approved in advance in writing, reimbursable travel expenses may include airfare (economy or coach class only), other transportation, lodging, and food necessary during periods of required travel. Grantee shall be reimbursed at a rate not to exceed the current state rate and in accordance with the State of Washington Office of Financial Management Travel Regulations.

5. BILLING PROCEDURES AND PAYMENT (Replaced by Program Specific Terms and Conditions #1 Billing and Compensation for Performance Based Contract)

~~COMMERCE will pay Grantee upon acceptance of deliverables or services provided and receipt of properly completed invoices, which shall be submitted to COMMERCE via the Contracts Management System (CMS).~~

~~The invoices shall describe and document, to COMMERCE's satisfaction, a description of the work performed, the progress of the project, and any expenses to be reimbursed. The invoice shall include Grant Number _____.~~

~~If applicable, Grantee must also include attachments that describe and document, to COMMERCE's satisfaction, a detailed description of the work performed, progress of the project, and/or receipts or other proof of payment. Except for approved indirect costs, if any, or as otherwise authorized by COMMERCE in writing, a receipt must accompany every expense in the amount of \$50.00 or more to receive reimbursement. COMMERCE may request additional documentation at any time.~~

~~Any expense reimbursed under this Grant which is later determined to be unallowable must be repaid according to the terms COMMERCE provides.~~

~~Payment shall be considered timely if made by COMMERCE within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be made electronically utilizing Grantee's Statewide Vendor (SWV) number.~~

~~COMMERCE may, in its sole discretion, terminate this Grant or withhold payments if the Grantee fails to satisfactorily comply with any term or condition of this Grant.~~

~~No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by COMMERCE. No payments in advance of or in anticipation of any expense reimbursable under this Grant shall be made by COMMERCE.~~

~~If subgranting and/or subcontracting is authorized by COMMERCE, all Subgrantee/Subcontractor payments are reimbursable expenses within the meaning of this Agreement. Grantee must have, and may be required to demonstrate, the means to pay each and every Subgrantee/Subcontractor. Failure to pay Subgrantees/Subcontractors as agreed may result in suspension or termination of this Grant.~~

Invoices and End of Fiscal Year

~~Invoices are due on the 20th of the month following the provision of services.~~

~~Final invoices for a state fiscal year may be due sooner than the 20th and Commerce will provide notification of the end of fiscal year due date.~~

~~The Grantee must invoice for all expenses from the beginning of the Grant through June 30, regardless of the Grant start and end date.~~

Duplication of Billed Costs

~~The Grantee shall not bill COMMERCE for services performed under this Agreement, and COMMERCE shall not pay the Grantee, if the Grantee is entitled to payment or has been or will be paid by any other source, including grants, for that service.~~

Disallowed Costs

~~The Grantee is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subgrantees.~~

~~Unless otherwise authorized by COMMERCE in writing, reimbursable payroll costs shall not include employee overtime nor bonus pay.~~

~~COMMERCE may, in its sole discretion, withhold ten percent (10%) from each payment until acceptance by COMMERCE of the final report (or completion of the project, etc.).~~

6. SUBCONTRACTOR DATA COLLECTION

Contractor will submit reports, in a form and format to be provided by Commerce and at intervals as agreed by the parties, regarding work under this Contract performed by subcontractors and the portion of Contract

funds expended for work performed by subcontractors, including but not necessarily limited to minority-owned, woman-owned, and veteran-owned business subcontractors. "Subcontractors" shall mean subcontractors of any tier.

7. INSURANCE

Each party certifies that it is self-insured under the State's or local government self-insurance liability program and shall be responsible for losses for which it is found liable.

8. FRAUD AND OTHER LOSS REPORTING

Contractor shall report in writing all known or suspected fraud or other loss of any funds or other property furnished under this Contract immediately or as soon as practicable to the Commerce Representative identified on the Face Sheet.

9. ORDER OF PRECEDENCE In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Attachment D – Proviso
- Program Specific Terms and Conditions
- Special Terms and Conditions
- General Terms and Conditions
- Attachment A – Scope of Work
- Attachment B – Budget
- Attachment C - Reporting
- Add any other attachments incorporated by reference from the Face Sheet

General Terms and Conditions

1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- “Authorized Representative” shall mean the Director and/or the designee authorized in writing to act on the Director’s behalf.
- “COMMERCE” shall mean the Washington Department of Commerce.
- “Contract” or “Agreement” or “Grant” means the entire written agreement between COMMERCE and the Contractor, including any Attachments, documents, or materials incorporated by reference. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
- “Contractor” or “Grantee” shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- “Personal Information” shall mean information identifiable to any person, including, but not limited to, information that relates to a person’s name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers, and “Protected Health Information” under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).
- “State” shall mean the state of Washington.
- “Subcontractor” shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms “subcontractor” and “subcontractors” mean subcontractor(s) in any tier.

2. ALL WRITINGS CONTAINED HEREIN

This Contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

3. AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

4. ASSIGNMENT

Neither this Contract, work thereunder, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of COMMERCE.

5. CONFIDENTIALITY AND SAFEGUARDING OF INFORMATION

- “Confidential Information” as used in this section includes:
 - All material provided to the Contractor by COMMERCE that is designated as “confidential” by COMMERCE;
 - All material produced by the Contractor that is designated as “confidential” by COMMERCE; and
 - All Personal Information in the possession of the Contractor that may not be disclosed under state or federal law.
- The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of COMMERCE or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information

is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide COMMERCE with its policies and procedures on confidentiality. COMMERCE may require changes to such policies and procedures as they apply to this Contract whenever COMMERCE reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period specified by COMMERCE. Upon request, the Contractor shall immediately return to COMMERCE any Confidential Information that COMMERCE reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.

- Unauthorized Use or Disclosure. The Contractor shall notify COMMERCE within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

6. COPYRIGHT

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by COMMERCE. COMMERCE shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to COMMERCE effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to COMMERCE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to COMMERCE.

The Contractor shall exert all reasonable effort to advise COMMERCE, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide COMMERCE with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any Materials delivered under this Contract. COMMERCE shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

7. DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, Agreement terms and applicable statutes and rules and make a determination of the dispute. The Dispute Board shall thereafter decide the dispute with the majority prevailing. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

8. GOVERNING LAW AND VENUE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

9. INDEMNIFICATION

Each party shall be solely responsible for the acts of its employees, officers, and agents.

10. LICENSING, ACCREDITATION AND REGISTRATION

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

11. RECAPTURE

In the event that the Contractor fails to perform this Contract in accordance with state laws, federal laws, and/or the provisions of this Contract, COMMERCE reserves the right to recapture funds in an amount to compensate COMMERCE for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by COMMERCE. In the alternative, COMMERCE may recapture such funds from payments due under this Contract.

12. RECORDS MAINTENANCE

The Contractor shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services described herein, including but not limited to accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract.

The Contractor shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the Contract, shall be subject at all reasonable times to inspection, review or audit by COMMERCE, personnel duly authorized by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

13. SAVINGS

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, COMMERCE may suspend or terminate the Contract under the "Termination for Convenience" clause, without the ten calendar day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

14. SEVERABILITY

The provisions of this Contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Contract.

15. SUBCONTRACTING(Replaced by Program Specific Terms and Conditions #2 Subcontracting)

~~The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of COMMERCE.~~

~~If COMMERCE approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.~~

~~Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to COMMERCE for any breach in the performance of the Contractor's duties.~~

~~Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.~~

16. SURVIVAL

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

17. TERMINATION FOR CAUSE

In the event COMMERCE determines the Contractor has failed to comply with the conditions of this Contract in a timely manner, COMMERCE has the right to suspend or terminate this Contract. Before suspending or terminating the Contract, COMMERCE shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the Contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

COMMERCE reserves the right to suspend all or part of the Contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by COMMERCE to terminate the Contract. A termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of COMMERCE provided in this Contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

18. TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract, COMMERCE may, by ten (10) business days' written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, COMMERCE shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

19. TERMINATION PROCEDURES

Upon termination of this Contract, COMMERCE, in addition to any other rights provided in this Contract, may require the Contractor to deliver to COMMERCE any property specifically produced or acquired for the performance of such part of this Contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

COMMERCE shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by COMMERCE, and the amount agreed upon by the Contractor and COMMERCE for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by COMMERCE, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Authorized Representative shall determine the extent of the liability of COMMERCE. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this Contract. COMMERCE may withhold from any amounts due the Contractor such sum as the Authorized Representative determines to be necessary to protect COMMERCE against potential loss or liability.

The rights and remedies of COMMERCE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Contractor shall:

- Stop work under the Contract on the date, and to the extent specified, in the notice;
- Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the Contract that is not terminated;
- Assign to COMMERCE, in the manner, at the times, and to the extent directed by the Authorized Representative, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case COMMERCE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;

- Transfer title to COMMERCE and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the Contract had been completed, would have been required to be furnished to COMMERCE;
- Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and
- Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this Contract, which is in the possession of the Contractor and in which COMMERCE has or may acquire an interest.

20. TREATMENT OF ASSETS

Title to all property furnished by COMMERCE shall remain in COMMERCE. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this Contract, shall pass to and vest in COMMERCE upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this Contract, shall pass to and vest in COMMERCE upon (i) issuance for use of such property in the performance of this Contract, or (ii) commencement of use of such property in the performance of this Contract, or (iii) reimbursement of the cost thereof by COMMERCE in whole or in part, whichever first occurs.

- Any property of COMMERCE furnished to the Contractor shall, unless otherwise provided herein or approved by COMMERCE, be used only for the performance of this Contract.
- The Contractor shall be responsible for any loss or damage to property of COMMERCE that results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.
- If any COMMERCE property is lost, destroyed or damaged, the Contractor shall immediately notify COMMERCE and shall take all reasonable steps to protect the property from further damage.
- The Contractor shall surrender to COMMERCE all property of COMMERCE prior to settlement upon completion, termination or cancellation of this Contract.
- All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

21. WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of COMMERCE.

Attachment A: Scope of Work

A Statement of Work (SOW) is a comprehensive document that outlines the specific tasks, deliverables, and expectations associated with a project or contract. It serves as a roadmap for both the contracting agency and the vendor, ensuring clarity and alignment throughout the project lifecycle.

Based on the provided description, the Statement of Work for the project would include the following components:

1. **Project Overview:** This section provides an overview of the project, including its purpose, scope, and objectives. It outlines the need to support critical community needs during power outages.
2. **Project Development and Design:** This section details the tasks related to project development and design, such as ensuring compliance with industry standards and codes, community engagement, and outreach.
3. **Contracting and Permitting:** This section outlines the procurement process for equipment and subcontractors, as well as the procedures for obtaining permits and utility interconnection agreements.
4. **Measurement and Verification:** This section outlines the requirements for collecting performance data, reporting measurement and verification results, and communicating project outcomes to stakeholders.

Overall, the Statement of Work provides a detailed roadmap for the project, outlining the specific tasks and deliverables required for its successful execution.

Attachment B: Budget

All funding is subject to continued legislative authorization and re-appropriation where applicable.

Milestone	Project Activity and Task (EXAMPLE)	Deliverable(s) (EXAMPLE)	Activity Period	Milestone \$ Designated in Budget	Milestone \$ Designated as Match	Total Project Cost
A	Project Development and Design	Completed project design documentation & community engagement report				
			Activity A Subtotal	0.00	0.00	0.00
B	Contracting and Permitting	Procurement documentation, permit approvals, utility agreements				
			Activity B Subtotal	0.00	0.00	0.00
C	Equipment Delivery, Installation, and Construction	Photos of installed equipment, completed site restoration, & documentation of passed inspections.				
			Activity B Subtotal	0.00	0.00	0.00
			Budget Totals	0.00	0.00	0.00

Attachment C: Reporting

The Contractor must provide quarterly written reports and/or host a regular quarterly video and/or phone call with COMMERCE for project update purposes. Phone contact should cover current status of the project and any barriers that are potentially affecting the project schedule.

The Contractor shall provide a quarterly report to COMMERCE, no later than 15 days after the end of each quarter. The report form will be provided by Commerce. The report should describe the project activity that occurred during the quarter, including but not limited to:

1. A narrative summarizing project activities, risks and issues mitigated, and lessons learned;
2. The project milestones met to date and anticipated in the subsequent quarter (such as through a project Gantt Chart schedule provided quarterly in Microsoft Project format showing actual progress to date along with the baseline schedule developed at project kickoff etc.); and,
3. Any additional metrics required from the operating budget proviso, legislature, governor's office, or COMMERCE.
4. Quarterly updated invoice projection sheet for grant expenditures. Commerce will provide the invoice projection sheet;

A final report and fact sheet will be submitted to Commerce. Commerce will provide the fact sheet template and may request the fact sheet be updated as conditions warrant.

Attachment D: Proviso

2025-2027 Biennium

HB 5167

NEW SECTION. Sec. 133. FOR THE DEPARTMENT OF COMMERCE—ENERGY AND INNOVATION

(3) \$5,000,000 of the climate commitment account—state appropriation is provided solely for grants to support port districts, counties, cities, towns, special purpose districts, any other municipal corporations or quasi-municipal corporations, and tribes to support siting and permitting of clean energy projects in the state. Eligible uses of grant funding provided in this section include supporting predevelopment work for sites intended for clean energy projects, land use studies, conducting or engaging in planning efforts such as planned actions and programmatic environmental impact statements, and staff to improve permit timeliness and certainty.

SAMPLE



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Resolutions - Adoption

Strategic Priority 4 - Quality of Life

Subject

Resolution No. 2025-129, Authorizing a First Amendment to the 2017 Cable Television Educational Access Grant with Washington State University

Department/Office

City Manager

Ordinance/Resolution Number

2025-129

Document Type

Resolution

Recommended Motion

Adopt Resolution No. 2025-129, authorizing the City Manager to sign and execute a First Amendment to the 2017 Cable Television Educational Access Grant with Washington State University.

Summary

On May 11, 2017, Richland City Council approved a Cable Television Educational Access Grant Agreement with Washington State University (WSU) under which WSU received a one-time \$25,000 grant. The funds were intended to purchase equipment to support production and cablecasting of WSU programming on dedicated Charter Communications channels (see Contract No. 178-16). The purpose of the grant was to support WSU in providing community-focused Public, Educational, and Government (PEG) programming.

Since the agreement's execution, WSU has continued to provide PEG programming benefiting Richland citizens. As the programming has expanded, WSU requested that remaining grant funds be eligible for expenses related to PEG program production beyond the original limitation of equipment procurement.

The proposed First Amendment to Contract No. 178-16 broadens the allowable use of funds to include general PEG program production expenses. This ensures that the City's original investment is fully utilized, while all other provisions of the 2017 Agreement remain unchanged.

This amendment will not increase City expenditures. The original grant funds were fully allocated in 2017, and no new funding is required. Supporting WSU's continued PEG programming enhances community engagement and access to local information.

Staff recommends adoption of Resolution No. 2025-129.

Fiscal Impact

None.

Attachments

1. Resolution No. 2025-129
2. Draft First Amendment to Contract No. 178-16

RESOLUTION NO. 2025-129

**A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON,
AUTHORIZING AN AMENDMENT TO THE 2017 CABLE
TELEVISION EDUCATIONAL ACCESS GRANT AGREEMENT
WITH WASHINGTON STATE UNIVERSITY.**

WHEREAS, the City of Richland and Washington State University (WSU) entered into a Cable Television Educational Access Grant Agreement on May 11, 2017, providing a one-time grant of \$25,000 to WSU for the purchase of equipment to produce and cablecast WSU access programming for Charter Communications (*see* Richland Contract No. 178-16); and

WHEREAS, the City provided the grant funding to WSU in 2017 for the purposes described in the Original Agreement; and

WHEREAS, WSU has requested permission to use remaining grant funds for expenses related to Public, Educational, and Government (PEG) program production beyond equipment procurement; and

WHEREAS, the City and WSU agree that quality PEG programming serves the best interests of the citizens of Richland.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute the First Amendment to the 2017 Cable Television Educational Access Grant Agreement with Washington State University.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

**FIRST AMENDMENT TO
CABLE TELEVISION EDUCATIONAL ACCESS GRANT
Between
CITY OF RICHLAND
And
WASHINGTON STATE UNIVERSITY**

This **First Amendment** to the May 11, 2017 Cable Television Educational Access Grant Agreement (hereinafter “Original Agreement”) is made and entered into on this ____ day of October, 2025, by and between the **City of Richland**, a Washington municipal corporation (hereinafter the “City”) and **Washington State University**, an institution of higher education and an agency of the state of Washington, by and through the Washington State University Board of Regents pursuant to RCW 28B.30.095 (hereinafter “WSU”).

I. Recitals

WHEREAS, the City and WSU entered into an Agreement on May 11, 2017 with respect to a one-time grant of \$25,000 for purchase of necessary equipment to produce and cablecast WSU access programming for Charter Communications (*see* Richland Contract No. 178-16); and

WHEREAS, the City provided the one-time grant funding to WSU in 2017; and

WHEREAS, WSU seeks permission to use remaining grant funds for expenses related to Public, Educational and Government (PEG) program production beyond just equipment procurement; and

WHEREAS, the City and WSU agree that quality PEG programming serves the best interests of the citizens of Richland.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and WSU

II. Agreement

1. Section II Agreement, Paragraph 5. is hereby amended to add the underlined text below:

The City hereby provides a one-time grant of \$25,000 to WSU for purchase of necessary equipment to produce and cablecast WSU access programming from its fiber interconnect link with Charter Communications at the Washington State University Tri-Cities facility located at 2710 Crimson Way in Richland, Washington. Grant funds may also be used for all common expenditures related to City of Richland programs and events.

2. Except as expressly amended and modified by this Amendment, the Original Agreement is and shall continue to be in full force and effect in accordance with the terms thereof.

3. This Amendment shall be construed in accordance and governed by the laws of the state of Washington.
4. The headings contained in this Amendment are for ease of reference only and shall not be considered in construing this Amendment.
5. Each person executing this Amendment on behalf of another person, corporation, partnership, company, or other organization or entity represents and warrants that he or she is fully authorized to so execute and deliver this Amendment on behalf of the entity or party for which he or she is signing. The Parties hereby warrant to each other that each has full power and authority to enter into this Amendment and to undertake the actions contemplated herein, and that this Amendment is enforceable in accordance with its terms
6. Execution of this Amendment may be by electronic signature and in any number of counterpart originals, each of which shall be deemed to constitute an original amendment, and all of which shall constitute one whole amendment.

IN WITNESS WHEREOF, the Parties have executed this First Amendment on the date first written above.

CITY OF RICHLAND

WASHINGTON STATE UNIVERSITY

Jon Amundson, ICMA-CM
City Manager

By: _____
Its: _____

Attest:

Jennifer Rogers, City Clerk

Approved as to Form:

Heather Kintzley, City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Items - Approval

Strategic Priority I - High Performance Government

Subject

Appointment to the Economic Development Committee: Adam Morasch and Pete Rogalsky

Department/Office	Ordinance/Resolution Number	Document Type
City Clerk		General Business Item

Recommended Motion

Reappoint Adam Morasch to Position No. 1 and appoint Pete Rogalsky to Position No. 5 on the Economic Development Committee.

Summary

The terms for Position Nos. 1 and 5 on the Economic Development Committee (EDC) expired on September 30, 2025.

During the recruitment period, eight (8) application packets were received, including one from current EDC Vice-Chair Adam Morasch. Council Liaison Jones, Staff Liaison Wallner, EDC Chair Bricker, and EDC Member Spencer reviewed all applications and conducted interviews on September 11, 2025. Following the interview process, the EDC interview panel recommends the following appointments:

Reappoint Adam Morasch to Position No. 1

Appoint Pete Rogalsky to Position No. 5

The term for Position Nos. 1 and 5 is three (3) years, beginning October 8, 2025 and ending September 30, 2028.

Application packets are on file in the City Clerk's Office.

Fiscal Impact

None.

Attachments

- I. Economic Development Committee Appointment Recommendation Memo

CITY OF RICHLAND
DEVELOPMENT SERVICES

625 Swift Boulevard, MS-2
Richland, WA 99352
(509) 942-7390



MEMORANDUM

TO: Jennifer Rogers, City Clerk

FROM: Mandy Wallner, Staff Liaison

DATE: September 11, 2025

SUBJECT: Economic Development Committee Appointment

The terms for Position No. 1 and Position No. 5 on the Economic Development Committee (EDC) expired on September 30, 2025. During the recruitment period, eight (8) applications were received.

On September 11, 2025, Council Liaison Jones, EDC Chair Bricker, EDC Committee Member Spencer and Economic Development Manager Wallner interviewed seven (7) candidates to fill the two upcoming vacancies.

After careful consideration and deliberation, the following recommendations are submitted for Council approval:

Position #1: Professional Services

Vacated by:
Adam Morasch

Selected Candidate:
Adam Morasch

Position #5:

Vacated by:
Thea Hall

Selected Candidate:
Pete Rogalsky



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Items of Business

Strategic Priority 2 - Financial Sustainability

Subject

Ordinance No. 2025-28, Amending Chapter 3.26 of the Richland Municipal Code related to Utility Deposit System (First Reading)

Department/Office

Finance

Ordinance/Resolution Number

2025-28

Document Type

Ordinance

Recommended Motion

Give first reading to Ordinance No. 2025-28, amending Chapter 3.26 of the Richland Municipal Code related to the City's Utility Deposit System.

Summary

Staff recently reviewed the City of Richland's current utility deposit requirement, which is set at twice the average monthly bill amount. As a full-service city, this requirement has increasingly become a significant financial burden for many tenants seeking essential utility services. For residential customers, the average deposit required for all utility services can exceed \$400. As a result, customers frequently fall into delinquency within the first billing cycle, placing them at risk of disconnection and further compounding financial stress.

In reviewing the utility deposit structures of other full-service cities, staff found that many jurisdictions have lower or flat-rate deposit models. Based on the attached comparative analysis, and the large average required deposit, staff recommends revising the City's utility deposit policy to implement a flat-rate deposit model for residential customers. This flat-rate model will replace the current average-based methodology. The new deposit model would be as follows:

- Residential homes and apartment buildings or duplexes with four (4) or fewer units: \$250.00
- Apartment buildings with five (5) or more units: \$100.00

This change would simplify the deposit process for staff while still providing a fair approach for city residents. Lowering and standardizing the deposit requirement would also support broader goals of financial sustainability, customer satisfaction, and community well-being.

Staff also recommends eliminating RMC 3.26.020(B) Deposit Reinstated, as it places an undue administrative burden on staff and imposes additional financial strain on customers.

At its September 9, 2025 meeting, the Utility Advisory Committee (UAC) reviewed staff's analysis and recommendation regarding a proposed flat-rate utility deposit. The UAC concluded its review with a motion to support staff's recommendation to decrease and adjust the City's utility deposit requirement.

Staff recommends approval of Ordinance No. 2025-28 for first reading.

Fiscal Impact

Reducing the deposit requirement may increase the risk associated with potential delinquent accounts, as these accounts will have a lower deposit to offset any unpaid balances.

Attachments

1. Ordinance No. 2025-28
2. Full-Service City Deposit Comparison

ORDINANCE NO. 2025-28

AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON, AMENDING CHAPTER 3.36 OF THE RICHLAND MUNICIPAL CODE RELATED TO UTILITY DEPOSIT SYSTEM.

WHEREAS, the City has need, from time to time, to amend the Richland Municipal Code (RMC) to promote the health, safety and general welfare of its citizens and to bring the code into alignment with best practices; and

WHEREAS, as a full-service city, the current utility deposit requirement of twice the monthly average has become a significant financial burden for many tenants seeking essential utility services; and

WHEREAS, after a review of other full-service cities throughout the state of Washington, the City's formula is out of alignment compared to utility deposits required by those cities; and

WHEREAS, at its September 9, 2025 meeting, the Utility Advisory Committee (UAC) reviewed staff's analysis and recommendation regarding a proposed flat rate utility deposit. The UAC concluded its review with a motion to support staff's recommendation to decrease and adjust the utility deposit requirement; and

WHEREAS, adjusting the structure of the City's utility deposit rates will provide a fair approach for residents while still supporting broader goals of financial sustainability, customer satisfaction, and community well-being.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. Chapter 3.26 of the Richland Municipal Code, entitled Utility Deposit System, as first enacted by Ordinance No. 27-81, and last amended by Ordinance No. 63-19, is hereby amended as follows:

Chapter 3.26 UTILITY DEPOSIT SYSTEM

Sections:

3.26.010 Deposit for utility service.

3.26.020 Exemption from deposit – Qualifications.

3.26.010 Deposit for utility service.

Applications for electrical, water, or other utility service, made by the tenant of leased or rented residential premises, shall be accompanied by a utility services deposit; provided, however, that the deposit will not be required for electrical services for those set forth in RMC 14.12.010. The deposit amount shall be based on the following: ~~equal twice the monthly average bill of the previous 12 months for that occupied location without regard to prior discounted rates. If the premises has not been occupied continuously for the last 12 months, then the deposit will be as provided in the city's posted fee schedule.~~

Residential homes and apartment buildings or duplexes with four (4) or fewer units: \$250.00;
Apartment buildings with five (5) or more units: \$100.00.

Upon termination of service to the tenant, the amount of the deposit may be applied against any electrical, water or other utility charges then due or to become due from the tenant, including any connection or reconnection charges, and shall be remitted to the appropriate fund or funds. If the amount of the deposit is not sufficient to pay the total of the unpaid charges, remittance shall be made to the appropriate fund or funds on a pro rata basis. If there is a balance remaining after payment of all utility charges then due or to become due from the tenant, such balance shall be refunded.

3.26.020 Exemption from deposit – Qualifications.

A. If a new customer presents a letter of credit reference that is for the immediate prior 12 months of continuous service from a comparable utility company and meets the definition of good credit history, then there is an exemption from the requirement to make a deposit for utility services. Good credit history is defined as follows:

1. One or fewer delinquent notices within the previous 12 months; and
2. No disconnects for nonpayment of a bill or deposit within the previous 12 months; and
3. One or fewer checks returned to the city or prior utility for insufficient funds from his/her bank within the previous 12 months; and
4. No outstanding balances for utilities with the city within the last five years.

Existing utility customers who meet the qualifications for good credit, but who applied for services prior to the passage of the amendatory ordinance codified in this section, will automatically have their deposit applied back to their account after the end of the month in which they are determined to qualify for the exemption. Upon completion of a 12-month service period, all customers covered by the deposit will undergo an automatic review. If the above qualifications are met, the deposit shall be applied to the customer's account after the last day of the month in which they qualify.

~~B. Deposit Reinstated. The deposit requirement will be reinstated when:~~

- ~~1. After receiving two delinquent notices since the start of the account, another delinquent notice is mailed within 12 months of the last delinquent notice; or~~
- ~~2. A customer is on the list for disconnects on the day disconnects are started; or~~
- ~~3. Two payments are returned to the city for nonsufficient funds; or~~
- ~~4. A customer has an outstanding balance for utilities with the city created within the last five years; or~~
- ~~5. A customer has a pattern of delinquent notices and one payment is returned to the city for nonsufficient funds.~~

~~The deposit will be retained until the customer reestablishes a good credit history for a period of 12 months from the time the reestablished deposit is fully paid.~~

Section 2. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

Section 3. Should any section or provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid.

Section 4. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including but not limited to the correction of scrivener's errors/clerical errors, section numbering, references, or similar mistakes of form.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the ____ day of _____, 2025.

Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

First Reading: _____

Second Reading: _____

Date Published: _____

City of Richland

Full-Service Cities

Utility Deposit Comparison

City:	Richland	Tacoma	Ellensburg	Cheney	Seattle	Centralia
2025 Population:	64,930	228,400	21,260	13,180	816,600	18,730
Deposit Required:	Deposit required from Tenants of leased or rented residential premises	Deposit required from Tenants for power and water services	Deposit required from Owner or Tenant (with Owner agreement)	Deposit required for rental properties (Tenants)	Electricity: No Deposit required. Water/Sewer/Garbage: No Deposit (Property owner is ultimately responsible for utility bills)	No Deposit Required. The only deposit will be unless an owner's bankruptcy and continuation of utility services is desired. The deposit would be the two highest usage months within a 24-month period.
Deposit Amount:	Twice the monthly average bill of previous 12 months	Residential homes: \$200; Apartment bldgs 1-4 units:\$200; Apartment buildings 5+ units:\$100; Water deposit: \$75	Deposit Amount: One monthly average bill	Deposit amount will range from \$150 to \$200 and will be split into two equal payments on the first two bills.	N/A	N/A

All Cities: Deposit is generally waived if the customer can provide 12/24 months of letter of credit from previous utility account.



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 10/7/2025

Agenda Category: Items of Business

Strategic Priority I - High Performance Government

Subject

Resolution No. 2025-121, Adopting the 2025 Clean Energy Implementation Plan, Conservation Potential Assessment, and Demand Response Potential Assessment

Department/Office

Energy Services

Ordinance/Resolution Number

2025-121

Document Type

Resolution

Recommended Motion

Adopt Resolution No. 2025-121, adopting the 2025 Clean Energy Implementation Plan, Conservation Potential Assessment, and Demand Response Potential Assessment.

Summary

Washington State's Energy Independence Act (EIA), codified in Ch. 19.285 RCW, requires electric utilities to conduct a Conservation Potential Assessment (CPA) every two years to identify the 10-year energy efficiency potential and to set a 2-year conservation target. Richland City Council previously approved the 2023 CPA and Demand Response Potential Assessment (DRPA) through Resolution No. 2023-162 on October 17, 2023. In addition, Washington State's Clean Energy Transformation Act (CETA) requires electric utilities to prepare a Clean Energy Implementation Plan (CEIP) every four years.

With assistance from Lighthouse Consulting, staff has updated and finalized the City's 2025 CEIP, CPA, and DRPA reports for submittal.

The City has implemented energy efficiency programs since 2008. Per the 2025 CPA, the most cost-effective energy savings potential is fairly balanced between the residential, commercial and industrial sectors, with total energy efficiency targets of 6,530 MWh and 80,417 MWh in the 2-year and 10-year periods, respectively. For CETA compliance, the 4-year energy efficiency target is 17,644 MWh. Smart thermostats can add energy savings and also assist with future demand response programs.

The CEIP requires interim targets, specific targets, and specific actions to meet Washington's clean energy requirements. The City's current retail electrical load is served by 92% clean energy, which is above the state's 80% requirement. No action is due by the City during the 2026-2029 CETA compliance period. As the City's electrical load grows, renewable energy resources and renewable energy credits can help to meet upcoming EIA and CETA requirements.

The City held public input workshops on April 22, 2025 and August 13, 2025. The workshops included community partner representatives from nonprofit service providers, community organizations, and local government. At its September 9, 2025 meeting, the Utility Advisory Committee (UAC) reviewed and supported Council's consideration and approval of the 2025 CEIP, CPA and DRPA. No public comment was offered on these items during the UAC meeting.

Staff recommends adoption of Resolution No. 2025-121.

Fiscal Impact

None.

Attachments

1. Resolution No. 2025-121
2. 2025 Clean Energy Implementation Plan
3. 2025 Conservation Potential Assessment
4. 2025 Demand Response Potential Assessment

RESOLUTION NO. 2025-121

A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON, APPROVING THE 2025 CLEAN ENERGY IMPLEMENTATION PLAN, CONSERVATION POTENTIAL ASSESSMENT, AND DEMAND RESPONSE POTENTIAL ASSESSMENT.

WHEREAS, the City of Richland operates an electric utility providing customers reliable service at the lowest reasonable cost through wholesale power purchases, efficient operations and energy efficiency; and

WHEREAS, Chapter 19.405 RCW, the Washington Clean Energy Transformation Act (CETA), establishes specific requirements for non-emitting and renewable electricity while ensuring that all electric utility customers benefit from the transition to clean energy; and

WHEREAS, the City is required to comply with CETA by eliminating any allocation of coal-fired energy resources by December 31, 2025, making all retail electric sales greenhouse gas neutral by January 1, 2030, and requiring electric utilities meet 100% of total retail electric load using non-emitting and renewable resources or alternative compliance options by January 1, 2045; and

WHEREAS, in pursuit of these targets, RCW 19.405.060 requires consumer-owned utilities to develop and submit a Clean Energy Implementation Plan (CEIP) to the Washington State Department of Commerce by January 1, 2022 and every four (4) years thereafter; and

WHEREAS, the City is required to comply with Chapter 19.285 RCW, the Washington Energy Independence Act (EIA), by pursuing all cost-effective, reliable and feasible energy conservation; and

WHEREAS, the Conservation Potential Assessment (CPA) will be used to inform the City's ten-year and biennial energy conservation targets as required by the EIA; and

WHEREAS, the City previously submitted the 2021 CEIP, which was approved by Richland City Council through Resolution No. 123-21 on October 19, 2021, and the 2023 CPA and Demand Response Potential Assessment (DRPA), which was approved through Resolution No. 2023-162 on October 17, 2023; and

WHEREAS, Lighthouse Energy Consulting, LLC assisted staff in preparing updates to the CEIP and its supporting documents, the CPA and DRPA, which were used to develop CEIP and EIA targets, actions and indicators; and

WHEREAS, at its September 9, 2025 meeting, the Utility Advisory Committee (UAC) endorsed the CEIP, CPA and DRPA and favorably recommended Council adoption.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the Clean Energy Implementation Plan, Conservation Potential Assessment, and Demand Response Potential Assessment are hereby adopted for use in guiding energy resource planning, policy development and overall compliance with Washington State’s Clean Energy Transformation Act and Energy Independence Act.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 7th day of October, 2025.

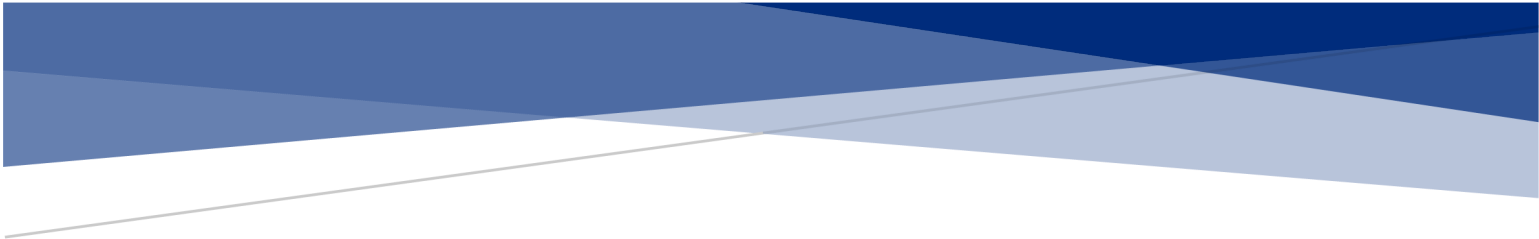
Theresa Richardson, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



2025 CLEAN ENERGY IMPLEMENTATION PLAN

City of Richland Energy Services

September 3, 2025

Prepared by:



Introduction

Objectives

This report describes the development and results of a Clean Energy Implementation Plan (CEIP) prepared for and with the close collaboration of the City of Richland Energy Services (RES) by Lighthouse Energy Consulting, Rockcress Consulting, and Nauvoo Solutions (the project team). This is the second CEIP required under Washington’s Clean Energy Transformation Act (CETA) and covers the four-year interim compliance period beginning in 2026 and ending in 2029.

Background

CETA requires electric utilities to prepare a CEIP by January 1, 2022, and every four years thereafter. According to Washington RCW 19.405.060, the CEIP must:

- Propose interim targets for meeting CETA’s standards for greenhouse gas neutral electricity in 2030 and clean energy in 2045
- Identify specific targets for energy efficiency, demand response, and renewable energy
- Identify specific actions for meeting the interim targets and specific actions described above
- Ensure that all customers benefit from the transition to clean energy

Further requirements for the development of CEIPs are specified in Chapter 194-40 of the Washington Administrative Code. This report summarizes the CEIP prepared based on these requirements.

Uncertainties

This CEIP uses the best available information at the time of its development. Nonetheless, it is still subject to remaining uncertainties and limitations. These uncertainties include, but are not limited to:

- Load Forecasts: This CEIP projects future customer load growth based on forecasts of future growth. These forecasts inherently include a significant level of uncertainty. The forecast is an econometric forecast that “bakes in” future energy efficiency achievements based on historical achievements. Future energy efficiency achievements that vary significantly from past achievements may lead to deviations from the load forecast.
- BPA Contracts: RES’s current contract with BPA expires in 2028. While this analysis assumes that RES will have similar products available after 2028, this is not certain.
- Legislative Uncertainties: Uncertainties exist in the interpretation of certain CETA requirements that remain unresolved as of the development of this report.

Due to these uncertainties and the continually changing planning environment, the CETA requires utilities to update their CEIP every four years to reflect the best available data.

Report Organization

The remainder of the report is organized into two sections:

- **Utility Targets & Actions:** Discusses the development of targets and actions for clean and renewable energy, energy efficiency, and demand response
- **Actions to Ensure an Equitable Transition:** Discusses the public process conducted, outcomes, and actions to ensure equity in RES's transition to clean energy

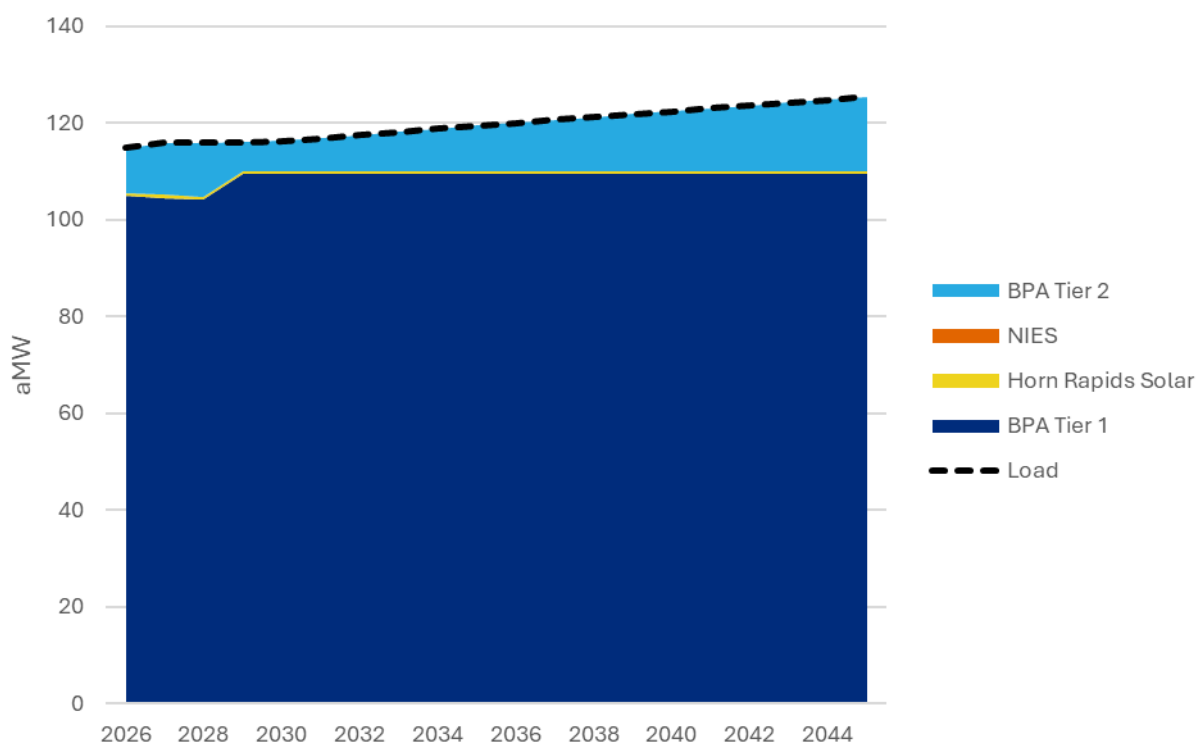
Utility Targets and Actions

While CETA has no targets for clean energy in the four-year interim compliance period covered by this CEIP, Lighthouse worked with RES staff to project future loads and resources and compare them against CETA's 2030 and 2045 requirements. Lighthouse and RES also considered the requirements of Washington's Energy Independence Act (EIA), which RES must comply with, having passed the qualifying threshold of 25,000 customers.

Loads and Resources

Lighthouse worked with RES to estimate its future loads and resources from 2026 through 2045. These are shown in Figure 1. Details on the sources and assumption for each resource follow below.

Figure 1: Projected Loads and Resources



Load Forecast

For the purposes of this CEIP, RES staff provided the official BPA load forecast, which is dated August 13, 2024. The forecast covers 2026-2034 and assumes a compound annual growth rate of 0.5 percent. This growth rate was used to extrapolate the forecast through 2045. The forecast is an econometric forecast and includes embedded energy efficiency. If RES continues to pursue energy efficiency at similar levels, no adjustment to this forecast is necessary. Increasing the rate of acquisition, however, could reduce the future load growth below these projections.

BPA Tier 1 and Tier 2 Power

Lighthouse used RES's 2026 rate period high water mark (RHWM) and assumed an annual decline of 0.3 percent to estimate future Tier 1 power purchases from BPA. Beginning in 2029, Lighthouse used RES's current estimated contract high water mark (CHWM) under BPA's forthcoming Provider of

Choice contracts. Based on current information, the CHWM will be maintained through the duration of the contract period. Any remaining load not served by Tier 1 power or RES's Horn Rapids Solar and Storage facility was assumed to be served through Tier 2 purchases from BPA. Based on RES's projected future load growth, as well as the assumed decline in available Tier 1 power, the need for Tier 2 purchases increases over time.

Lighthouse assumed that both Tier 1 and Tier 2 purchases were approximately 96 percent clean per the CETA definition and based on the average of BPA's reported fuel mix from 2016-2023. The environmental attributes of these products may change in the future, but this is the best information available at this time.

RES also receives a share of Renewable Energy Certificates (RECs) as part of its Tier 1 purchases, based on past incremental improvements to the federal hydroelectric system. RES provided recent allocations of RECs and Lighthouse assumed that RES would continue to receive RECs at a similar rate, with the same 0.3 percent annual degradation rate used for Tier 1 power. These RECs are counted towards the renewable energy requirement of the EIA, which does not count existing hydro as a renewable resource.

Horn Rapids Solar, Storage, and Training Project (HRSST)

HRSST is a utility-scale solar and storage facility located with RES's service territory. Consistent with RES's 2020 Integrated Resource Plan (IRP), Lighthouse assumed an annual output of 0.582 aMW. RES provided an annual degradation rate of 0.0043 percent, based on the annual degradation of the solar photovoltaic panels. RES's contract with HRSST ends in 2045, the last year considered in this analysis.

RES receives additional credit for the output of HRSST that can be counted against the EIA requirements because it is distributed generation and was constructed using labor from apprentice programs. Together, these factors result in RECs and additional credit that RES can count at a rate of 2.2 times the actual power production. For compliance with CETA's requirements, the additional credit cannot be applied. Only RECs associated with actual generation can be counted towards CETA's requirements.

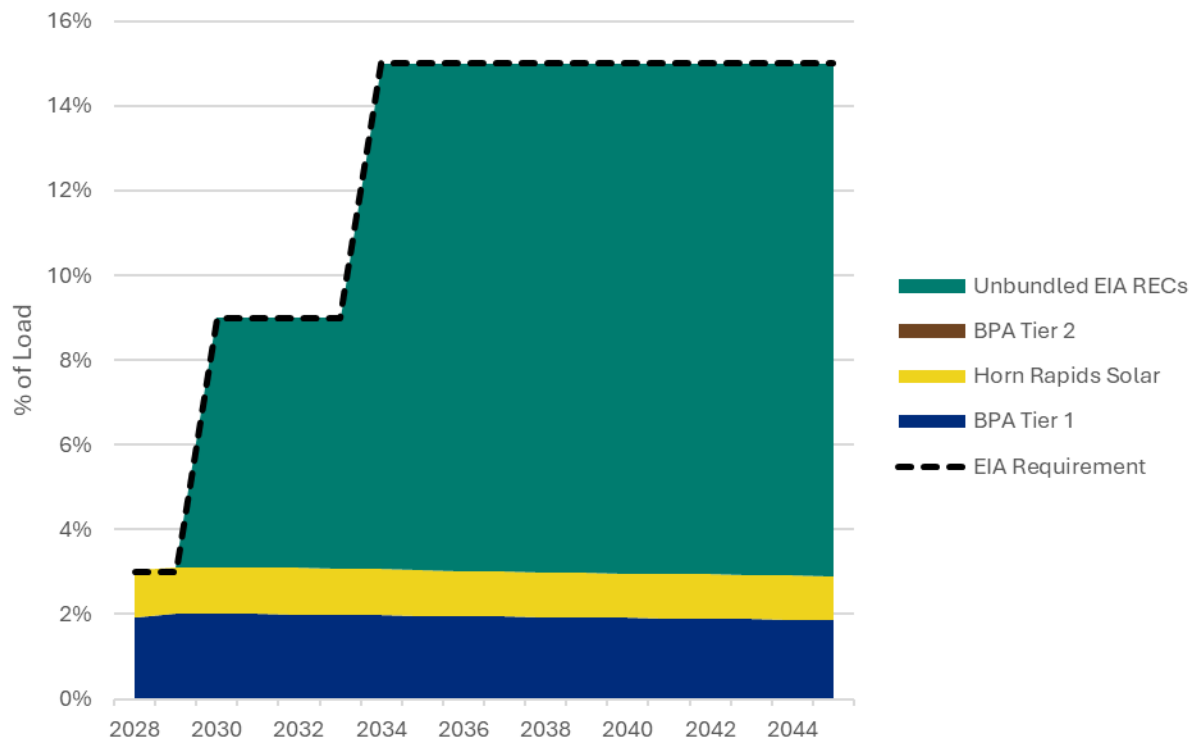
EIA Compliance

The EIA has requirements for renewable energy that are phased in over time. Beginning in 2026, RES must supply three percent of its power from renewable resources. This requirement steps up to nine percent in 2030 and 15 percent in 2034. CETA's requirements for clean and renewable energy may effectively supersede these requirements as it requires 100 percent carbon neutral energy beginning in 2030, but there are some unresolved questions regarding the interaction between the EIA and CETA. To be conservative, Lighthouse has assumed that the requirements for EIA continue. Ultimately RECs or other renewable energy resources purchased for compliance with the EIA can be counted towards compliance with CETA's requirements.

Figure 2 shows the projected compliance with EIA requirements for renewable energy. Based on these projections, RES can comply with RECs received through its Tier 1 purchases and HRSST project through 2029. Beginning in 2030, as the EIA requirement steps up to 9 percent, RES may need to purchase additional RECs or otherwise procure renewable resources. This need grows again in 2034 when the requirement steps to 15 percent. Lighthouse assumed these needs would be met

with unbundled REC purchases. In the 2026-2029 interim compliance period covered by this CEIP, no action is needed to comply with the requirements of the EIA.

Figure 2: Projected EIA Compliance



CETA Compliance

CETA has two primary requirements for clean energy:

1. In 2030, 80 percent of retail sales must be clean or non-emitting, and the remaining 20 percent can be made greenhouse gas neutral through several alternative compliance mechanisms, including the purchase of RECs.
2. Beginning in 2045, all retail sales must come from non-emitting or renewable resources. No alternative compliance mechanisms are allowed.

Lighthouse reframed these requirements as the following:

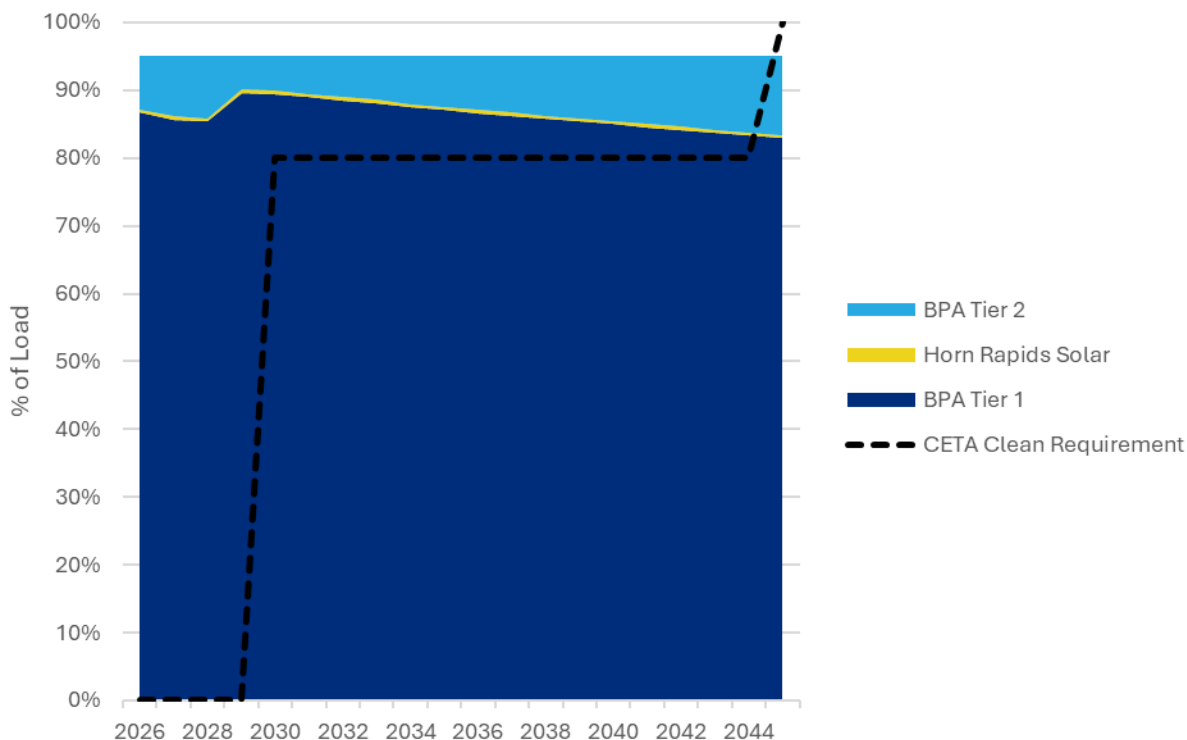
1. A requirement for clean and renewable energy that begins at 80 percent in 2030 and steps up to 100 percent in 2045.
2. A requirement for 100 percent greenhouse gas neutral energy from 2030 to 2044, counting the requirements for clean and renewable energy as well as any alternative compliance mechanisms.

The following discussion uses these reframed requirements to examine RES's future CETA compliance.

Figure 3 shows RES’s projected compliance with the requirement for clean energy, beginning at 80% in 2030 and stepping up to 100% in 2045. This figure shows that RES can likely achieve compliance with its existing resources until the 2045 requirement for 100% clean energy.

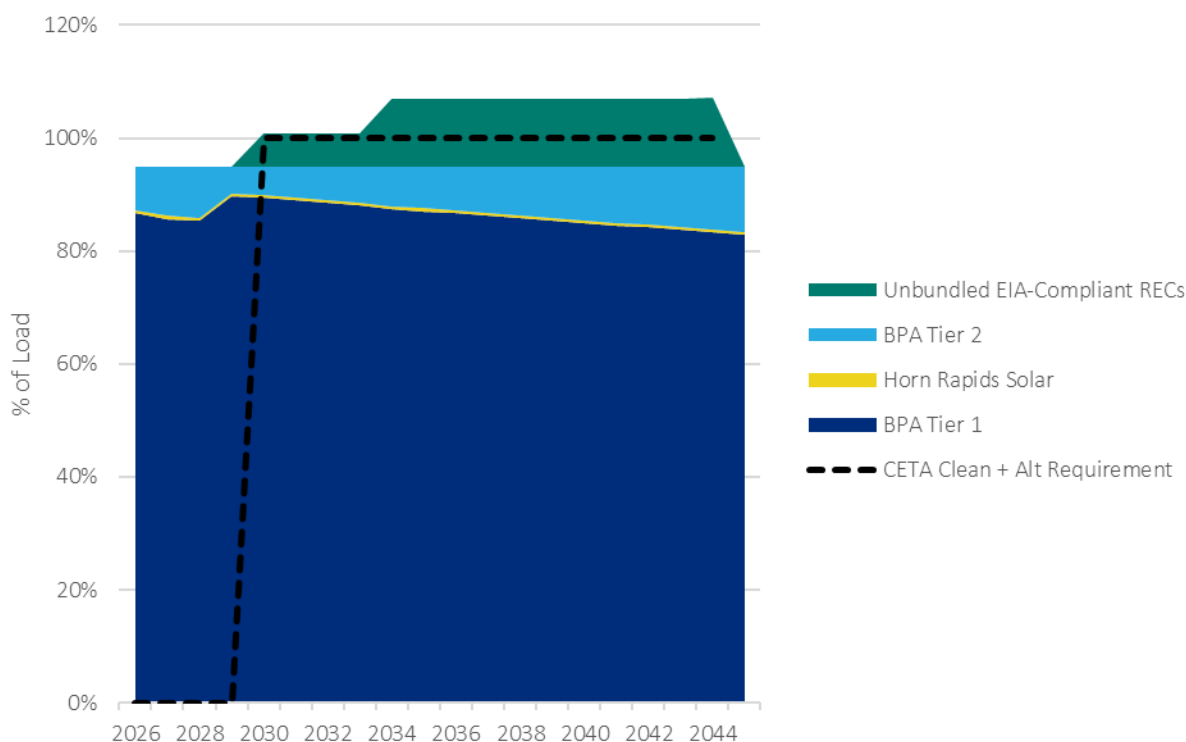
In the interim compliance period covered by this CEIP, there are no requirements for clean energy. Utilities who are not already at the 80% clean threshold are required to set targets that demonstrate progress towards this requirement but because RES is projected to be approximately 95% clean, this requirement does not apply.

Figure 3: CETA Clean Energy Compliance



RES’s projected compliance with respect to the 100 percent greenhouse gas neutral requirement is shown in Figure 4. This requirement begins in 2030 and ends after 2044. RECs purchased for EIA compliance are shown in green, similar to Figure 2 above. Based on the combination of clean energy resources and RECs purchased for EIA compliance, RES will likely be in compliance with this requirement throughout the 2030-2044 time period when it is in effect.

Figure 4: CETA Greenhouse Gas Neutral Compliance



Based on these projections, RES has identified a target of serving approximately 92% of its retail load with renewable and non-emitting resources over this four-year interim compliance period of 2026-2029. This reflects average hydro conditions while adding in a small buffer to reflect uncertainty in year-to-year variations of hydro conditions and BPA’s fuel mix. As discussed above, since RES is already more than 80% clean, there are no requirements for clean energy, so no further action is needed at this time.

Renewable Energy

Based on the calculations above, RES does not have a need to procure renewable energy for this interim compliance period. **Lighthouse estimates that RES will use approximately 3,286,810 MWh of renewable energy based on the expected output of the federal hydro system and HRSST project.** This is based on the contributions of the renewable energy resources described above while also adding in the small buffer to account for variability in output from the federal hydropower system.

Energy Efficiency

Lighthouse, with support from Nauvoo Solutions, completed a conservation potential assessment (CPA) for RES. Based on the CPA, **a four-year energy efficiency target of 17,644 MWh was identified.** Per CETA’s requirements, this target can be updated when RES completes its 2027 CPA.

Demand Response

Lighthouse and Nauvoo Solutions also completed a demand response potential assessment (DRPA) for RES. The assessment identified demand voltage reduction (DVR) and as a cost-effective demand response resource. Lighthouse also identified smart thermostats used for summer peak demand

reductions as cost-effective, and smart thermostats used for winter demand reductions were just below the cost-effectiveness threshold, with an estimated benefit-cost ratio of 0.9.

RES currently implements DVR in its system and used it to reduce demand by approximately 400 kW during a heat wave in June of 2021.

For smart thermostats, Lighthouse recommends that RES further investigate the costs and benefits of a smart thermostat program with its customers. RES does not currently offer a smart thermostat incentive as part of its energy efficiency programs, but some customers are likely to install them without utility incentives. RES could explore the following topics to further evaluate whether smart thermostats were a good fit for the utility:

- Current customer adoption of smart thermostats
- Customer willingness to participate in summer & winter demand response programs at various incentive levels
- Costs to implement a demand response program

In the DRPA, Lighthouse used estimates of these values based on regional assumptions and projected future adoption of smart thermostats. With refined estimates, RES could refine the estimate of cost effectiveness and proceed with a pilot program if warranted.

Recent legislative changes have amended Washington's Energy Independence Act, allowing utilities to count demand response towards the Act's renewable energy requirements. While this change was not included as part of the DRPA, it could provide significant additional value for demand response, adding to the cost effectiveness of the products considered in this assessment.

The CEIP form developed by the Department of Commerce requests the quantity of DR resources to *be acquired* over the interim performance period. **Since RES already has DVR resources in place and will be further exploring whether to implement a smart thermostat DR program, a target of 0 MW is recommended.**

Specific Actions

Based on the targets identified above, the following specific actions are recommended for RES:

1. **Implement EE programs to meet the identified target.** RES should continue to implement EE programs, considering new measures where appropriate, to meet the energy efficiency target identified for this CEIP. Pursuing energy efficiency will help minimize load growth and reduce the need for BPA Tier 2 purchases and new clean energy resources to comply with CETA's future clean energy standards. The CPA provides additional details on the cost-effective measures RES could consider.
2. **Investigate smart thermostat DR program.** Further investigating whether smart thermostat programs can be a cost-effective resource will help RES reduce peak demands which may reduce the need for new resources. Several regional utilities have implemented pilots and programs that can serve as examples.

Consistency With Long-Term Plans

RES is now a full requirements customer of BPA and submitted its most recent resource plan in 2024.¹ The resource plan projects meeting future loads with BPA Tier 1 and Tier 2 power, energy efficiency, and the Horn Rapids solar project. This CEIP is consistent with the 2024 Resource Plan, projecting use of the same resources to meet future demands while updating amounts based on the most recent information available.

¹ See <https://www.ci.richland.wa.us/home/showpublisheddocument/16606/638600169457600000>

Actions to Ensure an Equitable Transition

Along with the requirements for clean energy discussed above, CETA has provisions to ensure that the transition to clean energy is equitable. CETA's equity provisions require utilities to:

- Identify highly impacted communities and vulnerable populations,
- Establish a public input process in the development of their CEIP,
- Develop indicators to forecast the distribution of costs and benefits,
- Take specific actions to reduce risks to the identified highly impacted communities and vulnerable populations

Each of these requirements is discussed below.

Highly Impacted Communities

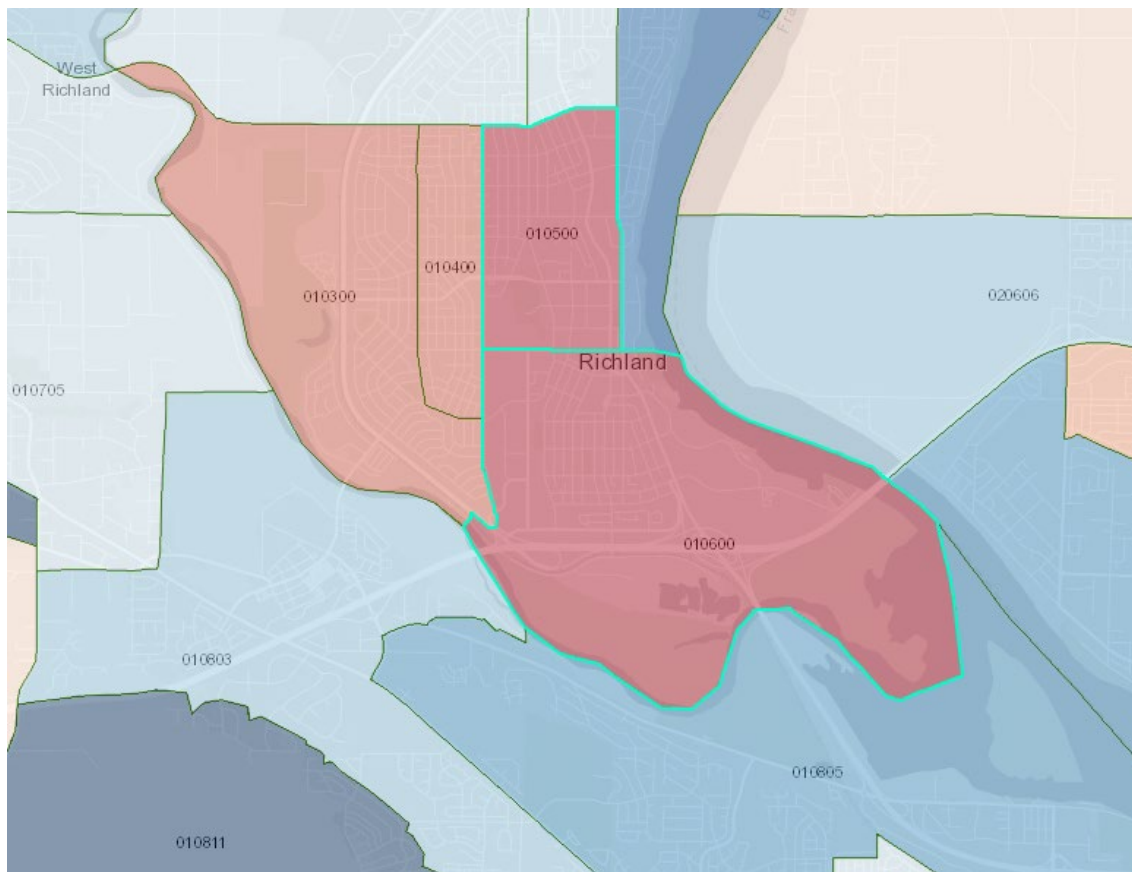
Under CETA, Highly Impacted Communities (HIC) are defined as communities designated by the Department of Health based on cumulative impact analyses or communities located in census tracts that are fully or partially on "Indian country" as defined in 18 U.S.C. Sec. 1151.²

Using the Washington State Department of Health (DOH) Environmental Health Disparities (EHD) Map, two of the 11 census tracts in RES's service area qualified as highly impacted communities. These are census tracts 5010600 and 5010500, outlined in blue and highlighted red in Figure 5.³ Both census tracts scored a 9 (high) on the EHD Index, driven by a combination of risks from environmental effects and sensitive populations.

² Please refer to [RCW 19.405.020\(22\)](#).

³ Note that DOH's accompanying HIC Data Table incorrectly lists several additional census tracts as being in RES service territory, due to errors in the mapping of RES service area A request to update this data was sent to BPA who supplies DOH with the utility service area definitions.

Figure 5: RES Highly Impacted Communities



Top Factors for Highly Impacted Communities

Analysis using the EHD map highlights the high-level risks (ranked 9 or 10 on the EHD Index) within Richland’s census tracts 5010500 and 5010600. These include:

- Environmental exposures including ozone concentrations
- Environmental effects driven by lead risks in housing and proximity to Risk Management Plan facilities
- Socioeconomic factors with high populations living in poverty
- Sensitive populations experiencing higher rates of low birth weights

Public Process

CETA requires utilities to establish a meaningful public input process that identifies vulnerable populations, develops equity indicators, and incorporates community feedback into CEIP development. In addition, the public input process must consider barriers to participation, such as language, cultural, economic, or technological. RES conducted two public input workshops designed to gather actionable input from community partners and address these requirements.

Rockcross Consulting facilitated the workshops using an approach emphasizing respectful dialogue, equitable participation, and interactive exercises with community input through virtual discussions and in-person input boards. The process provided participants with clear understanding

of CETA requirements while working collaboratively to identify vulnerable populations, develop indicators to forecast the distribution of costs and benefits, and develop specific actions to reduce risks for highly impacted communities and vulnerable populations.

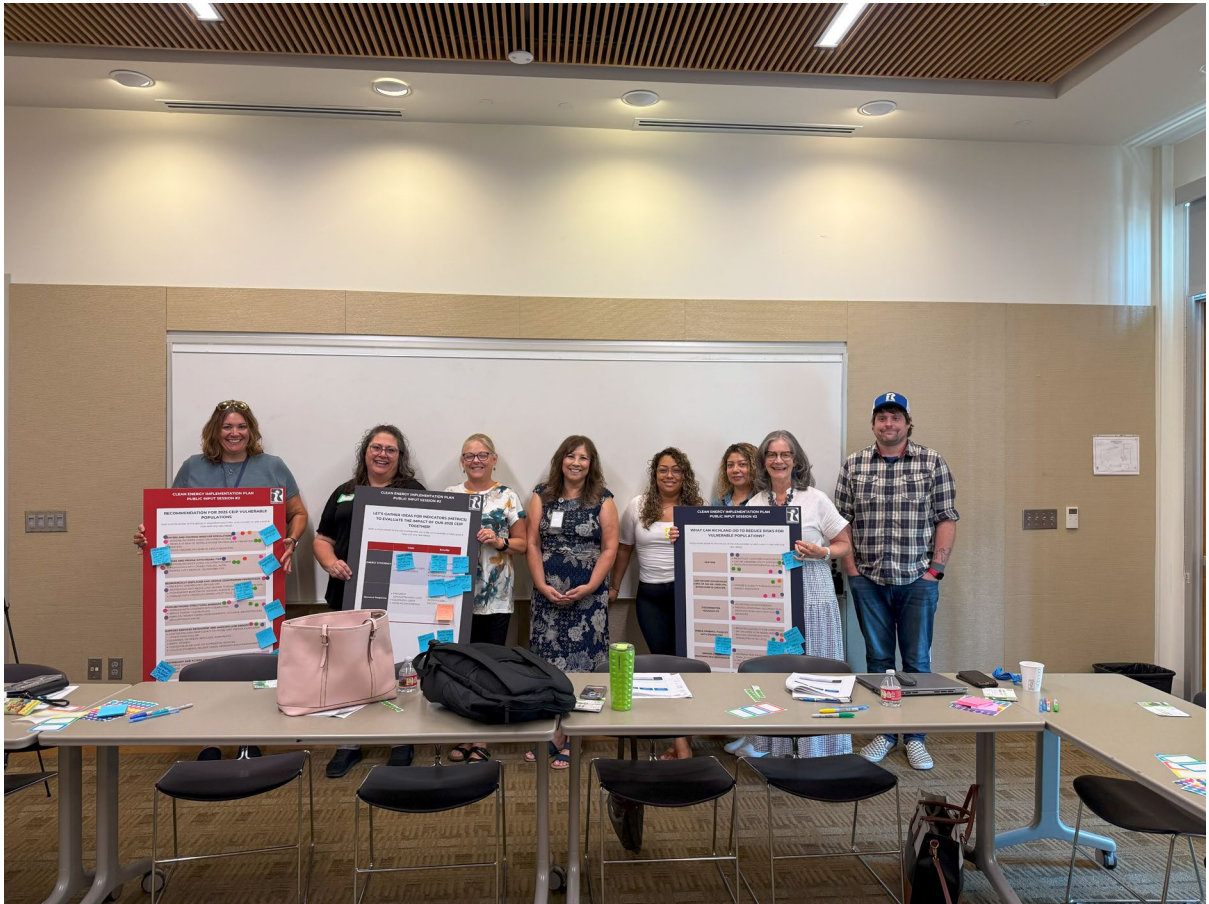
Public Input Workshop 1 (April 22, 2025) introduced RES energy efficiency and customer assistance programs, provided an overview of CETA, and revisited the 2021 definition of vulnerable populations. Participants identified potential updates to the vulnerable population definition, discussed key community risks, and identified actions RES may take to reduce those risks.

Public Input Workshop 2 (August 13, 2025) further refined the input on the vulnerable populations definition from Public Input Workshop 1, examined risks and barriers in more detail, and collaboratively developed specific actions and equity indicators (or metrics) for potential inclusion in RES's 2025 CEIP.

Workshops included community partner representatives from nonprofit service providers, community organizations, and local government (Figure 7), including:

- United Way of Benton and Franklin Counties
- Mid-Columbia Meals on Wheels
- Domestic Violence Services
- Elijah Family Homes
- City of Richland Teams
 - Energy Services
 - Customer Service
 - Community Development

Figure 6. RES Workshop #2 Group Photo



RES utilized a two-phased approach to the public process to maximize accessibility through multiple participation formats (virtual and in-person), allow iterative refinement of the definition of vulnerable populations, provide community partners time to reflect between workshops, ensure comprehensive coverage of CETA requirements, and demonstrate RES's commitment to incorporating community feedback throughout the process.

Workshops were designed with accessibility in mind to address any potential barriers to participation in the public input process. RES implemented multiple strategies to reduce participation barriers through format accessibility, outreach and education, and responsive process design. Figure 6 provides the strategies used to ensure public input was accessible to all those that participated in the CEIP development process.

Figure 7: Ensuring Accessibility

Accessibility of Format – Maximize accessibility by offering multiple participation formats (virtual and in-person), reducing barriers related to transportation, scheduling, and childcare. Virtual access ensured participation for those unable to attend in person, while in-person sessions provided space for those less comfortable with digital platforms. Provided a safe public location for participants at the public library for its in-person workshop.

Inclusive Facilitation – Ground rules emphasized respectful dialogue, shared airtime, and multiple avenues for participation (e.g., speaking, chat, boards), ensuring participants could engage in the format most comfortable to them.

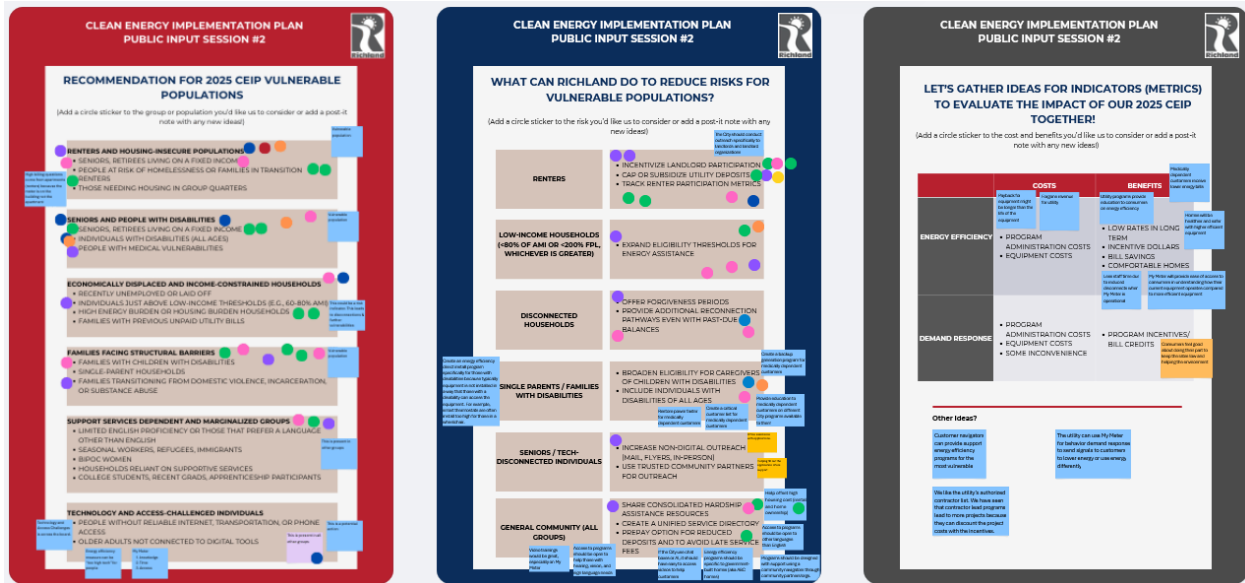
Plain Language & Context – Workshop materials and presentations used clear, non-technical language and provided background on CETA and CEIP, making the process approachable for participants without an energy policy background.

Iterative Design – A two-phased approach allowed participants to reflect between sessions, refine their input, and see their feedback incorporated, which built trust and encouraged continued engagement. Allow for iterative refinement of vulnerable populations definition.

Representation of Vulnerable Groups – RES intentionally engaged nonprofit and community-based organizations that work directly with vulnerable populations (e.g., families in poverty, seniors, survivors of domestic violence). This approach amplified the voices of those most vulnerable, even if they could not attend directly.

Additionally, RES utilized an interactive board exercise to collect feedback from community partners (Figure 8). Themes from the community input were used to identify opportunities where RES could update its definition of vulnerable populations, identify community risks, and consider potential actions RES may take within its 2025 CEIP.

Figure 8. RES Workshop #2 Interactive Board Exercise



Vulnerable Populations

CETA requires utilities to identify vulnerable populations based on adverse socioeconomic and sensitivity factors that may increase risks from utility actions or reduce access to benefits. These populations must be defined through a public input process and guide the development of the CEIP.

Community partners provided insights into the vulnerable populations in RES's service area. Workshop discussions confirmed that renters; seniors and retirees on fixed incomes; households with children with disabilities; people with disabilities of all ages; and families in transition due to domestic violence, incarceration, or substance abuse remain among the most vulnerable populations in Richland. Participants also emphasized low-income households, as well those just above eligibility thresholds, who face high energy burdens without assistance access.

Following the public input workshops, RES considered this input and refined the vulnerable populations definition for the 2025 CEIP into three primary categories while recognizing cross-cutting factors affecting vulnerability across all populations:

Three Primary Vulnerable Populations Categories:

- **Renters and Housing-Insecure Populations:** Seniors and retirees living on fixed income, people at risk of homelessness or families in transition, renters, and those needing housing in group quarters.
- **Seniors and People with Disabilities:** Seniors and retirees living on fixed income, individuals with disabilities (all ages), and people with medical vulnerabilities.
- **People and Families Facing Structural Barriers:** Families with children with disabilities, single-parent households, and families transitioning from domestic violence, incarceration, or substance abuse, those with limited English proficiency, seasonal workers, refugees, immigrants, and BIPOC women.

Multiple cross-cutting factors emerged in the second workshop, where community members emphasized that certain conditions—such as economic displacement, social marginalization, and technology or access barriers—affect individuals across all population categories. Unlike the primary groups, these factors are not limited to one segment of the community but instead overlap multiple groups, shaping vulnerability in broad and intersecting ways. While not part of the vulnerable populations definition, RES considered these cross-cutting factors as part of its 2025 CEIP to both recognize their widespread impact and to guide the development of actions that reduce barriers across all populations.

- **Cross-Cutting Vulnerability Factors:** Economic displacement (recent unemployment, income just above assistance thresholds, high energy burden), social marginalization (limited English proficiency or another language other than English preferred, immigration and refugee status, reliance on support services), and technology and access barriers (lack of internet, transportation, or digital literacy).

How Definition Changed from Prior CEIP

The 2025 CEIP definition of vulnerable populations maintained the core focus from the 2021 CEIP while representing organizational consolidation and expansion. All populations from the 2021 CEIP remain covered in the 2025 CEIP, ensuring continuity while incorporating additional community input on vulnerability patterns. The 2021 CEIP listed seven distinct vulnerable populations. This definition was updated based on the organizational changes, reclassifications, and new additions described below.

- **Organizational Changes:** The 2025 CEIP reorganized four 2021 CEIP populations into three primary categories:
 - "At risk of homelessness" and "Seniors, retirees living on fixed income" were combined into "Renters and Housing-Insecure Populations"
 - "Disabled" was expanded to "Seniors and People with Disabilities" with broader age inclusion
 - "Families in transition due to domestic violence, substance abuse, criminal justice system" was maintained as "People and Families Facing Structural Barriers"
- **Populations Reclassified as Cross-Cutting Factors:** The 2025 CEIP reorganized three 2021 CEIP populations into cross-cutting factors affecting all populations as described above:
 - "Limited English proficiency," "Seasonal workers, refugees, immigrants," and "BIPOC women" were reclassified as cross-cutting vulnerability factors affecting all population categories
- **New Additions Based on Community Input:** Renters were added as a distinct vulnerable population. Technology and access-challenged individuals, economically displaced households, families with children with disabilities and single-parent households, and people with medical vulnerabilities were additional categories incorporated.

Incorporating Community Feedback

RES's definition of vulnerable populations directly reflects community partner input. Workshop 1 emphasized risks faced by renters and led to the creation of "Renters and Housing-Insecure" category, and technology access issues identified by senior-serving organizations became a cross-

cutting factor. Workshop 2 provided community partners an opportunity to review and affirm these categories, resulting in further refinement to the definition of vulnerable populations and the development of cross-cutting factors.

Risks Faced by Vulnerable Populations and Highly Impacted Communities

CETA requires utilities to identify actions within the CEIP to reduce risks faced by vulnerable populations and highly impacted communities. To guide these actions, RES sought input from workshop participants on the risks and challenges affecting the community. The input received was organized into four categories:

- **Rental & Housing Challenges:** Lack of affordable housing (particularly for renters) and inability to qualify for group housing.
- **Economic Barriers:** High utility deposits particularly impacting renters in energy-inefficient buildings and previous unpaid utility bills creating reconnection barriers.
- **Technological & Access Barriers:** Seniors and elderly populations not connected to digital tools, lack of reliable internet, transportation, or phone access, and limited technology literacy affecting program awareness and access.
- **Systemic Barriers:** Energy efficiency programs often require property ownership and exclude renters, documentation requirements creating administrative burdens, and full-time student restriction for programs leave part-time students and recent graduates without support.

The EHD mapping analysis and public input process highlighted how environmental, socioeconomic, and health-related factors intersect to create disproportionate risks for RES's vulnerable populations. Highly impacted communities face environmental effects driven by lead risk and proximity to Risk Management Plan (RMP) facilities; with sensitive populations experiencing higher rates of low birth weight. Additionally, populations within this census tracts face risks from elevated ozone levels and high populations living in poverty.

Community partners emphasized that these risks are not evenly distributed. Children, older adults, individuals with disabilities, renters, and medically dependent households face heightened vulnerability due to existing health disparities, such as low birth weight, lower life expectancy, and premature death. Renters encounter structural barriers preventing full participation in energy efficiency programs, while seniors and digitally disconnected residents often miss information when outreach relies heavily on online tools. Medically dependent individuals also face safety risks during outages and require backup power options and prioritized restoration.

When combined, these factors compound the challenges limit participation in clean energy programs, increase energy burdens, and reduce resilience during emergencies. The feedback gathered through RES workshops makes clear that addressing these risks requires not only technical solutions but also policy, program design, and community partnerships that expand access, affordability, and protection for vulnerable households.

RES Current Actions

As part of the 2025 CEIP, RES reviewed its current programs internally and with community partners to confirm that its current actions provide a strong foundation for supporting vulnerable populations and reducing risks for those with the greatest needs (Figure 8). Community partners agreed that

RES's programs are meaningful and responsive, while also underscoring the importance of adding new strategies to close remaining gaps. The proposed community-identified actions developed through the workshops, where incorporated into the 2025 CEIP, building on RES's existing foundation and directly respond to the four barriers identified by the community—**Renter & Housing Barriers, Economic Barriers, Technology & Access Barriers, and Systemic Barriers**—as outlined in the Community-Identified Risks and Barriers section of this plan. This feedback became the basis for shaping the 2025 CEIP, with each action designed to target specific barriers and expand equitable access for RES community.

Figure 9. RES Current Actions

Program	Services Provided	Impact on Vulnerable Populations
Residential Energy Efficiency Programs	➤ Incentives for heat pumps, insulation, windows, hybrid water heaters ➤ Low-interest loans and Authorized Contractors ➤ Level 2 Smart Charger rebates	✓ Provides energy-saving upgrades ✓ Improves energy efficiency and home comfort ✓ Reduces utility costs for income-qualified and all-electrically heated homes ✓ Enables access to clean energy technologies
Commercial & Industrial Programs	➤ Financial incentives for: ➤ HVAC & motor upgrades ➤ Lighting retrofits ➤ Custom projects	✓ Helps local businesses cut energy costs, boosting economic resilience and potentially reducing commercial rent burden
Tri-Cities HOME Consortium	➤ First-time homebuyer down payment support ➤ Rental and utility assistance (via CAC) ➤ Support for homeless and at-risk individuals (e.g., domestic violence survivors) ➤ Health & safety home upgrades (lead abatement, ADA)	✓ Stabilizes housing for low/moderate-income families ✓ Reduces homelessness risk ✓ Improves accessibility and safety for vulnerable groups
Community Development Block Grant (CDBG)	➤ Emergency home repairs for low-income homeowners ➤ Nonprofit support for underserved residents ➤ Facility upgrades: ADA access, domestic violence shelters	✓ Prevents displacement ✓ Expands access to critical services ✓ Supports equity-driven infrastructure investments
Utility Bill Payment Options	➤ Tiered income-based discounts (0–150% FPL and up to 80% AMI) ➤ Equalized payment plans ➤ Helping Hands (via CAC) ➤ Referrals to charitable agencies to assist with utility payments	✓ Ensures continued utility access and prevents utility shutoffs ✓ Offers stability in billing ✓ Ensures access to essential services during financial hardship

RES Actions to Reduce Risks

Based on community input, RES will implement a comprehensive set of actions to reduce the risks faced by highly impacted communities and vulnerable populations:

- **Equity-Focused Actions:**
 - RES is exploring alternatives to utility deposit requirements through pre-pay billing options based on workshop feedback that high deposits disproportionately affect vulnerable populations.
 - RES will adjust incentives on January 1, 2026, following the higher credits offered by BPA.
- **Technology-Focused Actions:** Recognizing that some seniors and other populations face digital access challenges, RES is taking a dual approach.
 - RES is implementing My Meter, a digital platform providing video training on RES programs and transparent usage information.
 - Simultaneously, RES will work with community partners to provide program information and education for technology-challenged populations they serve.
- **Program Accessibility and Navigation Actions:**
 - Create a "Community Network" by partnering with trusted community organizations to create multiple entry points to access programs, develop consolidated resource directories, and train community partners to help clients navigate available programs.
 - Ensuring education to community network on My Meter.
- **Targeted Outreach Actions:**
 - Explore targeted outreach to landlords to understand both landlord and renter needs, identify effective financial incentive structures, and prioritize upgrades that deliver the greatest benefit to rental households.
 - RES will explore the development of critical customer lists for medically dependent individuals and consider designing a specific program for this group, such as backup power support and priority restoration services, to protect these customers during outages.

Reducing Disparities Where EHD Risks Are Greatest

RES's proposed actions directly target the environmental health disparity factors where highly impacted communities score highest, addressing root causes that create disproportionate burdens for these populations.

- **Populations in Poverty** (census tracts ranked 9–10): RES actions include exploring alternatives to utility deposit requirements and targeting energy efficiency programs in HIC areas to reduce energy burden for households living in poverty. These strategies help prevent disconnection, lower upfront barriers to participation, and provide more equitable access to RES programs. Targeted outreach to landlords and tracking renter participation metrics ensure that families in high-risk housing are not excluded from program benefits.
- **Populations Facing Lead Exposure** (ranked 9–10): Incentives for energy efficiency improvements in older homes, particularly rental housing, can support health and safety

upgrades such as contractors identifying persistent risks from lead-based building materials.

- **Populations Near RMP Facilities** (ranked 9–10): Community input emphasized the importance of resilience for households located near industrial risk zones. RES actions, such as developing critical customer lists for medically dependent residents and exploring backup power programs or priority restoration, will reduce health and safety risks during outages or emergencies.
- **Populations Facing Elevated Ozone and Health Risks** (ranked 9–10): Households experiencing poor health outcomes, benefit from education on existing utility programs and community navigator partnerships that connect at-risk households with assistance. By lowering energy burdens, these actions can also free household resources for health-related expenses.

Aligning CEIP Actions with Vulnerable Population Risk Factors

The actions identified for RES's 2025 CEIP are intentionally designed to address specific needs of the three primary vulnerable population categories and cross-cutting factors that increase vulnerability across all groups.

- For **renters and housing-insecure populations**, actions such as exploring alternative billing options to eliminate utility deposit requirements, incentivizing landlord participation, and tracking renter participation metrics directly respond to financial and structural barriers this group faces.
- For **seniors and people with disabilities**, RES actions emphasize non-digital outreach methods and use of trusted community partners to bridge technology and access gaps.
- For **people and families facing structural barriers**, RES actions expand program eligibility and ensure accommodations for disability-specific needs.

The actions also directly respond to cross-cutting vulnerability factors. To counter social marginalization, RES will expand access through partnerships with community-based organizations working with immigrants, refugees, and support service-reliant populations. To reduce technology and access barriers, RES is investing in both digital tools like My Meter and non-digital options, ensuring that lack of internet, transportation, or digital literacy does not prevent households from accessing support.

Together, these actions demonstrate how RES CEIP aligns strategies with specific risk factors used to define vulnerable populations, ensuring that program benefits and protections reach households most at risk of exclusion while supporting the broader community's transition to clean energy.

Incorporating Public Input

The proposed actions developed through the workshops directly respond to the four categories of challenges identified by the community: renter and housing challenges, economic challenges, technology and access challenges, and systemic barriers. This feedback served as the foundation for shaping actions included in the 2025 CEIP, with each action strategically designed to address specific barriers identified through the workshop process.

Indicators for Forecasting Distribution of Costs and Benefits

CETA requires utilities to develop indicators through public input and to use those indicators to forecast how the benefits and costs of clean energy actions will be distributed among customers, especially vulnerable populations and highly impacted communities. Based on community input, RES will track the following indicators to ensure equitable distribution of costs and benefits:

- **Participation Equity Indicators:** Participation rates across energy efficiency programs, and participation rates of populations served through community partner outreach.
- **Financial Distribution Indicators:** Distribution of incentive dollars by program, utility deposit assistance utilization rates, and bill payment assistance program usage.

The selection of these indicators directly reflects barriers and risks identified through RES public input workshops. Workshop participants repeatedly emphasized renter access barriers, identified as the most significant equity concern in both workshops, which led to specific tracking of participation rates. Community partners stressed that measuring program success requires understanding not just overall participation numbers, but specifically whether vulnerable populations can access and complete programs.

Workshop feedback regarding technology barriers from community partners serving seniors and disabled populations directly informed indicators tracking engagement with technology-challenged populations. Participants noted that traditional outreach methods may not reach digitally disconnected households, making it essential to measure whether community partner outreach successfully engages these populations.

Community partners also emphasized that equity requires tracking not only who participates, but who receives meaningful financial benefits. This feedback led to indicators measuring both participation rates and dollar distribution across vulnerable categories, ensuring that programs deliver equitable outcomes rather than simply equitable access.

Distribution of Costs and Benefits from RES Actions

Clean Energy

RES power supply portfolio is made up of more than 90% clean resources, requiring no additional action during the 2026-2029 timeframe of this CEIP. The utility will continue providing customers with predominantly renewable and zero-carbon electricity through existing power supply contracts and regional grid resources.

- **Costs:** No additional costs are anticipated, as RES already maintains a greater than 90% clean energy portfolio.
- **Benefits:** All customers benefit from stable, clean energy supply.

Energy Efficiency

Energy efficiency will continue to be a major focus for RES, with programs designed to reduce system demand, lower customer bills, and improve comfort and health outcomes. RES will continue existing rebate and incentive programs for residential, commercial, and industrial customers, alongside income-qualified rebates and low-interest loan offerings. RES will adjust incentives on January 1, 2026, based on updated BPA utility credits.

- **Costs:** All customers pay for program and incentive costs, and program participants pay equipment installation costs.
- **Benefits:** All customers receive economic benefits through lower rates over the long term, and local contractor employment. Program participants receive direct bill savings, improved home comfort and health, and reduced energy burdens. RES actions will help ensure all customers have access to participation and benefits.

Demand Response

RES will evaluate a demand response program, with an initial focus on smart thermostat technology. This program would allow customers to reduce or shift energy use during peak demand periods, providing both system-wide benefits and incentives for participants.

- **Costs:** If RES develops a customer demand response program, all customers will fund program administration and incentives. Program participants may experience slight inconveniences during demand response events.
- **Benefits:** If RES develops a customer demand response program, all customers will receive the benefits of system-wide cost savings through peak demand reduction and enhanced grid reliability during high-demand periods, program participants would receive incentive payments. For highly impacted communities and vulnerable populations, demand response provides a low or no-cost way to participate in utility system and receive incentives without significant capital costs.



2025 CONSERVATION POTENTIAL ASSESSMENT

Richland Energy Services

August 25, 2025

Prepared by:



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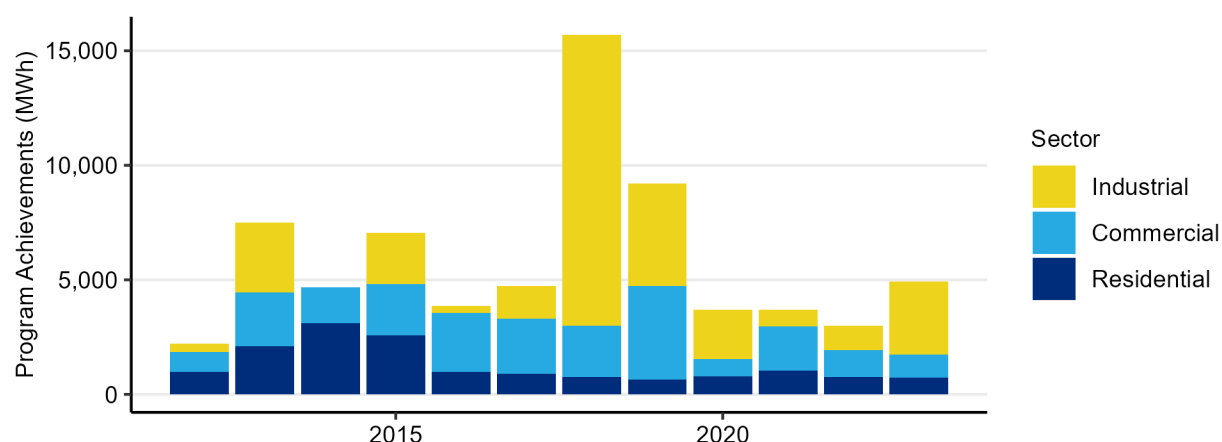
Executive Summary

Overview

This report describes the methodology and results of a conservation potential assessment (CPA) conducted by Lighthouse Energy Consulting and Nauvoo Solutions (the project team) for Richland Energy Services (RES). The CPA estimated the cost-effective energy savings potential for the period of 2026 to 2045. This report describes the results of the full 20-year period, with additional detail on the 2- and 10-year periods that are the focus of Washington’s Energy Independence Act (EIA) and the 4-year interim compliance period per the state’s Clean Energy Transformation Act (CETA).

RES provides electricity service to over 27,000 customers across a service territory that covers 48 square miles. The EIA requires that utilities with more than 25,000 customers identify and acquire all cost-effective energy efficiency resources and meet targets set every two years through a CPA. While RES only recently surpassed this threshold, it has been implementing energy efficiency programs since at least 2008, when the Regional Technical Forum (RTF) began tracking regional conservation achievements by utility. A summary of RES’s program achievements since 2012 is shown in Figure 1, based on the Regional Technical Forum’s (RTF) Regional Conservation Progress Report.

Figure 1: Historic Targets and Achievements (MWh)



The EIA specifies the requirements for setting conservation targets in RCW 19.285.040 and WAC 194-37-070 Section (5), parts (a) through (d). The methodology used in this assessment complies with these requirements and is consistent with the methodology used by the Northwest Power and Conservation Council (Council) in the 2021 Power Plan. Appendix III details the requirements of the EIA and how this assessment fulfills those requirements. Washington’s CETA includes an additional requirement for CPAs; namely, that the assessment of cost-effectiveness use specific values for the social cost of carbon.

This CPA used much of the 2021 Power Plan materials, with customizations to make the results specific to RES’s service territory and customers. Notable changes in this CPA relative to RES’s previous assessment include the following:

- Energy Efficiency Measures

- Measure savings, costs, and other characteristics were updated based on new information from the Regional Technical Forum (RTF). Multiple measures were updated across the assessment, generally resulting in decreases in potential.
- **Avoided Costs**
 - The assessment incorporated an updated market prices forecast that is significantly lower than what was used in the 2023 CPA.
- **Customer Characteristics**
 - Residential equipment saturations were updated with 2022 Northwest Energy Efficiency Alliance (NEEA) Residential Building Stock Assessment (RBSA) data. This update generally increased the saturation of electric heating, but the increases were primarily in efficient heat pump heating systems while there were fewer zonal and resistance heating equipment relative to the 2023 CPA.
 - RES provided updated customer counts and forecasts for all sectors. Forecasts in the residential and commercial sectors declined relative to the 2023 CPA, while industrial sector forecasts increased.
- **Program Impacts**
 - RES's recent conservation program achievements were incorporated to account for what was already accomplished and inform near-term potential.

Results

Figure 2 and Table 1 show the cost-effective energy efficiency potential by sector over 2-, 4-, 10-, and 20-year periods. Over the 20-year planning period, RES has more than 175,000 MWh of cost-effective conservation available, which is approximately 17% of its projected 2045 load. The EIA focuses on the 2- and 10-year potential, which are 6,530 MWh and 80,417 MWh, respectively. In the 4-year period covered by RES's 2025 Clean Energy Implementation Plan (CEIP), there are 17,644 MWh of cost-effective conservation potential available.

Figure 2: Cost-Effective Potential by Sector (MWh)

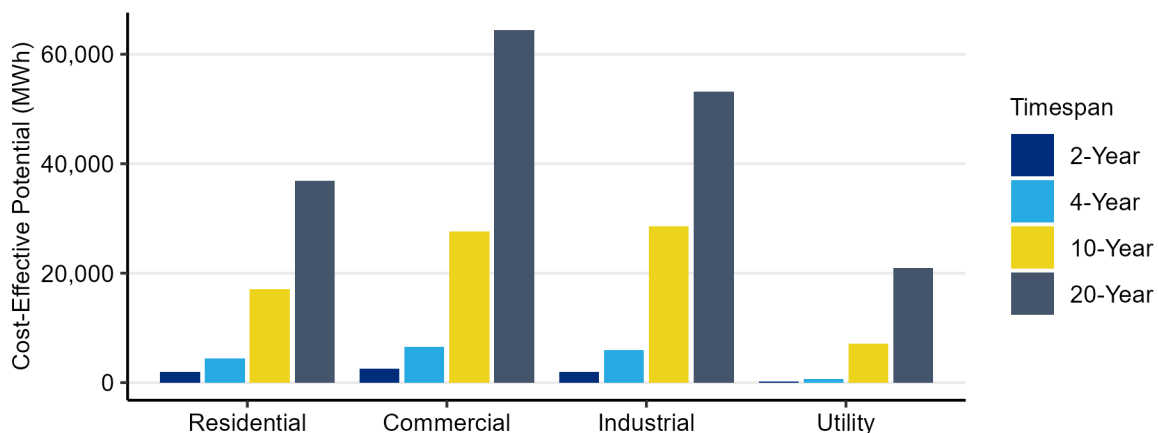


Table 1: Cost-Effective Potential by Sector (MWh)

Sector	2-Year	4-Year	10-Year	20-Year
Residential	1,937	4,432	17,048	36,864
Commercial	2,529	6,561	27,631	64,383
Industrial	1,903	5,988	28,617	53,112
Utility	161	662	7,121	20,966
Total	6,530	17,644	80,417	175,326

Note: In this and all subsequent tables, totals may not match due to rounding.

RES's load is distributed relatively evenly across the residential, commercial, and industrial sectors, and not concentrated in a single sector. The potential mirrors this distribution.

This assessment does not specify how the energy efficiency potential will be achieved. Possible mechanisms include RES's own energy efficiency programs, market transformation driven by the NEEA, state building codes, and state or federal product standards. Often, the savings associated with a measure will be achieved through several of these mechanisms over the course of its technological maturity. For example, heat pump water heaters started as one of NEEA's market transformation initiatives. They subsequently became a regular offering in utility programs across the Northwest and have recently become subject to federal product standards taking effect in 2029.

Energy efficiency also contributes to reductions in peak demand. This assessment used hourly load and savings profiles developed by the Council to identify the demand savings from each measure that would occur at the time of RES's system peak. The cost-effective energy savings potential identified in this assessment will result in nearly 33 MW of winter peak demand savings and 32 MW of summer peak demand savings over the 20-year planning period, as shown in Table 2 and Table 3. This represents approximately 15% of RES's projected 2045 peak demand in each season. Energy efficiency savings tend to occur when demand for energy is the greatest, resulting in significant contributions to reductions in peak demand.

Table 2: Winter Peak Demand Savings from Cost-Effective Energy Efficiency Potential by Sector (MW)

Sector	2-Year	4-Year	10-Year	20-Year
Residential	0.6	1.3	5.3	11.1
Commercial	0.5	1.4	5.9	11.5
Industrial	0.3	0.8	3.9	7.5
Utility	0.0	0.1	0.9	2.5
Total	1.4	3.6	15.9	32.7

Table 3: Summer Peak Demand Savings from Cost-Effective Energy Efficiency Potential by Sector (MW)

Sector	2-Year	4-Year	10-Year	20-Year
Residential	0.3	0.8	3.5	8.7
Commercial	0.3	0.9	4.5	12.3
Industrial	0.3	0.9	4.2	8.0
Utility	0.0	0.1	0.9	2.7
Total	1.0	2.7	13.1	31.6

The estimate of annual cost-effective potential by sector is shown in Figure 3. The available potential starts at approximately 2,800 MWh in 2026 and grows to a maximum of 12,583 MWh in 2036. After that point, the available potential diminishes through the remaining years of the planning period.

Figure 3: Annual Incremental Cost-Effective Energy Efficiency Potential (MWh)

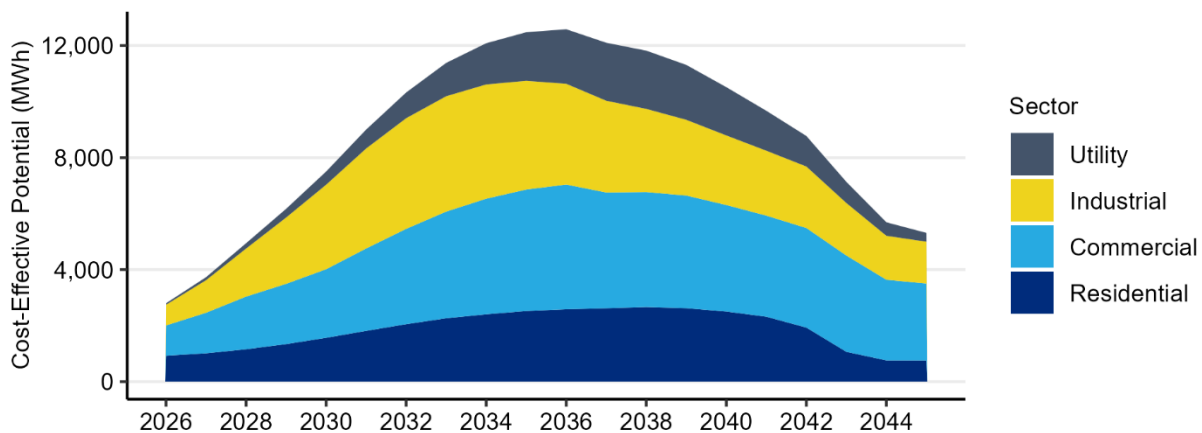
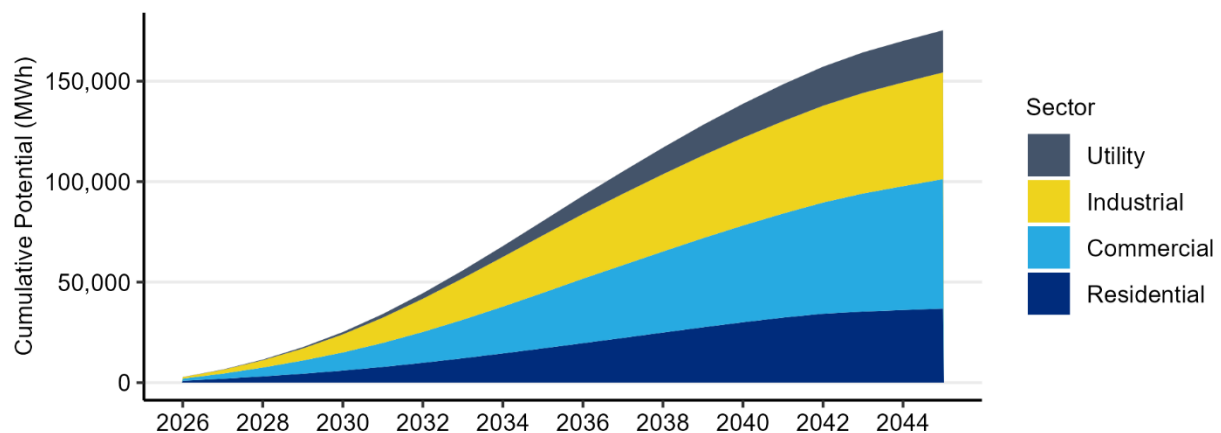


Figure 4 shows how the energy efficiency potential grows on a cumulative basis through the study period, totaling more than 175,000 MWh over the 20-year planning period.

Figure 4: Annual Cumulative Cost-Effective Energy Efficiency Potential (MWh)



The year-by-year estimates of energy efficiency potential are based on ramp rates developed by the Council. Ramp rates identify the share of each measure’s available potential that is projected to be acquired in each year based on its market and program maturity. For each measure, the project team applied a ramp rate that would align the near-term potential with RES’s recent program achievements and the savings from NEEA’s market transformation initiatives that were estimated to occur in RES’s service territory. Program achievement data was provided by RES staff and the project team assigned appropriate ramp rates to each measure so that the future acquisition of energy efficiency was aligned with recent program history while ensuring the acquisition of all energy efficiency potential over the 20-year planning period.

Comparison to Previous Assessment

Table 4 shows a comparison of the 2-, 10-, and 20-year cost-effective potential by sector as quantified by the previous 2023 CPA and this 2025 CPA. The 2-year potential declined slightly while there were larger decreases in the 10- and 20-year potential.

Table 4: Comparison of 2023 and 2025 CPA Results (MWh)

Sector	2-Year Potential			10-Year Potential			20-Year Potential		
	2023 CPA	2025 CPA	% Change	2023 CPA	2025 CPA	% Change	2023 CPA	2025 CPA	% Change
Residential	1,961	1,937	-1%	30,121	17,048	-43%	87,415	36,864	-58%
Commercial	2,922	2,529	-13%	37,227	27,631	-26%	100,452	64,383	-36%
Industrial	1,369	1,903	39%	24,508	28,617	17%	47,582	53,112	12%
Utility	285	161	-43%	6,246	7,121	14%	11,839	20,966	77%
Total	6,538	6,530	0%	98,102	80,417	-18%	247,287	175,326	-29%

The near-term changes were driven by RES’s recent accomplishments and expectations for future savings. This is the best indicator of what RES’s programs can likely accomplish in the early years of the study period. In the mid- to longer term, the decreases are driven by lower market price forecasts, lower forecasts in the residential and commercial sectors, and updated measure assumptions.

Conclusion

This report summarizes the CPA conducted for RES for the 2026 to 2045 timeframe. The CPA identified a smaller amount of cost-effective potential relative to the previous CPA. The cost-effective potential identified in this assessment can reduce RES’s annual energy and peak demand by 17% and 15%, respectively.

Introduction

Objectives

This report describes the methodology and results of a CPA conducted for RES by the project team. The CPA estimated the cost-effective potential energy savings for the period of 2026 to 2045. This report describes the results of the full 20-year period, with additional detail on the 2- and 10-year periods that are the focus of Washington's EIA as well as the 4-year period covering 2026-2029 that aligns with RES's 2025 CEIP.

This assessment was conducted in a manner consistent with the requirements of Washington's RCW 19.285, and WAC 194-37. As such, this report is part of the documentation of RES's compliance with these requirements. The state of Washington's CETA includes an additional requirement for CPAs to use specific values for the social cost of carbon. The required values were incorporated into this analysis.

The results of this assessment can be used to assist RES in planning its energy efficiency programs by identifying the amount of cost-effective energy savings available in various sectors, end uses, and measures.

Background

Washington State's EIA defines "qualifying utilities" as those with 25,000 customers or more and requires them to achieve all conservation that is cost-effective, reliable, and feasible. Since RES serves more than 27,000 customers, it is required to comply with the EIA. The requirements of the EIA specify that all qualifying utilities complete the following by January 1st of every even numbered year:¹

- Identify the achievable cost-effective conservation potential for the upcoming 10 years using methodologies consistent with the Council's latest power plan.
- Establish a biennial acquisition target for cost-effective conservation that is no lower than the utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent 10 years.²

Appendix III further details how this assessment complies with each of the requirements specified by Washington's EIA.

Study Uncertainties

There are uncertainties inherent in any long-term planning effort. While this assessment makes use of the latest forecasts of customers and loads, it is still subject to remaining uncertainties and limitations. These uncertainties include, but are not limited to:

- Customer Characteristic Data: This assessment used the best available data to reflect RES's customers. In some cases, however, the assessment relied upon data beyond RES's service

¹ Washington RCW 19.285.040

² In CA No. 2011-03, the State Auditor's Office has defined "pro rata" as "a proportion of an exactly calculable factor" and expects utilities to have analysis and documentation to support their identified targets, which could be more or less than 20% of the 10-year potential.

territory due to limitations of adequate sample sizes. There are uncertainties, therefore, related to the extent that this data is reflective of RES's customer base.

- Measure Data: Measure savings and cost estimates are based on values prepared by the Council and RTF. These estimates will vary across the region due to local climate variations and market conditions. Additionally, some measure inputs such as applicability are based on limited data or professional judgement.
- Market Price Forecasts: This assessment uses an updated market price forecast developed in April of 2025. While this is an up-to-date forecast, market prices and forecasts are continually changing.
- Utility System Assumptions: Measures in this CPA receive cost credits based on their ability to free up transmission and distribution system capacity. The actual value of these credits is dependent on local conditions, which vary across RES's service territory.
- Load and Customer Growth Forecasts: This CPA uses projections of future customer and load growth over a 20-year period. Any forecast over a similar time period will include a significant level of uncertainty.
- Policy Changes: The CPA reflects policies currently in effect at the time of its development. Future changes to the policy environment are difficult to predict and could lead to significant changes to loads, cost effectiveness of measures, or other study outcomes.

Due to these uncertainties and the continually changing planning environment, the EIA requires qualifying utilities to update their CPAs every two years to reflect the best available data and latest market conditions.

Report Organization

The remainder of this report is organized into the following sections:

- Methodology
- Customer Characteristics
- Recent Conservation Achievement
- Results
- Sensitivity Results
- Summary
- References & Appendices

Methodology

This section provides an overview of the methodology used to develop the estimate of cost-effective conservation potential for RES.

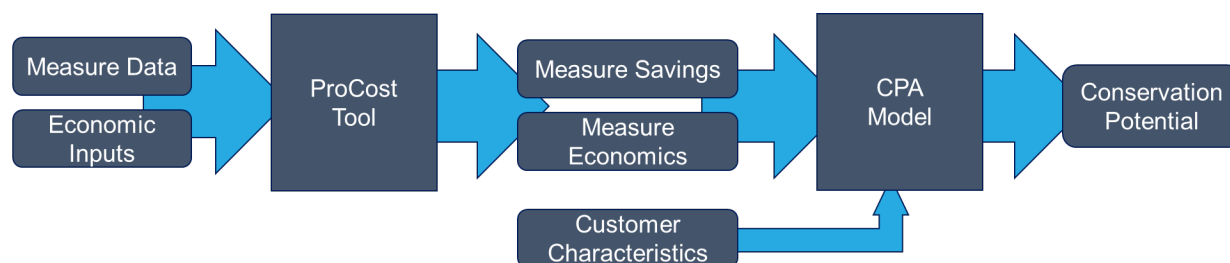
Washington’s requirements for CPAs are spelled out in RCW 19.285.040 and WAC 194-37-070, Section 5 parts (a) through (d). Additional requirements are specified in the rules of Washington’s CETA. The methodology used to produce this assessment is consistent with these requirements and follows much of the methodology used by the Council in developing its regional power plans, including the 2021 Power Plan.

Appendix III provides a detailed breakdown of the requirements of the EIA and how this assessment complies with those requirements.

High-level Methodology

The methodology used for this assessment is illustrated in Figure 5. At a high level, the process combines data on individual energy efficiency measures and economic assumptions using the Council’s ProCost tool. This tool calculates a benefit-cost ratio using the Total Resource Cost (TRC) test, which is used to determine whether a measure is cost-effective. The TRC test considers all of the costs and benefits of energy efficiency measures, regardless of who receives the benefit or pays the cost. The measure savings and economics are then combined with customer data in Lighthouse’s CPA model, which quantifies the number of remaining implementation opportunities. The CPA model aggregates the savings associated with each of these opportunities to determine the overall potential.

Figure 5: Conservation Potential Assessment Methodology



Economic Inputs

The project team worked closely with RES staff to define the economic inputs that were used in this CPA, including avoided energy costs, carbon costs, transmission and distribution capacity costs, and generation capacity costs. Each of these are discussed below. A full discussion of the avoided costs is included in Appendix IV.

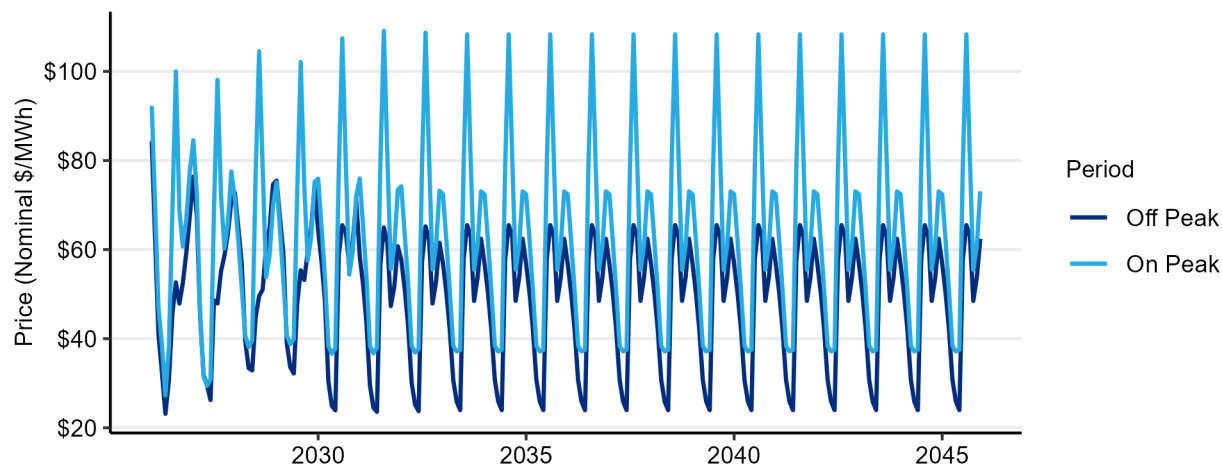
Avoided Energy Costs

Avoided energy costs represent the cost of energy purchases that are avoided through energy efficiency savings. The EIA requires utilities to “set avoided costs equal to a forecast of regional market prices.”³ For this CPA, RES provided a forecast of on- and off-peak market prices at the Mid-

³ WAC 194-37-070

Columbia trading hub. Figure 6 below shows the market price forecast that was used for the base case of this assessment. High and low sensitivity price forecasts were developed based on this forecast and are discussed in Appendix IV.

Figure 6: Avoided Energy Costs



Social Cost of Carbon

In addition to avoiding purchases of energy, energy efficiency measures can avoid emissions of greenhouse gases like carbon dioxide. The EIA requires that CPAs include a social cost of carbon, which the US EPA defines as “a measure of the long-term damage done by a ton of carbon dioxide emissions in a given year.” It includes, among other things, changes in agricultural productivity, human health, property damages from increased flood risk, and changes in energy system costs, including increases in the costs of cooling and decreases in heating costs.⁴ In addition to this requirement, Washington’s CETA requires that utilities use the social cost of carbon values developed by the federal Interagency workgroup using a 2.5% discount rate.⁵

Renewable Portfolio Standard Compliance Costs

By reducing RES’s overall load, energy efficiency reduces the cost of complying with Washington’s requirements for renewable and carbon-neutral energy. In 2026, RES is required to source 3% of its sales from renewable energy. This requirement will grow over time, reaching 15% in 2034. With a 15% requirement for renewable energy, RES can avoid the purchase of 15 Renewable Energy Credits (RECs) by saving 100 MWh of energy. In 2030, CETA requires all sales to be greenhouse gas neutral, while allowing up to 20% of the requirement to be met through REC purchases through 2044. Based on this requirement, it is assumed that after 2030 every unit of energy savings results in an equivalent reduction in REC purchases. In 2045, CETA requires 100% clean energy, so the project team assumed that market prices plus REC costs would represent the cost of clean energy.

⁴ See https://www.epa.gov/sites/production/files/2016-12/documents/social_cost_of_carbon_fact_sheet.pdf

⁵ WAC 194-40-100

Deferred Transmission and Distribution System Costs

Unlike supply-side resources, energy efficiency does not require capacity on transmission and distribution infrastructure. Instead, it frees up capacity by reducing the peak demands on these systems and can help defer future capacity expansions and the associated capital costs.

In the development of the 2021 Power Plan, the Council developed a standard methodology for calculating these values and surveyed Northwest utilities to update the values associated with these cost deferrals. This CPA uses the values developed by the Council through that process. The resulting values are \$3.54 and \$7.82 per kW-year (in 2016 dollars) for transmission and distribution capacity, respectively.⁶ These values are applied to the demand savings coincident with the timing of the respective system peaks.

Program Administration Costs

In its past power plans, the Council has assumed that program administrative costs are equal to 20% of the cost of each measure. This CPA uses that assumption, which is also consistent with RES's previous CPAs.

Risk Mitigation

Investing in energy efficiency can reduce the risks that utilities face by the fact that it is made in small increments over time, rather than the large, singular sums required for generation resources.

This CPA follows the process used in RES's previous CPAs. A sensitivity analysis is used to account for uncertainty, where present, in avoided cost values. The variation in inputs covers a range of possible outcomes and the amount of cost-effective energy efficiency potential is presented under each sensitivity. In selecting its biennial target based on this range of outcomes, RES is selecting its preferred risk strategy and the associated risk credit.

Northwest Power Act Credit

The EIA requires that a 10% cost credit be given to energy efficiency measures. This benefit is specified in the Northwest Electric Power Planning and Conservation Act and is included by the Council in their power planning work.

Other Financial Assumptions

In addition, this assessment makes use of an assumed discount rate to convert future costs and benefits to present values so that values occurring in different years can be compared. This assessment uses a real discount rate of 3.75%. Energy efficiency's benefits accrue over the lifetime of the measure, so a lower discount rate results in higher present values for benefits occurring in future years.

Assumptions about finance costs are applied to measures as well. The cost of each measure is assumed to be split across various entities, including Bonneville Power Administration (BPA), RES, and end use customers. For each of these entities, additional assumptions are made about whether the measure costs are financed, and if so, the cost of that financing. This assessment uses the finance cost assumptions that were used in the 2021 Power Plan.

⁶ These values reflect updates from the Council as the 2021 Power Plan was finalized.

Measure Characterization

Measure characterization is the process of defining each individual measure, including the savings at the meter as well as the cost, lifetime, non-energy impacts, and a load or savings shape that defines when the savings occur. The Council's 2021 Power Plan materials are the primary source for this information, although the project team incorporated updated information from the RTF for many measures. Appendix V contains the full list of energy efficiency measures considered the source(s) of information used for each.

Measure savings are typically defined via a "last in" approach. With this methodology, each measure's savings is determined as if it was the last measure installed. For example, savings from home weatherization measures are determined based on the assumption that the home's heating system has already been upgraded. Similarly, the heating system measures are quantified based on the assumption that the home has already been weatherized. This approach is conservative but prevents double counting savings over the long term as homes are likely to install both measures.

Measure savings also consider measure interaction. Interaction occurs when measures in one end use impact the energy use of other end uses. Examples of this include energy efficient lighting and other appliances. The efficiency of these appliances results in less wasted energy released as heat, which impacts the demands on heating and cooling systems.

These measure characteristics, along with the economic assumptions, are used as inputs to the Council's ProCost tool. This tool determines the savings at the generator, factoring in line losses, as well as the demand savings that occur coincident with RES's system peak. The outputs of ProCost are used to calculate each measure's levelized cost and benefit-cost ratio, the latter of which is used to determine whether the measure is cost-effective.

Customer Characteristics

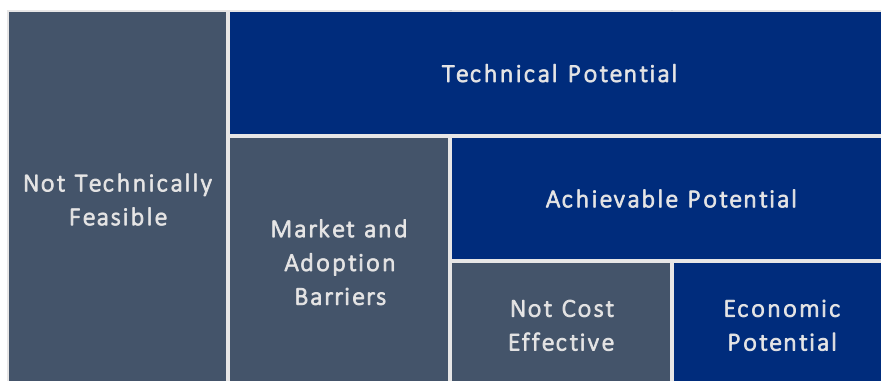
The assessment of customer characteristics is used to determine the number of remaining measure installation opportunities for each measure. This requires identifying the number of opportunities overall as well as the share that has already been completed. The characterization of RES's customer base was completed primarily using data provided by RES, NEEA's commercial and residential building stock assessments, and US Census data. Additional data sources and further details by sector are described subsequently in this report.

This CPA used baseline measure saturation data from the Council's 2021 Power Plan. This data was developed from NEEA's stock assessments, market research, and other studies. This data was supplemented with RES's conservation achievements, where applicable. This achievement is discussed in the next section.

Energy Efficiency Potential

The energy efficiency measure data and customer characteristics are combined in Lighthouse's CPA model. The model estimates the economic (or cost-effective) energy efficiency savings potential as a subset of the technical and achievable potential based on the process shown in Figure 7. Each type of potential is discussed in further detail below.

Figure 7: Types of Energy Efficiency Potential



First, technical potential is the theoretical maximum of energy efficiency available, regardless of cost or market constraints. It is determined by multiplying the measure savings by the number of remaining feasible installation opportunities.

The model then applies several filters that incorporate market and adoption barriers to estimate the achievable potential. These filters include assumptions about the maximum potential adoption and the pace of annual achievements. Energy efficiency planners generally assume that not all measure opportunities will be installed; some portion of the technically possible measure opportunities will remain unavailable due to unsurmountable barriers. In the Northwest, energy efficiency planners typically assume that 85% of all measure opportunities can be achieved. This assumption comes from a pilot study conducted in Hood River, Oregon, where home weatherization measures were offered at no cost. The pilot was able to reach over 90% of homes and complete 85% of identified measure opportunities.⁷ In the 2021 Power Plan, the Council has taken a more nuanced approach to this assumption. Measures that are likely to be subject to future codes or product standards have higher maximum achievability assumptions. This CPA follows the Council's new approach.

In addition, ramp rates are used to identify the portion of the available potential that can be acquired each year. The selection of ramp rates incorporates the different levels of program and market maturity as well as the practical constraints of what utility programs can accomplish in a given year.

Finally, economic potential is determined by limiting the achievable potential to those measures that pass an economic screen. Per the EIA, this assessment uses the TRC test to determine economic potential. The TRC test considers all measure costs and benefits, regardless of who pays the cost or receives the benefit. The costs and benefits include the full incremental capital cost of the measure, any operations and maintenance costs, program administrative costs, avoided energy and carbon costs, deferred capacity costs, and quantifiable non-energy impacts. Because the TRC test considers the full cost of energy efficiency measures, RES could pay up to the full cost of measures with its incentives without impacting the cost effectiveness. However, practical constraints such as annual program budgets and rate impacts may limit this.

⁷ See <https://eta-publications.lbl.gov/sites/default/files/lbnl-3960e-hrcp.pdf>

Customer Characteristics

This section describes the characterization of RES’s customers, which is an essential component of a CPA. It includes defining the makeup and characteristics of each sector, which determines the type and quantity of opportunities to implement energy efficiency measures. Additional information about the local climate and population of the service territory is used to characterize some measures. This information is summarized in Table 5.

Table 5: Service Territory Characteristics

Heating Zone	Cooling Zone	Total Homes (2024)	Total Population (2024)
1	3	25,473	64,372

The number of homes in 2024 was based on data provided by RES and reflects a 3% increase over RES’s 2023 CPA. The number of homes was projected to grow at 1%, based on the long-term trend of customer growth. This is a notable decrease from the growth rate assumption used in the 2023 CPA, 1.93%. Therefore, though the near-term residential housing forecast is higher in this CPA, the long-term forecast is lower.

Additionally, a demolition rate, based on assumptions for Washington State from the Council’s 2021 Power Plan, was also used. The demolition rate quantifies the number of existing homes that are converted to new homes through demolition or major renovations, where building codes for new homes apply.

The population is based on census estimates for the City of Richland.

Residential

Within the residential sector, the key characteristics are the number and type of homes as well as the saturation of end use appliances such as space and water heating equipment. Table 6 and Table 7 summarize the characteristics that were used for this assessment for existing and new homes, respectively.

Table 6: Residential Existing Home Characteristics

	Single Family	Low Rise Multifamily	Manufactured
Share of Homes	76%	21%	2%
HVAC Equipment			
Electric Forced Air Furnace	6%	0%	51%
Air Source Heat Pump	54%	0%	21%
Ductless Heat Pump	4%	4%	15%
Electric Zonal/Baseboard	7%	84%	9%
Central Air Conditioning	28%	2%	18%
Room Air Conditioning	7%	31%	21%
Other Appliances			
Electric Water Heater	54%	90%	95%
Refrigerator	138%	99%	104%
Freezer	44%	6%	51%
Clothes Washer	100%	35%	98%
Electric Clothes Dryer	91%	34%	85%

Dishwasher	98%	68%	85%
Electric Oven	91%	71%	98%
Desktop	79%	21%	31%
Laptop	82%	75%	66%
Monitor	141%	50%	34%

Table 7: Residential New Home Characteristics

	Single Family	Low Rise Multifamily	Manufactured
Growth Rate	0.97%	2.31%	0.33%
HVAC Equipment			
Electric Forced Air Furnace	0%	0%	1%
Air Source Heat Pump	60%	0%	12%
Ductless Heat Pump	11%	4%	4%
Electric Zonal/Baseboard	0%	84%	58%
Central Air Conditioning	28%	2%	0%
Room Air Conditioning	7%	31%	15%
Other Appliances			
Electric Water Heater	54%	90%	100%
Refrigerator	138%	99%	100%
Freezer	44%	6%	4%
Clothes Washer	100%	35%	40%
Electric Clothes Dryer	91%	34%	40%
Dishwasher	98%	68%	47%
Electric Oven	91%	71%	77%
Desktop	79%	21%	19%
Laptop	82%	75%	70%
Monitor	141%	50%	52%

In these tables, numbers greater than 100% imply an average of more than one appliance per home. For example, the single family refrigerator saturation of 138% means that single family homes average 1.38 refrigerators per home.

For this assessment, the project team used the latest information from the American Community Survey to identify the type of home and heating fuel. HVAC and other appliance saturations were based on data from NEEA's 2022 Residential Building Stock Assessment (RBSA), which was not available at the time the 2023 CPA was developed. The updated data sources resulted in mixed changes in electric equipment but generally a lower overall prevalence of electric resistance heating.

Commercial

In the commercial sector, the building floor area is the primary variable in determining the number of conservation opportunities, as many of the commercial measures are quantified based on the applicable amount of floor area. To estimate the commercial floor area in RES's service territory, the project team allocated RES's 2024 commercial sales based on the distribution of sales by building type developed as part of RES's 2023 CPA. The project team then converted the sales to estimates of floor area using average energy use intensities from the 2019 Commercial Building Stock Assessment.

Table 8 summarizes the resulting floor area estimates for each of the 18 commercial building segments. The total commercial floor area was estimated to be approximately 23.7 million square feet, a 3% decrease over the baseline floor area used in the 2023 CPA. This is a notable decline from the 2023 CPA's estimate of nearly 31 million square feet but is more accurate as it excludes sales to customer categories such as irrigation, outdoor lighting, and communications infrastructure that are not modeled in the CPA.

Table 8: Commercial Floor Area by Segment

Building Type	2024 Floor Area (square feet)
Large Office	5,456,356
Medium Office	3,603,402
Small Office	3,691,539
Extra Large Retail	475,518
Large Retail	246,462
Medium Retail	946,622
Small Retail	811,536
School (K-12)	2,237,036
University	672,686
Warehouse	544,800
Supermarket	284,021
Mini Mart	42,673
Restaurant	369,674
Lodging	513,531
Hospital	402,167
Residential Care	173,936
Assembly	1,977,320
Other Commercial	1,233,345
Total	23,682,624

The project team applied a growth rate of 0.7% to the commercial sector, which is based on RES's historic growth in commercial and industrial sales. This is a decrease from the 2023 CPA's assumed growth rate of 1.2%.

Industrial

The methodology used to estimate potential in the industrial sector is different from the residential and commercial sectors. Instead of building a bottom-up estimate of the savings associated with individual measures, potential in the industrial sector is quantified using a top-down approach that uses the annual energy consumption within individual industrial segments, which is then further disaggregated into end uses. Savings for individual measures are calculated by applying an assumed savings percentage to the applicable end use consumption within each industrial segment.

RES provided 2024 consumption for customers in the industrial sector. The total 2024 industrial consumption totaled more than 280,000 MWh, as summarized in Table 9.

RES projects that industrial loads will grow at a rate of 0.7%, similar to the commercial sector. This is a slight decrease from the growth rate of 1.2% assumed in the 2023 CPA.

Table 9: Industrial Sector Sales by Segment

Segment	2024 Sales (MWh)
Water Supply	26,819
Sewage Treatment	4,440
Frozen Food	92,383
Other Food	9,344
Wood - Lumber	-
Wood - Panel	-
Wood - Other	-
Pulp and Paper Mills (TMP)	-
Pulp and Paper Mills (Kraft)	-
Recycled Fibers	6,808
Refinery	-
Chemical Manufacturing	151
Silicon Growing/Manufacturing	-
Cement/Concrete Products	2,108
Primary Metal Manufacturing	25,675
Fabricated Metal Manufacturing	38,303
Semiconductor Manufacturing	-
Transportation Equipment	-
Misc. Manufacturing	74,031
Refrigerated Warehouse	-
Fruit Storage	-
Indoor Agriculture	-
Total	280,060

Utility Distribution System

The 2021 Power Plan used a new approach for quantifying the potential energy savings in measures that improve the efficiency of utility distribution systems. The Council's new approach estimated savings potential from the 2018 sales within each sector as reported to the US Energy Information Administration and based costs on the number of distribution substations and feeders for each utility. Table 10 summarizes the assumptions used for this sector.

Table 10: Utility Distribution System Efficiency Assumptions

Characteristic	Count
Distribution Substations	14
Residential/Commercial Substations	12
Urban Feeders	10
Rural Feeders	10
2018 Residential Sales (MWh)	338,631
2018 Commercial Sales (MWh)	435,831
2018 Industrial/Other Sales (MWh)	157,422

**Note that these are estimates from the Council and may not reflect RES's actual system*

Recent Conservation Achievement

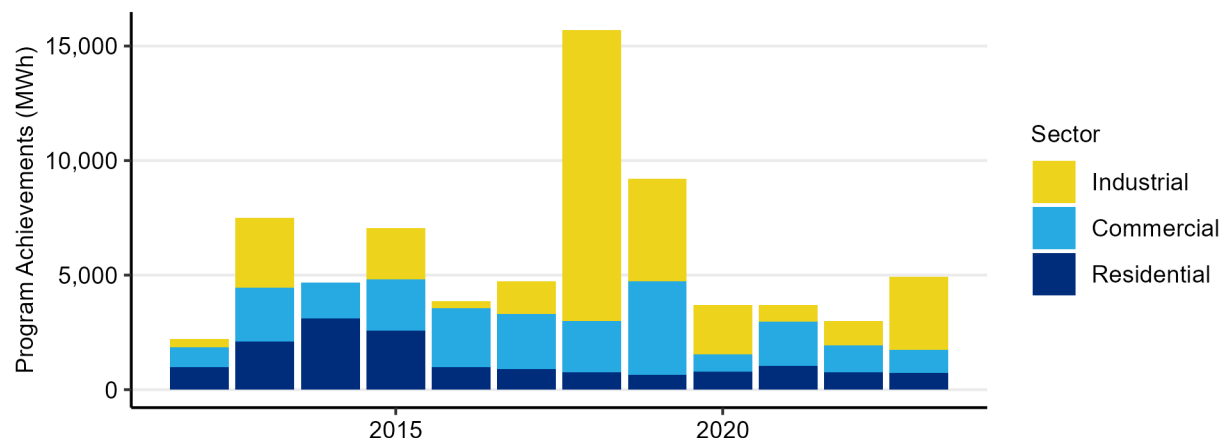
RES has a long history of energy efficiency achievement and, according to the RTF's Regional Conservation Progress Report, has achieved annual savings equal to 0.7% of its retail sales on average over the 2016-2023 timeframe.

RES currently offers programs for its residential, commercial, and industrial customers. In addition to these programs, RES receives credit for the market transformation initiatives of NEEA that accrue within its service territory. NEEA's work has helped to bring energy efficient emerging technologies, like ductless heat pumps and heat pump water heaters, to the Northwest.

Overall

Figure 8 summarizes RES's 2012-2023 conservation achievement by sector as well as the savings attributed to NEEA, as reported by the RTF's 2023 Regional Conservation Progress Report.

Figure 8: Past Conservation Achievements by Sector (MWh)



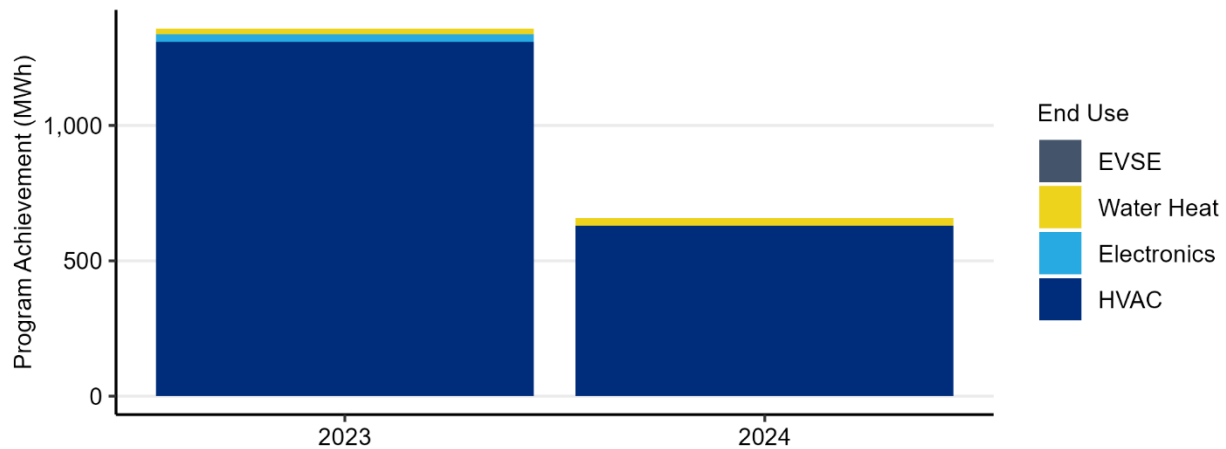
The average annual savings over this 12-year period is nearly 5,900 MWh per year. Savings from the residential and commercial sectors are relatively stable over time while industrial sector savings are more varied. Savings from NEEA's market transformation initiatives contribute additional savings that are not shown in this figure. In recent years, these savings have been approximately 800 MWh per year.

RES provided detailed program achievement data for 2023 and 2024. The sections below summarize these recent achievements.

Residential

The recent residential program achievements by end use are shown in Figure 9. The savings total nearly more than 2,000 MWh over the two years. The HVAC end use is the largest end use, at 96% of the total. This end use includes both weatherization measures as well as heating system equipment. Outside of HVAC, RES has achieved savings in the water heating, electronics, and electric vehicle supply equipment (EVSE) end uses.

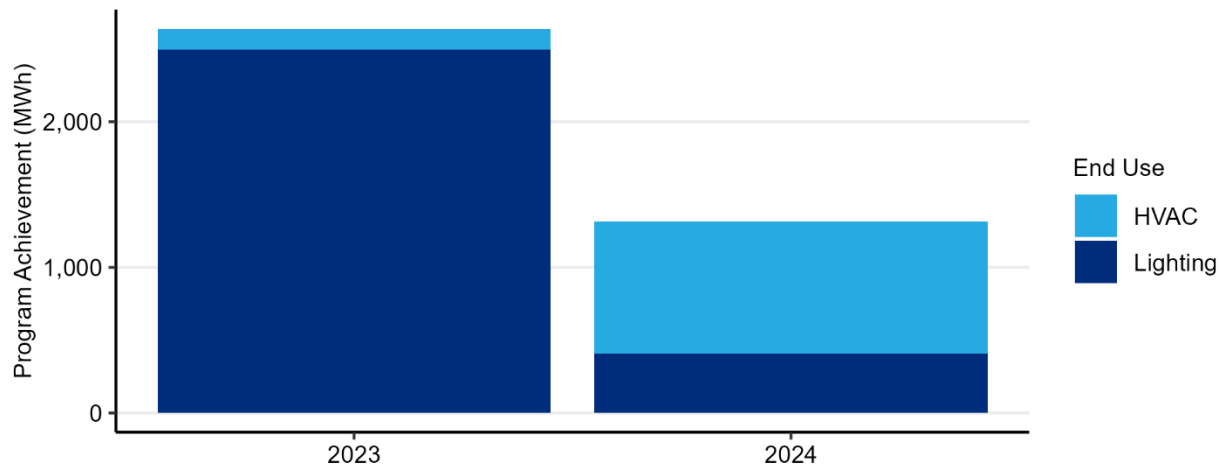
Figure 9: Recent Residential Program Achievements by End Use (MWh)



Commercial

RES's commercial savings are from the lighting and HVAC end uses, the largest end uses in the commercial sector, as shown in Figure 10. In total, commercial savings were nearly 4,000 MWh over the two-year period.

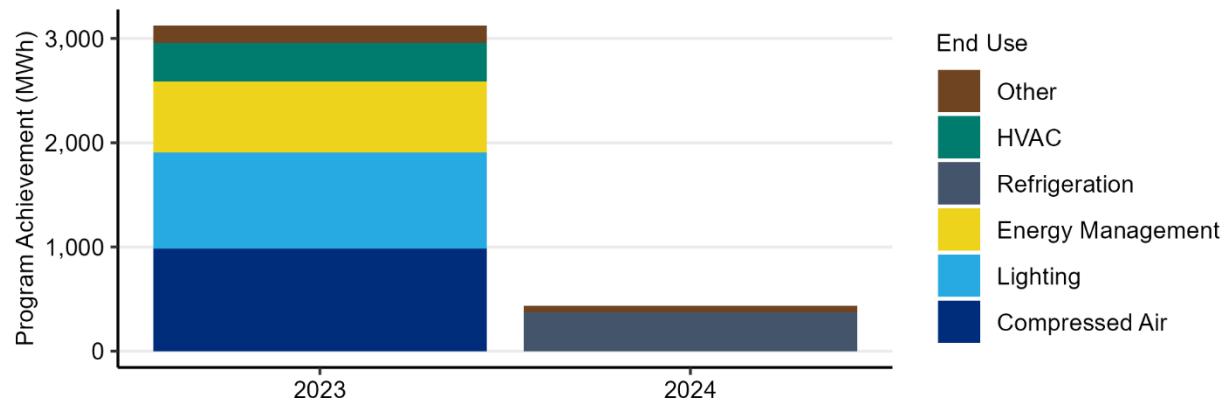
Figure 10: Recent Commercial Program Achievements by End Use



Industrial

Savings in the industrial sector are often uneven, subject to the nature of the small number of projects that are completed in a given year. This is apparent in Figure 11, where the amount and makeup of the savings varies greatly between the two years. The industrial savings total nearly 3,557 MWh over this two-year period.

Figure 11: Recent Industrial Program Achievements by End Use



Results

This section discusses the results of the 2025 CPA. It begins with a discussion of the high-level achievable conservation potential and then covers additional detail on the cost-effective potential within the individual sectors and end uses.

Achievable Conservation Potential

The achievable technical conservation potential is the amount of energy efficiency that can be saved without considering the cost-effectiveness of measures. It considers market barriers and the practical limits of acquiring energy savings by efficiency programs.

Figure 12 shows the supply curve of achievable potential over the 20-year study period. A supply curve depicts the cumulative potential against the levelized cost of energy savings, with the measures sorted in order of ascending cost. No economic screening is applied. Levelized costs are used to make the costs comparable between measures with different lifetimes as well as with supply-side resources. The costs include credits for deferred transmission and distribution system costs, avoided periodic replacements, and non-energy impacts to make them comparable with other resources. With these credits, some of the lowest cost measures have a net levelized cost that is negative, meaning the credits exceed the measure costs.

Figure 12: 20-Year Supply Curve

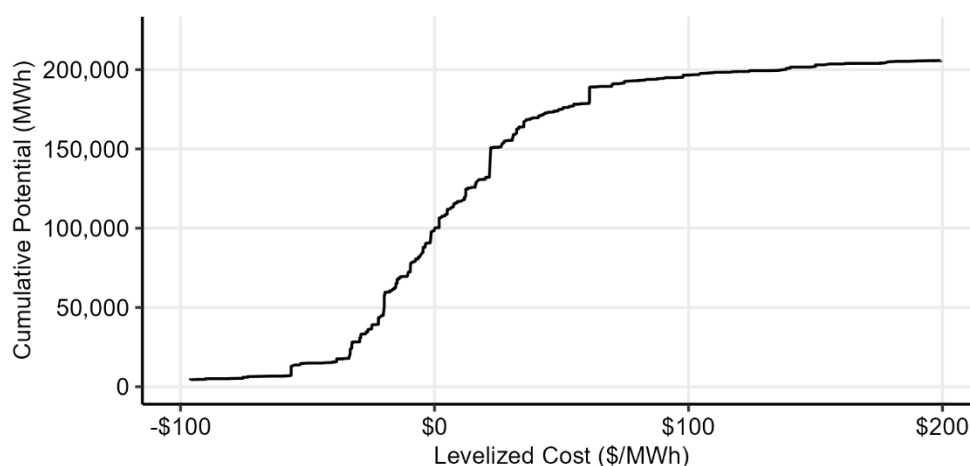


Figure 12 shows that approximately 100,000 MWh of potential are available at a cost at or below \$0/MWh. Approximately 175,000 MWh of achievable potential is available for costs below \$50/MWh. After approximately \$60/MWh, the cost of additional potential comes at increasing costs. In total, there is more than 222,000 MWh of achievable technical potential available in RES's service territory over the 20-year study period, but only potential below \$200/MWh is shown.

Supply curves based on levelized cost are limited in that not all energy savings are equally valued. For example, two measures could have the same levelized cost but provide different reductions in peak demand or deliver energy savings when energy costs are more or less valuable. An alternative to the supply curve based on levelized cost is one based on the benefit cost ratio. This is shown below in Figure 13.

Figure 13: 20-Year Benefit-Cost Ratio Supply Curve

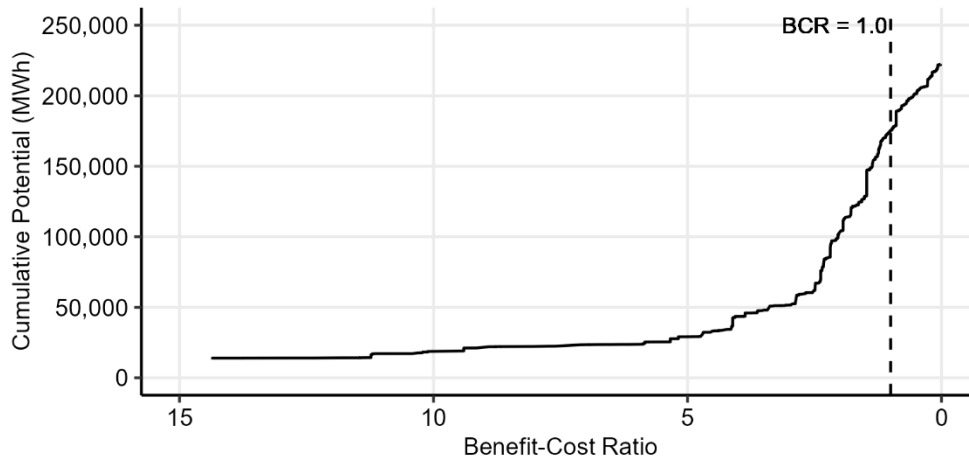


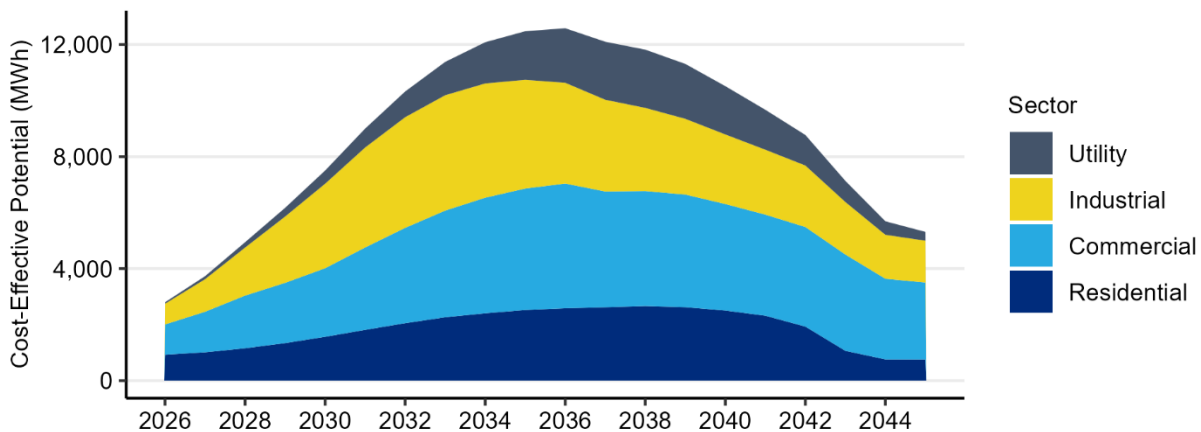
Figure 13 shows that approximately 30,000 MWh of savings are available with a benefit-cost ratio of 5 or more. These measures deliver benefits that are 5 times their cost over their lifetime. The figure includes a dashed line where the benefit-cost ratio is equal to one. There is over 175,000 MWh of cost-effective savings potential to the left of this line, reflecting the 20-year cost-effective potential. Just to the right of this line, there is a short vertical step and then the line continues up and right, with a slightly less steep slope than the to the left of the line. This suggests that RES may have approximately 10,000 MWh more cost-effective potential with a small increase in avoided costs, but less significant changes with further increases in avoided costs.

The economic or cost-effective potential is described below.

Cost-Effective Conservation Potential

Figure 14 shows the cost-effective potential by sector on an annual basis. Over the 20-year period, most of the potential is in RES's commercial and industrial sectors.

Figure 14: Annual Cost-Effective Potential by Sector



The project team used the ramp rates from the 2021 Power Plan to establish reasonable rates of acquisition for all measures and sectors. The project team assigned ramp rates to individual

measures in order to align the near-term potential with recent and expected savings in each sector. Appendix VII has more detail on the alignment of ramp rates with program expectations.

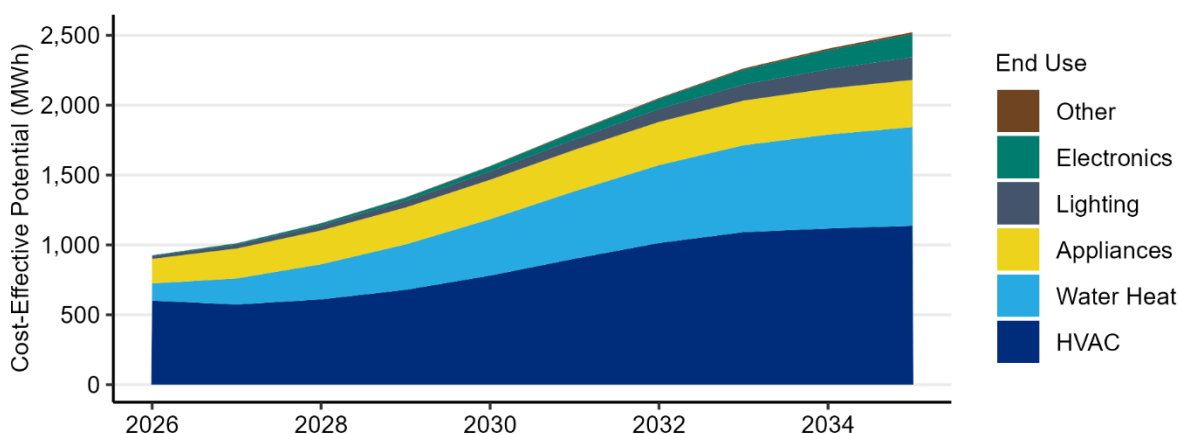
The sections below describe the achievable potential within each sector.

Residential

Relative to the 2023 CPA, the cost-effective potential in the residential sector has decreased. These decreases are driven by a variety of factors, including lower forecasts of new homes, changes in equipment saturations, lower avoided costs, and updated measure assumptions.

Figure 15 shows the cost-effective potential by end use for the first 10 years of the study period. HVAC measures (including weatherization) make up 50% of potential in the sector, followed by water heating (25%), appliances (16%), lighting (5%), and electronics (4%). In Figure 15, the other end use category primarily includes cooking measures.

Figure 15: Annual Residential Potential by End Use



The potential grows during the initial years of the study as the expected market share of efficient equipment increases along with increases in the rate of the acquisition of retrofit measures, like attic insulation, which can be achieved at any time. By 2033, the rate of savings achievement begins to level off as the market shares of efficient equipment reach maximum values and the remaining available retrofit measures begin to diminish.

Note that some residential measures, such as smart thermostats and heat pump water heaters can provide benefits as both energy efficiency and demand response resources. Demand response benefits were not included in this CPA. The decision to use them as demand response resources was treated as an incremental decision and included in RES's Demand Response Potential Assessment, although energy efficiency programs can help build a stock of flexible equipment that could be called upon in the future through demand response programs.

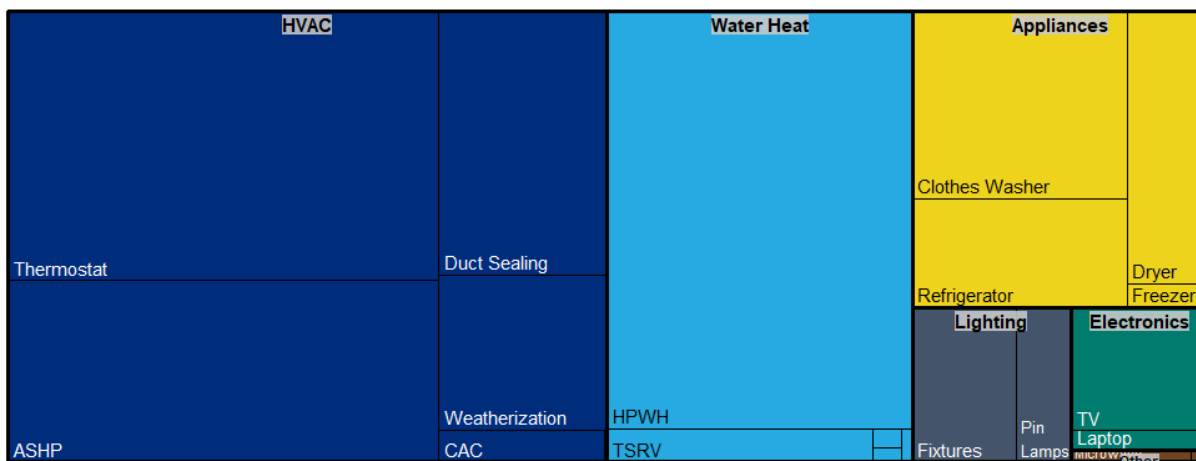
Figure 16 shows how the 10-year potential breaks down into end uses and measure categories. The area of each block represents the share of the total 10-year residential potential. Air source heat pumps (ASHP), smart thermostats, duct sealing, and weatherization make up most of the potential in the HVAC end use, while heat pump water heaters (HPWH) are the key measure in the water

heating end use. The appliance category includes clothes washers, dryers, refrigerators, and freezers.

The project team included incentives from IRA programs in the ASHP costs, improving the cost-effectiveness of this measure, especially relative to prior CPAs. Ductless heat pumps were not cost-effective after updating the measure with the latest RTF assumptions.

Beginning in 2029, heat pump water heaters are subject to a federal standard that will require the technology for many common tank sizes. As there are questions on possible loopholes that leave the future role of utility programs in question, the project team kept the savings potential for these measures after 2029 to show the savings that are possible and will be seen on RES's system, whether they are achieved through RES's programs or the federal standard. The state of this market can be re-evaluated in RES's 2027 CPA.

Figure 16: Residential Potential by End Use and Measure Category



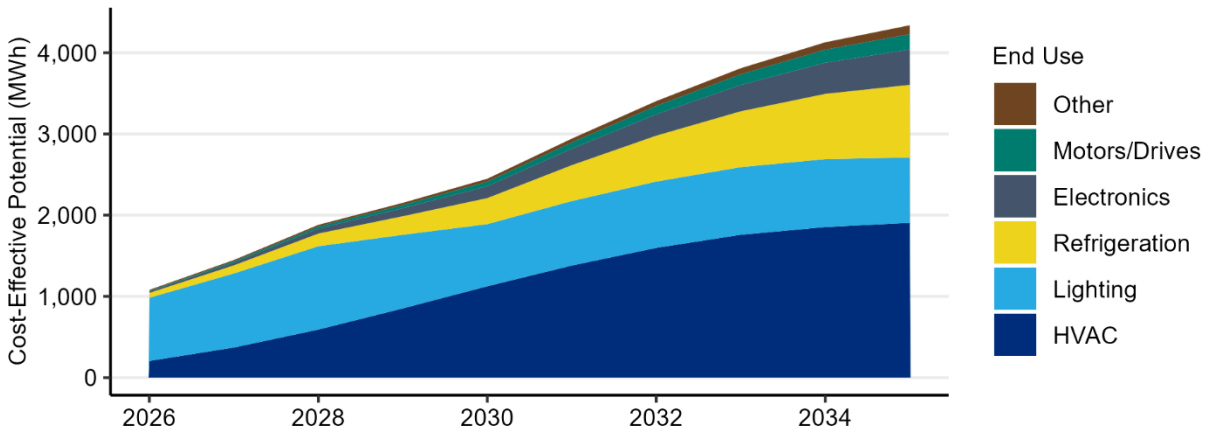
Commercial

In commercial sector, HVAC and lighting measures are the end uses with the highest potential. These two end uses comprise 42% and 31% of the 10-year potential, respectively. The lighting end use includes measures applicable to both interior and exterior lighting.

Like the residential sector, the potential in the commercial sector has declined relative to the 2023 CPA. This is primarily driven by the change in estimated commercial floor area. In addition, the savings potential in the lighting end use is subject to a state law banning mercury in lighting beginning in 2029. In effect, this will raise the baseline for commercial lighting programs to LED products. The project team reduced the lighting savings beginning in 2029 to reflect this change.

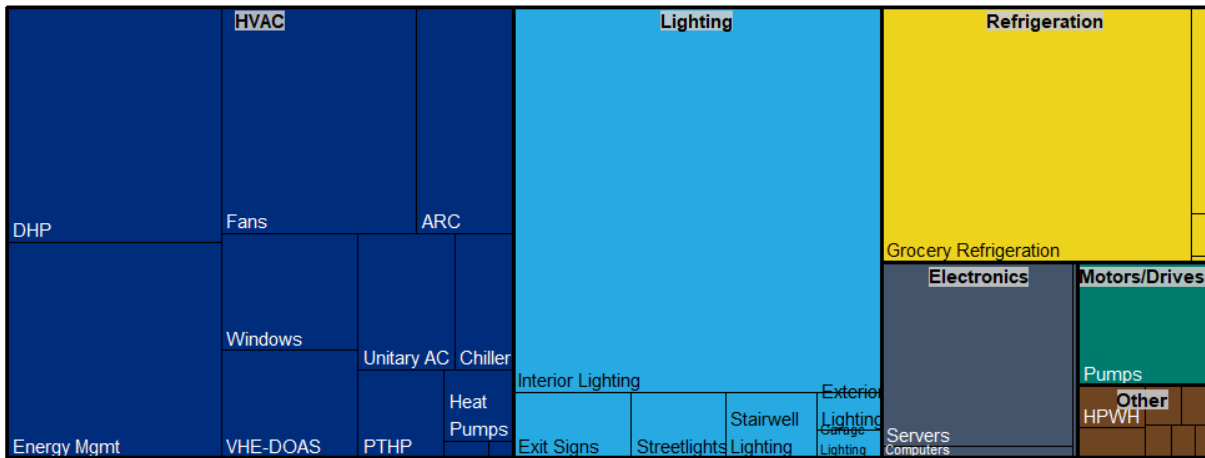
In Figure 17, the other end use category includes measures in the compressed air, food preparation, and water heating end uses.

Figure 17: Annual Commercial Potential by End Use



Key end uses and measure categories within the commercial sector are shown in Figure 18. The area of each block is proportional to its share of the 10-year commercial potential. The commercial sector includes a variety of building types with different end uses. This is apparent in the range of measures included in Figure 18, especially the different types of HVAC equipment.

Figure 18: Commercial Potential by End Use and Measure Category

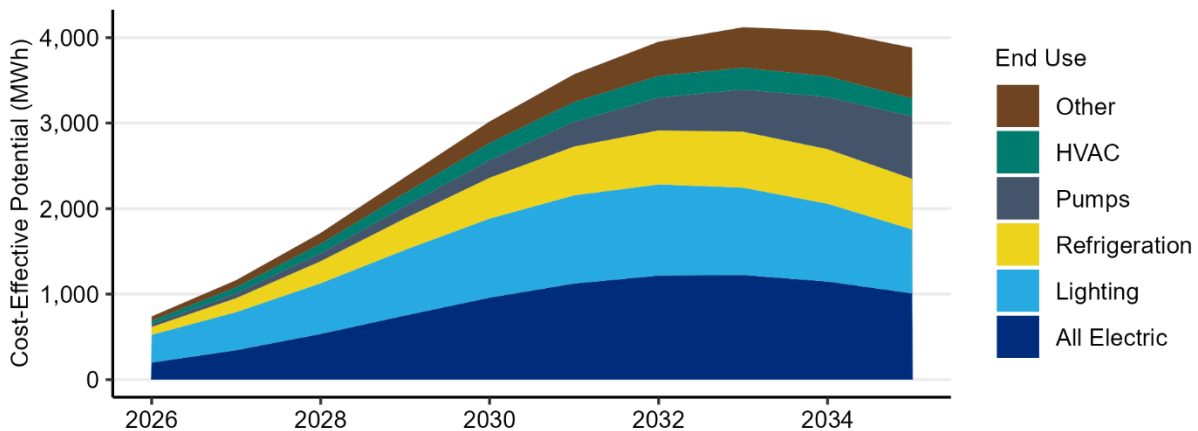


Industrial

The annual industrial sector potential is shown in Figure 19. The “all electric” and lighting end uses are the largest areas of potential, comprising 30% and 27% of the 10-year potential, respectively. The all electric end use category includes measures applicable to all end uses, such as strategic energy management programs and measures applicable to the water and wastewater segments. After these end uses, the key end uses include refrigeration (16%), pumps (11%), and HVAC (6%). The other category in Figure 19 includes a variety of end uses, including compressed air, fans and blowers, material handling and processing, motors, and several other smaller end uses.

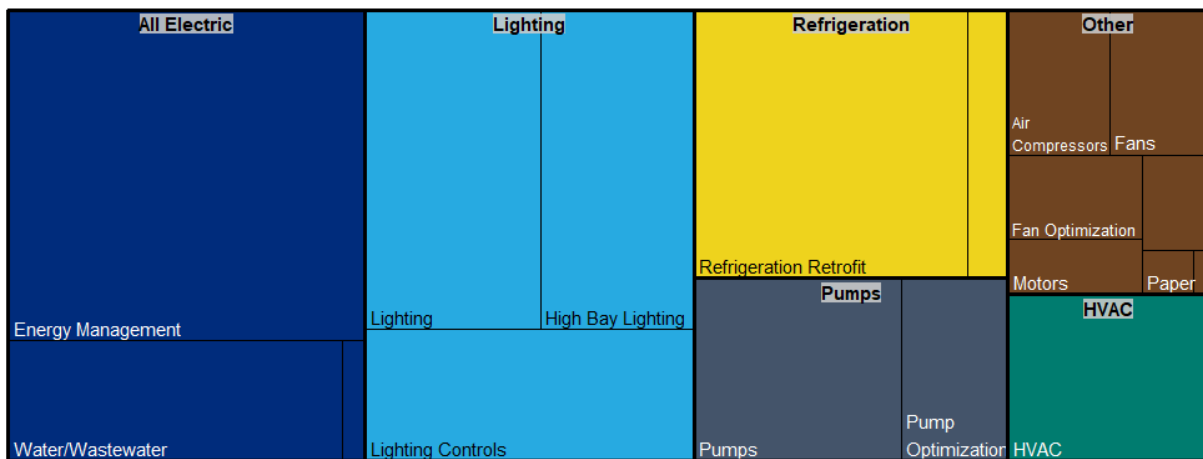
The industrial potential increased relative to RES’s 2023 CPA, due to higher forecasts of future industrial load over the study period.

Figure 19: Annual Industrial Potential by End Use



The breakdown of 10-year industrial potential into end uses and measure categories is shown in Figure 20.

Figure 20: Industrial Potential by End Use and Measure Category

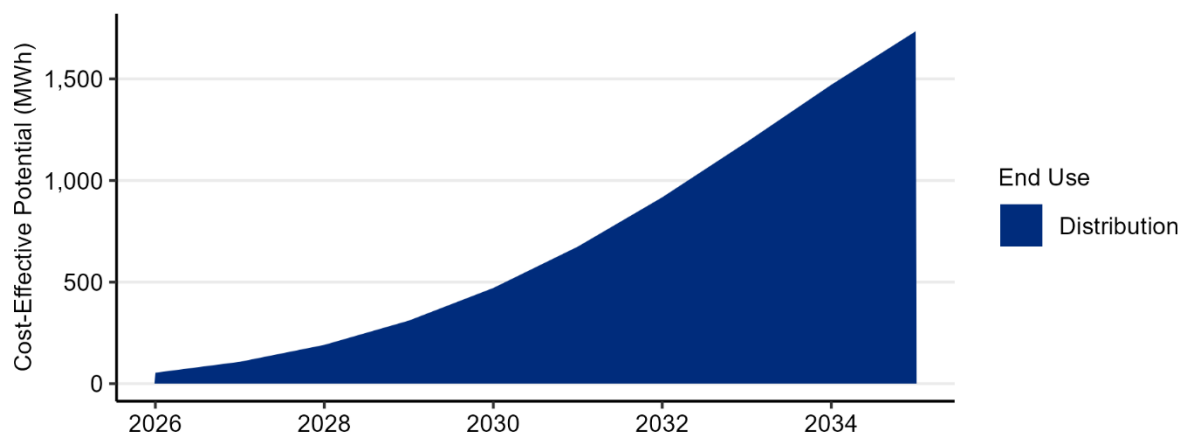


Utility Distribution System

The measures in the distribution efficiency sector involve the regulation of voltage to improve the efficiency of utility distribution systems. This analysis includes the measures characterized in the 2021 Power Plan, which includes several levels that use increasingly sophisticated control systems. While RES already regulates voltage during periods of peak demand, additional savings are possible if the voltage regulation was done on a constant basis.

The annual distribution system potential is shown in Figure 21.

Figure 21: Annual Distribution System Potential



Sensitivity Results

This section discusses the results of two sensitivity analyses that were evaluated in addition to the base case results described in the preceding sections. These sensitivities examined low and high variations of the avoided costs values to provide a range of possible outcomes given the uncertainty inherent in estimating these costs over a 20-year period. This allows RES to understand how the cost-effective potential varies with changes in the avoided cost. All other inputs were held constant.

Table 11 summarizes the avoided cost assumptions used in each sensitivity, which are discussed further in Appendix IV.

Table 11: Avoided Cost Assumptions by Sensitivity

		Low Sensitivity	Base Case	High Sensitivity
Energy Values	Avoided Energy Costs (20-Year Levelized Price, 2016\$/MWh)	Market Forecast minus 20%-80% (\$16)	Market Forecast (\$29)	Market Forecast plus 20%-80% (\$42)
	Social Cost CO₂	Federal 2.5% Discount Rate Values	Federal 2.5% Discount Rate Values	Federal 2.5% Discount Rate Values
	RPS Compliance	WA EIA & CETA Requirements	WA EIA & CETA Requirements	WA EIA & CETA Requirements
Capacity Values	Distribution Capacity (2016\$)	\$7.82/kW-year	\$7.82/kW-year	\$7.82/kW-year
	Transmission Capacity (2016\$)	\$3.54/kW-year	\$3.54/kW-year	\$3.54/kW-year
	Generation Capacity (2016\$)	\$56/kW-year	\$64/kW-year	\$123/kW-year
	Implied Risk Adder (2016\$)	-\$13/MWh -\$8/kW-year	N/A	\$13/MWh \$59/kW-year
	NW Power Act Credit	10%	10%	10%

Instead of using a single risk adder applied to each unit of energy, these two sensitivities consider potential futures with higher and lower values for the avoided cost inputs with larger degrees of uncertainty: the value of avoided energy and generation capacity.

Table 12 summarizes the variation in cost-effective potential across each avoided cost sensitivity. The changes in avoided cost produce roughly equal variation in cost-effective potential relative to the base case.

Table 12: Cost Effective Potential (MWh) by Avoided Cost Sensitivity

Sensitivity	2-Year	4-Year	10-Year	20-Year
Low Sensitivity	5,638	15,636	72,089	156,155
Base Case	6,530	17,644	80,417	175,326
High Sensitivity	7,441	19,697	88,468	193,008

Summary

This report summarized the results of the 2025 CPA conducted for RES. The assessment provided estimates of the cost-effective energy savings potential for the 20-year period beginning in 2026, with detail on the first two and ten years per the requirements of Washington State's EIA. The assessment considered a wide range of measures that are reliable and available during the study period.

Compared to RES's 2023 CPA, the long-term cost-effective potential has decreased. While aligning the near-term potential with RES's recent and expected achievements resulted in roughly equivalent amounts of cost-effective potential over the initial two-year period, there were decreases in the long-term potential driven by updated customer forecasts, lower avoided costs, updated measure assumptions, incorporation of the state's mercury lighting ban, and adjustments to account for RES's recent achievements.

Compliance with State Requirements

The methodology used to estimate the cost-effective energy efficiency potential described in this report is consistent with the methodology used by the Council in determining the potential and cost-effectiveness of conservation resources in the 2021 Power Plan. Appendix III provides a list of Washington's EIA requirements and a description of how each was implemented. In addition to using a methodology consistent with the Council's 2021 Power Plan, the assessment used assumptions from the 2021 Power Plan where utility-specific inputs were not used. Utility-specific inputs covering customer characteristics, previous conservation achievements, and some economic inputs were used. The assessment included the measures considered in the 2021 Power Plan materials, updated with new information from the RTF made available since its publication.

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Appendix I: Acronyms

aMW	Average Megawatt
BPA	Bonneville Power Administration
CETA	Clean Energy Transformation Act
CPA	Conservation Potential Assessment
EIA	Energy Independence Act
EUI	Energy Use Intensity
HPWH	Heat Pump Water Heater
HVAC	Heating, Ventilation, and Air Conditioning
kW	kilowatt
kWh	kilowatt-hour
LED	Light-Emitting Diode
MW	Megawatt
MWh	Megawatt-hour
NEEA	Northwest Energy Efficiency Alliance
O&M	Operations and Maintenance
RPS	Renewable Portfolio Standard
RTF	Regional Technical Forum
SEM	Strategic Energy Management
TRC	Total Resource Cost

Appendix II: Glossary

<i>Achievable Technical Potential</i>	Conservation potential that includes considerations of market barriers and programmatic constraints but not cost effectiveness. This is a subset of technical potential.
<i>Average Megawatt (aMW)</i>	An average hourly usage of electricity, measured in megawatts, across the hours of a day, month, or year
<i>Avoided Cost</i>	The costs avoided through the acquisition of energy efficiency
<i>Cost Effective</i>	A measure is described as cost effective when the present value of its benefits exceeds the present value of its costs
<i>Economic Potential</i>	Conservation potential that passes a cost-effectiveness test. This is a subset of achievable potential. Per the EIA, a Total Resource Cost (TRC) test is used.
<i>Levelized Cost</i>	A measure of costs when they are spread over the life of the measure, similar to a car payment. Levelized costs enable the comparison of resources with different useful lifetimes.
<i>Megawatt (MW)</i>	A unity of demand equal to 1,000 kilowatts (kW)
<i>Renewable Portfolio Standard</i>	A requirement that a certain percentage of a utility's portfolio come from renewable resources. In 2020, Washington utilities with more than 25,000 customers are required to source 15% of their energy from renewable resources
<i>Technical Potential</i>	The set of possible conservation savings that includes all possible measures, regardless of market or cost barriers
<i>Total Resource Cost (TRC) Test</i>	A test for cost-effectiveness that considers all costs and benefits, regardless of who they accrue to. A measure passes this test if the present value of all benefits exceeds the present value of all costs. The TRC test is required by Washington's Energy Independence act and is the predominant cost effectiveness test used throughout the Northwest and US.

Appendix III: Compliance with State Requirements

This Appendix details the specific requirements for Conservation Potential Assessments listed in WAC 194-37-070. The table below lists the specific section and corresponding requirement along with a description of how the requirement is implemented in the model and where the implementation can be found.

Table 13: CPA Compliance

WAC 194-37-070 Section	Requirement	Implementation
(5)(a)	Technical potential. Determine the amount of conservation that is technically feasible, considering measures and the number of these measures that could physically be installed or implemented, without regard to achievability or cost.	The model calculates technical potential by multiplying the quantity of stock (number of homes, building floor area, industrial load) by the measure savings that could be installed per each unit of stock. The model further constrains the potential by the share of measures that have already been completed. See calculations in the “Units” tabs within each of the sector model files.
(5)(b)	Achievable technical potential. Determine the amount of the conservation technical potential that is available within the planning period, considering barriers to market penetration and the rate at which savings could be acquired.	The model applies maximum achievability factors based on the Council’s 2021 Power Plan assumptions and ramp rates to identify how the potential can be acquired over the study period. See calculations in the “Units” tabs within each of the sector model files. The complete set of the ramp rates used is on the “Ramp Rates” tab.
(5)(c)	Economic achievable potential. Establish the economic achievable potential, which is the conservation potential that is cost-effective, reliable, and feasible, by comparing the total resource cost of conservation measures to the cost of other resources available to meet expected demand for electricity and capacity.	The project team used the benefit-cost ratio approach described in (5)(c)(ii), using the Council’s ProCost model to calculate TRC benefit-cost ratios for each measure after updating ProCost with utility-specific inputs. The ProCost results are collected through an Excel macro in the “ProCost Measure Results-[sensitivity name].xlsx” files and brought into the CPA models through Excel’s Power Query. See Appendix IV for further discussion of the avoided cost assumptions.
(5)(d)	Total resource cost. In determining economic achievable potential as provided in (c) of this subsection, perform a life-cycle cost analysis of measures or	A life-cycle cost analysis was performed using the Council’s ProCost tool, which the project team configured with utility-specific inputs. Costs and benefits were included consistent with the TRC test.

WAC 194-37-070 Section	Requirement	Implementation
	programs to determine the net levelized cost, as described in this subsection:	The measure files within each sector contain the ProCost results. These results are then rolled up into the ProCost Measure Results file, which is linked to each sector model file.
(5)(d)(i)	Conduct a total resource cost analysis that assesses all costs and all benefits of conservation measures regardless of who pays the costs or receives the benefits;	The costs considered in the levelized cost include measure capital costs, O&M costs, periodic replacement costs, and any non-energy costs. Benefits included avoided energy, T&D capacity costs, avoided generation capacity costs, non-energy benefits, O&M savings, periodic replacement costs. Measure costs and benefits can be found in the individual measure files as well as the “ProCost Measure Results” file.
(5)(d)(ii)	Include the incremental savings and incremental costs of measures and replacement measures where resources or measures have different measure lifetimes;	Assumed savings, cost, and measure lifetimes are based on 2021 Power Plan and subsequent RTF updates, where applicable. Measure costs and benefits can be found in the individual measure files as well as the “ProCost Measure Results” files.
(5)(d)(iii)	Calculate the value of the energy saved based on when it is saved. In performing this calculation, use time differentiated avoided costs to conduct the analysis that determines the financial value of energy saved through conservation	The project team used a 20-year forecast of monthly on- and off-peak market prices and the load shapes developed for the 2021 Power Plan as part of the economic analysis conducted in ProCost. “MC and Loadshape” files contain both the market price forecast and the library of load shapes. Individual measure files contain the load profile assignments.
(5)(d)(iv)	Include the increase or decrease in annual or periodic operations and maintenance costs due to conservation measures	Measure analyses include changes to O&M costs as well as periodic replacement costs, where applicable. Measure assumptions can be found in the individual measure files.
(5)(d)(v)	Include avoided energy costs equal to a forecast of regional market prices, which represents the cost of the next increment of available and reliable power supply	The project team incorporated a 20-year forecast of on- and off-peak market prices at the mid-Columbia trading hub based on

WAC 194-37-070 Section	Requirement	Implementation
	available to the utility for the life of the energy efficiency measures to which it is compared	available forward prices. Further discussion of this forecast can be found in Appendix IV. See the “MC and Loadshape” file for the market prices. These prices include the value of avoided REC purchases as applicable.
(5)(d)(vi)	Include deferred capacity expansion benefits for transmission and distribution systems	Deferred transmission and distribution system benefits are based on the values developed by the Council for the 2021 Power Plan. These values can be found on the “ProData” tab of the ProCost files, cells C50 and C54.
(5)(d)(vii)	Include deferred generation benefits consistent with the contribution to system peak capacity of the conservation measure	Deferred generation capacity expansion benefits are based on monthly demand costs, which represents the utility cost of capacity. The development of these values is discussed in Appendix IV. These values can be found on the “ProData” tab of the ProCost files, cells C60.
(5)(d)(viii)	Include the social cost of carbon emissions from avoided non-conservation resources	This assessment uses the social cost of carbon values determined by the federal Interagency Workgroup using a 2.5% discount rate, as required by the Clean Energy Transformation Act. The carbon costs can be found in the MC and Loadshape file.
(5)(d)(ix)	Include a risk mitigation credit to reflect the additional value of conservation, not otherwise accounted for in other inputs, in reducing risk associated with costs of avoided non-conservation resources	This analysis uses a sensitivity analysis to consider risk. Avoided cost values with uncertain future values were varied across three different sensitivity and the resulting variation and risk were analyzed. The Sensitivity Results section of this report discusses the inputs used and the implicit risk adders used in the analysis.
(5)(d)(x)	Include all non-energy impacts that a resource or measure may provide that can be quantified and monetized	All quantifiable non-energy benefits were included where appropriate, based on values from the Council’s 2021 Power Plan materials and updates from the RTF. Measure assumptions can be found in the individual measure files.

WAC 194-37-070 Section	Requirement	Implementation
(5)(d)(xi)	Include an estimate of program administrative costs	This assessment uses the Council’s assumption of administrative costs equal to 20% of measure capital costs. Program admin costs can be found in the “ProData” tab of the ProCost file, cell C29.
(5)(d)(xii)	Include the cost of financing measures using the capital costs of the entity that is expected to pay for the measure	This assessment utilizes the financing cost assumptions from the 2021 Power Plan materials, including the sector-specific cost shares and cost of capital assumptions. Financing assumptions can be found in the ProData tab of the ProCost batch runner files, cells C37:F46.
(5)(d)(xiii)	Discount future costs and benefits at a discount rate equal to the discount rate used by the utility in evaluating non-conservation resources	This assessment uses a real discount rate of 3.75% to determine the present value of all costs and benefits. This represents the utility’s long-term cost of capital. The discount rate used in this analysis can be found in the ProCost file, on cell C27 of the ProData tab.
(5)(d)(xiv)	Include a ten percent bonus for the energy and capacity benefits of conservation measures as defined in 16 U.S.C. § 839a of the Pacific Northwest Electric Power Planning and Conservation Act	A 10% bonus is applied consistent with the NW Power Act. The 10% credit used in the measure analyses can be found in the ProCost files, on cell C29 of the ProData tab.

Appendix IV: Avoided Costs

The methodology used to conduct conservation potential assessments for electric utilities in the State of Washington is dictated by the requirements of the Energy Independence Act (EIA) and the Clean Energy Transformation Act (CETA). Specifically, WAC 194-37-070 requires utilities to determine the economic, or cost-effective, potential by “comparing the total resource cost of conservation measures to the total cost of other resources available to meet expected demand for electricity and capacity.”⁸ The CPA will determine the cost-effectiveness of conservation measures through a benefit-cost ratio approach, which uses the avoided costs of energy efficiency to represent the costs avoided by acquiring efficiency instead of other resources. The EIA specifies that these avoided costs applied to energy efficiency measures include the following components:

- Time-differentiated energy costs equal to a forecast of regional market prices
- Deferred capacity expansion costs for the transmission and distribution system
- Deferred generation capacity costs consistent with each measure’s contribution to system peak capacity savings
- The social cost of carbon emissions from avoided non-conservation resources
- A risk mitigation credit to reflect the additional value of conservation not accounted for in other inputs
- A 10% bonus for energy and capacity benefits of conservation measures, as defined by the Pacific Northwest Electric Power Planning and Conservation Act

In addition to these requirements, Washington’s CETA requires the use of specific values for the social cost of carbon.⁹ The project team has also included the value of avoided renewable portfolio standard compliance costs as energy efficiency can reduce these costs.

The CETA requirements for demand response potential assessments are less specific but do clarify that utilities must assess potential for demand response that is “cost-effective, reliable, and feasible,”¹⁰ and targets should be consistent with the utility’s resource plan for distributed resources (such as energy efficiency). Therefore, the project team relied on the same avoided cost inputs for the DRPA as the CPA when the values were applicable.

This memo discusses each of these inputs in detail in the following sections.

Avoided Energy Costs

Avoided energy costs are the energy costs avoided by RES through the acquisition of energy efficiency instead of supply-side resources. For every megawatt-hour of conservation achieved, RES avoids the purchase of one megawatt-hour of energy.

For this CPA, the project team has developed a forecast of avoided on- and off-peak energy prices at the Mid-Columbia trading hub. The forecast is based on monthly on- and off-peak price futures

⁸ WAC 194-37-070. Accessed January 20, 2021. <https://app.leg.wa.gov/wac/default.aspx?cite=194-37-070>

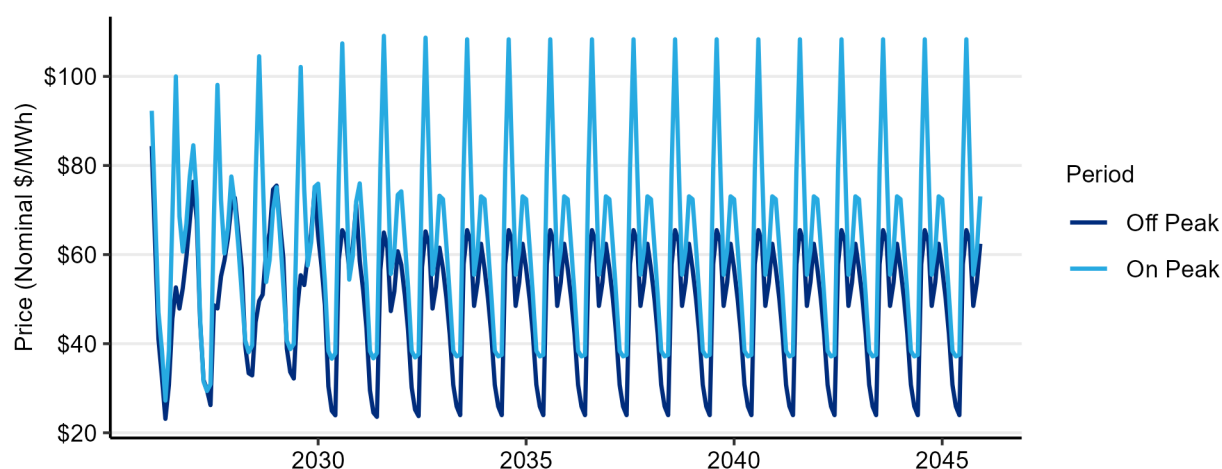
⁹ WAC 194-40-100. Accessed March 7, 2023. <https://app.leg.wa.gov/WAC/default.aspx?cite=194-40-100>

¹⁰ WAC 194-40-330. Accessed May 7, 2025. <https://app.leg.wa.gov/wac/default.aspx?cite=194-40-330>

reported by the Intercontinental Exchange on April 4, 2025. These prices cover approximately an eight-year period, from April 2025 through December 2033.

To develop a forecast that covers the full 20-year study period of this CPA, the project team extended this forecast through 2045. After reviewing market price forecasts from other utilities, including Puget Sound Energy¹¹, Pacific Power¹², and the market prices used for energy efficiency in Oregon¹³, the project team extended the forecast by extending the values from 2033. Figure 22 shows the resulting on- and off-peak prices resulting from this process.

Figure 22: On- and Off-Peak Price Forecast



These values will ultimately be converted to 2016 dollars for consistency with the measure cost assumptions used in the 2021 Power Plan, which are also expressed in 2016 dollars. The levelized value of the 20-year price forecast is \$29/MWh (2016\$), a decrease from the \$47/MWh levelized value from RES's 2023 CPA.

The project team also created high and low variations of this forecast to be used in a sensitivity analysis, since the actual future values of these prices are uncertain. To develop the forecast, the project team assumed that the high and low prices would vary by approximately 20% in the near term and 80% in the long term, relative to the base case price forecast. A similar approach was used in RES's prior CPA, which was based on the variation observed in price forecasts in the 2021 Power Plan. The project team applied this variation to the forecast described above to create high and low forecasts. The resulting forecasts for on- and off-peak prices are shown in Figure 23 and Figure 24 below.

¹¹ https://www.pse.com/-/media/PDFs/IRP/2023/electric/chapters/05_EPR23_Ch5_Final.pdf

¹² <https://www.pacificorp.com/energy/integrated-resource-plan/support.html>

¹³ <https://edocs.puc.state.or.us/efdocs/HAU/um1893hau334281025.pdf>

Figure 23: Comparison of On-Peak Price Sensitivities

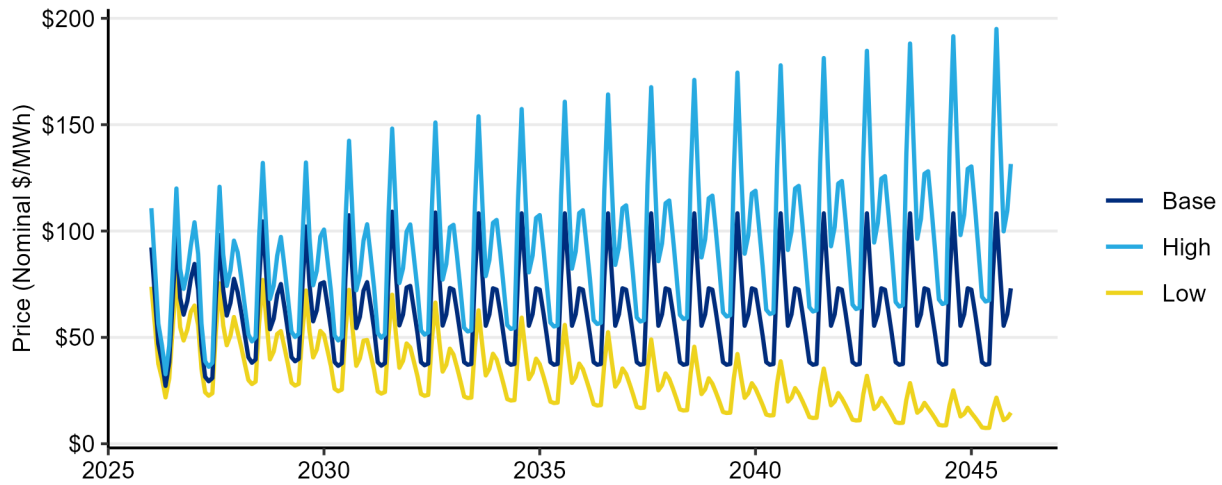
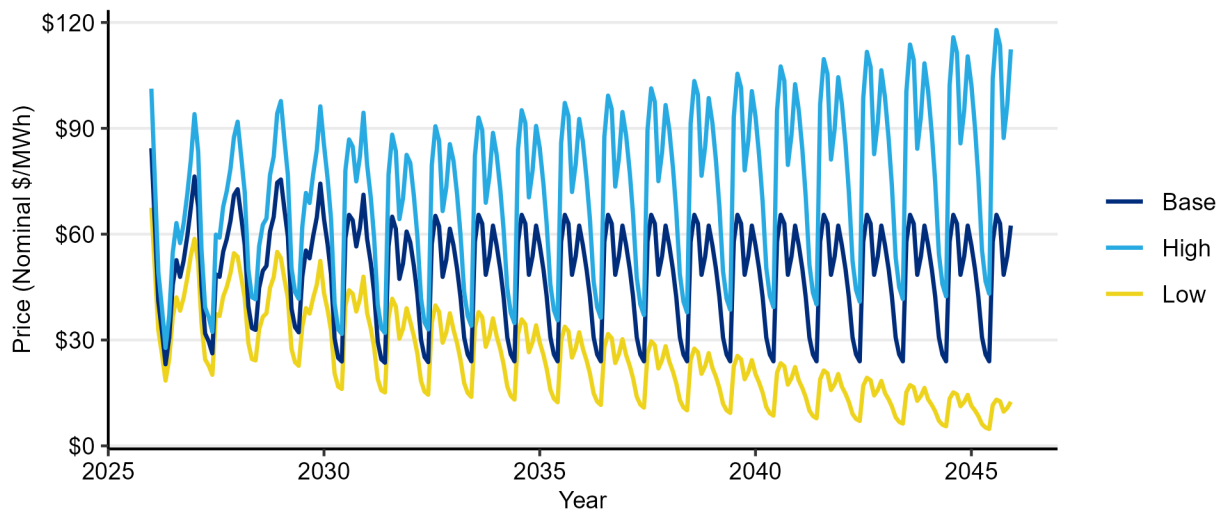


Figure 24: Comparison of Off-Peak Price Sensitivities



Deferred Transmission and Distribution Capacity Costs

Unlike supply-side resources, energy efficiency and demand response do not require transmission and distribution infrastructure. Instead, these resources free up capacity in the transmission and distributions systems by reducing the peak demands and, over time, can help defer or avoid future capacity expansions and the associated capital costs.

In the development of the 2021 Power Plan, the Council developed a standardized methodology and surveyed the region to calculate these values. This CPA and DRPA use the values developed by the Council through that process: \$3.54 and \$7.82 per kW-year (2016\$) for transmission and distribution capacity, respectively. These values were used in RES's 2023 CPA. While the Council has prepared draft updates to these values as part of the 9th Power Plan, the draft values are based on utility

provided data that is heavily weighted by several larger utilities with transmission and distribution infrastructure needs that may not be representative of RES. Given this, RES is electing to continue using the 2021 Plan values until the 9th plan values are finalized, or additional RES specific data can be used to inform this assumption.

These values are applied to energy efficiency and demand response measures based on each measure's reduction in demand that is coincident with the timing of the transmission and distribution system peaks.

Deferred Generation Capacity Costs

Similar to the transmission and distribution systems discussed above, acquiring energy efficiency can also defer or eliminate the costs of new generation resources needed to meet peak demands for electricity. While there is currently no organized capacity market in the Northwest, RES does pay a demand charge to BPA based on its monthly peak demand. These charges effectively function as a generation capacity value for RES.

The project team followed a similar methodology to what was used in RES's previous CPAs, converting BPA's monthly demand charges to an annual generation capacity value using assumptions about energy efficiency's capacity contributions by month. Based on recent billing, RES does not typically pay a demand charge in November and only some of the time in October. Accordingly, BPA's demand charges were not included in November and only half of their value was included in October.

In the base case, the project team assumed that these demand charges would increase by 1.6% each year, consistent with the growth rate observed in recent years, and calculated a 20-year series of annual generation capacity values which were then levelized to calculate the single value that is required for the Council's ProCost model. This resulted in a base case value of \$64/kW-year (2016\$), a decrease from the \$79/kW-year used in the 2023 CPA.

For the low case, no price escalation was assumed, resulting in a value of \$56/kW-year. In the high case, the project team used Council's 2021 Power Plan value, which is \$123/kW-year. This value reflects the levelized cost of capacity for a battery storage system and includes expected future cost decreases.

Social Cost of Carbon

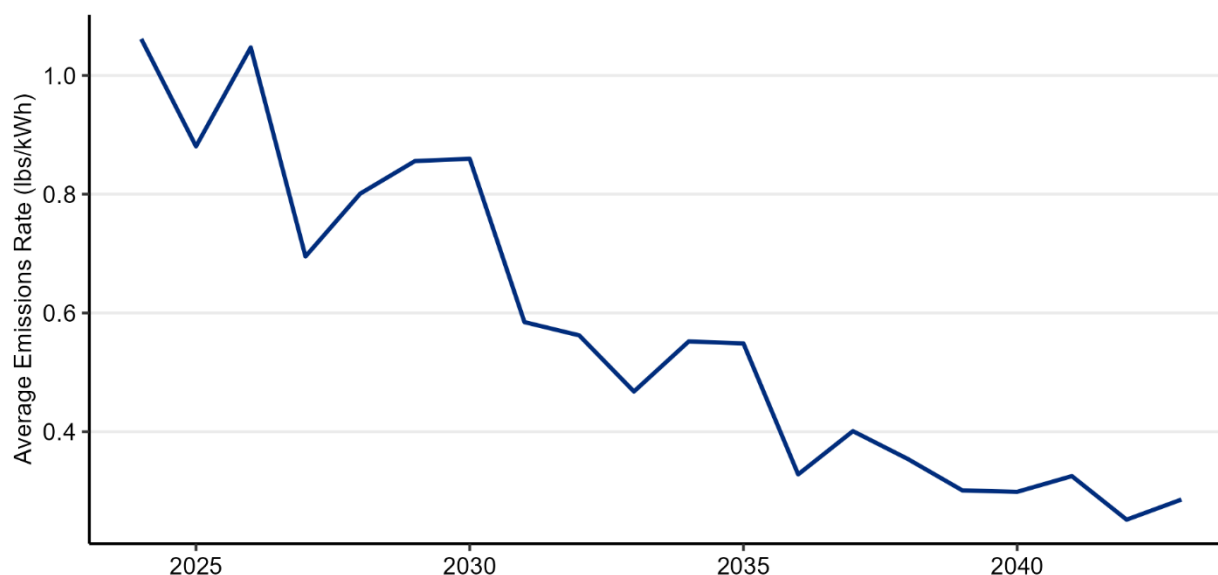
In addition to avoiding purchases of energy and capacity, energy efficiency measures can avoid emissions of greenhouse gases like carbon dioxide. Washington's EIA requires that CPAs include the social cost of carbon, which the US EPA defines as a measure of the long-term damage done by a ton of carbon dioxide emissions in a given year. The EPA describes it as including, among other things, changes in agricultural productivity, human health, property damage from increased flood risk, and changes in energy system costs, including increases in the costs of cooling and decreases in heating costs.¹⁴ In addition to this requirement, Washington's CETA requires that utilities use the

¹⁴ https://www.epa.gov/sites/production/files/2016-12/documents/social_cost_of_carbon_fact_sheet.pdf. Accessed January 21, 2021.

social cost of carbon values developed by the federal Interagency workgroup using a 2.5% discount rate. These values were used in all avoided cost sensitivities of the CPA.

To implement the cost of carbon emissions, additional assumptions must be made about the intensity of carbon emissions per unit of energy. This assessment uses an updated forecast of marginal emissions rates developed by the Council in 2024.¹⁵ The average annual values from this analysis are shown in Figure 25 below. The forecast starts near 1 pound per kWh, which is approximately the emissions rate from natural gas turbines, and then declines over time as the generation resource pool shifts to clean resources over time.

Figure 25: Council Marginal Emissions Rate Forecast



Renewable Portfolio Standard Compliance Costs

The renewable portfolio standard established under Washington’s EIA requires that RES source 15% of retail sales from renewable resources. The subsequently passed CETA furthers these requirements, mandating that 100% of sales be greenhouse gas neutral in 2030, with an allowance that up to 20% of the requirement can be achieved through other options, such as the purchase of Renewable Energy Credits (RECs).

Energy efficiency can reduce the cost of complying with these requirements by reducing RES’s overall load. In 2026, a reduction in load of 100 MWh through energy efficiency would reduce the number of RECs required for compliance by 15. This equates to a value of 15% of the cost of a REC for every megawatt-hour of energy savings. In 2030, it was assumed that marginal energy purchases would also include the purchase of a REC, thus the full price of a REC was added to the energy price after 2030. In 2045, the last year of the study period, CETA’s requirements change, and unbundled RECs are no longer allowed for compliance. However, the combination of market prices and RECs represents a reasonable proxy for clean energy resources.

¹⁵ <https://nwcouncil.app.box.com/s/m2877jpsigx2m3mv0u401wtfle0t5z8y>

The project team developed a forecast of REC prices based on input from several Washington utility clients.

Risk Mitigation Credit

Any purchase of a resource involves risk. The decision to invest is based on uncertain forecasts of loads and market conditions. Investing in energy efficiency can reduce the risks that utilities face by the fact that it is made in small increments over time, rather than the large, singular sums required for generation resources. A decision not to invest in energy efficiency could result in exposure to higher market prices than forecast, an unneeded infrastructure investment, or one that cannot economically dispatch due to low market prices. While over-investments in energy efficiency are possible, the small and discrete amounts invested in energy efficiency limit the scale of any exposure to this risk.

In its power planning work, the Council develops a risk mitigation credit to account for this risk. This credit accounts for the value of energy efficiency not explicitly included in the other avoided cost values, ensuring that the level of cost-effective energy efficiency is consistent with the outcomes of the power planning process. The credit is determined by identifying the value that results in a level of cost-effective energy efficiency potential that is equivalent to the regional targets set by the Council.

In the 2021 Power Plan, the Council determined that no risk credit was necessary after including carbon costs and a generation capacity value in its avoided cost.

This CPA follows the process used in RES's previous CPAs and is similar to the process followed by the Council. A sensitivity analysis is used to account for uncertainty in the avoided cost values applied to energy efficiency measures, where present. The variation in energy and capacity values covers a range of possible outcomes and the sensitivity of the cost-effective energy efficiency potential is identified by comparing the outcomes of each sensitivity. In selecting its biennial target based on this range of outcomes, RES is selecting its preferred risk strategy and the associated risk credit.

Northwest Power Act Credit

Finally, this CPA includes a 10% cost credit for energy efficiency. This credit is specified in the Pacific Northwest Electric Power Planning and Conservation Act for regional power planning work completed by the Council and by Washington's EIA for CPAs completed for Washington utilities. This credit is applied as a 10% bonus to the energy and capacity benefits described above.

Summary

Table 14 summarizes the avoided cost assumptions used in each of the sensitivities in this CPA update.

Table 14: Energy Efficiency Avoided Cost Assumptions by Sensitivity

		Low Sensitivity	Base Case	High Sensitivity
Energy Values	Avoided Energy Costs (20-Year Levelized Price, 2016\$/MWh)	Market Forecast minus 20%-80% (\$16)	Market Forecast (\$29)	Market Forecast plus 20%-80% (\$42)
	Social Cost CO₂	Federal 2.5% Discount Rate Values	Federal 2.5% Discount Rate Values	Federal 2.5% Discount Rate Values
	RPS Compliance	WA EIA & CETA Requirements	WA EIA & CETA Requirements	WA EIA & CETA Requirements
Capacity Values	Distribution Capacity (2016\$)	\$7.82/kW-year	\$7.82/kW-year	\$7.82/kW-year
	Transmission Capacity (2016\$)	\$3.54/kW-year	\$3.54/kW-year	\$3.54/kW-year
	Generation Capacity (2016\$)	\$56/kW-year	\$64/kW-year	\$123/kW-year
	Implied Risk Adder (2016\$)	-\$13/MWh -\$8/kW-year	N/A	\$13/MWh \$59/kW-year
	NW Power Act Credit	10%	10%	10%

Appendix V: Measure List

This appendix provides a list of the measures that were included in this assessment and the data sources that were used for any measure characteristics. The assessment used all measures from the 2021 Power Plan that were applicable to RES. The project team customized these measures to make them specific to RES's service territory and updated many with new information available from the Regional Technical Forum. The RTF continually updates estimates of measure savings and cost. This assessment used the most up to date information available when the CPA was developed.

This list is high-level and does not reflect the thousands of variations for each individual measure. Instead, it summarizes measures by category. Many measures include variations specific to different home or building types, efficiency level, or other characterization. For example, attic insulation measures are differentiated by home type (e.g., single family, multifamily, manufactured home), heating system (e.g., heat pump or furnace), baseline insulation level (e.g., R0, R11, etc.) and maximum insulation possible (e.g., R22, R30, R38, R49). This differentiation allows for savings and cost estimates to be more precise.

The measure list is grouped by sector and end use. Note that all measures may not be applicable to an individual utility service territory based on the characteristics of individual utilities and their customer sectors.

Table 15: Residential End Uses and Measures

End Use	Measure Category	Data Source(s)
Appliances	Air Cleaner	2021 Power Plan, RTF
	Clothes Washer	2021 Power Plan, RTF
	Clothes Dryer	2021 Power Plan, RTF
	Freezer	2021 Power Plan, RTF
	Refrigerator	2021 Power Plan, RTF
Cooking	Electric Oven	2021 Power Plan
	Microwave	2021 Power Plan
Electronics	Advanced Power Strips	2021 Power Plan, RTF
	Desktop	2021 Power Plan
	Laptop	2021 Power Plan
	Monitor	2021 Power Plan
	TV	2021 Power Plan
EVSE	EVSE	2021 Power Plan
HVAC	Air Source Heat Pump	2021 Power Plan, RTF
	Central Air Conditioner	2021 Power Plan, RTF
	Cellular Shades	2021 Power Plan
	Circulator	2021 Power Plan
	Circulator Controls	2021 Power Plan
	Ductless Heat Pump	2021 Power Plan, RTF
	Duct Sealing	2021 Power Plan, RTF
	Ground Source Heat Pump	2021 Power Plan
	Heat Recovery Ventilator	2021 Power Plan
	Room Air Conditioner	2021 Power Plan
	Smart Thermostats	2021 Power Plan, RTF
	Weatherization	2021 Power Plan, RTF
	Whole House Fan	2021 Power Plan
Lighting	Fixtures	2021 Power Plan, RTF
	Lamps	2021 Power Plan, RTF
	Pin Lamps	2021 Power Plan, RTF
Motors	Well Pump	2021 Power Plan
Water Heat	Aerators	2021 Power Plan, RTF
	Circulator	2021 Power Plan
	Circulator Controls	2021 Power Plan
	Dishwasher	2021 Power Plan
	Gravity Film Heat Exchanger	2021 Power Plan
	Heat Pump Water Heater	2021 Power Plan, RTF
	Pipe Insulation	2021 Power Plan
	Showerhead	2021 Power Plan
	Thermostatic Restrictor Valve	2021 Power Plan, RTF
Whole Home	Behavior	2021 Power Plan

Table 16: Commercial End Uses and Measures

End Use	Measure Category	Data Source(s)
Compressed Air	Air Compressor	2021 Power Plan
Electronics	Computers	2021 Power Plan
	Power Supplies	2021 Power Plan
	Smart Power Strips	2021 Power Plan, RTF
	Servers	2021 Power Plan
Food Preparation	Combination Ovens	2021 Power Plan, RTF
	Convection Ovens	2021 Power Plan, RTF
	Fryers	2021 Power Plan, RTF
	Griddle	2021 Power Plan, RTF
	Hot Food Holding Cabinet	2021 Power Plan, RTF
	Overwrapper	2021 Power Plan, RTF
	Steamer	2021 Power Plan, RTF
HVAC	Advanced Rooftop Controller	2021 Power Plan, RTF
	Chiller	2021 Power Plan
	Circulation Pumps	2021 Power Plan, RTF
	Ductless Heat Pump	2021 Power Plan, DHP
	Energy Management	2021 Power Plan
	Fans	2021 Power Plan
	Heat Pumps	2021 Power Plan
	Package Terminal Heat Pumps	2021 Power Plan, RTF
	Pumps	2021 Power Plan, RTF
	Smart Thermostats	2021 Power Plan
	Unitary Air Conditioners	2021 Power Plan
	Very High Efficiency Dedicated Outside Air System	2021 Power Plan
	Variable Refrigerant Flow Dedicated Outside Air System	2021 Power Plan
	Windows	2021 Power Plan, RTF
Lighting	Exit Signs	2021 Power Plan
	Exterior Lighting	2021 Power Plan
	Garage Lighting	2021 Power Plan
	Interior Lighting	2021 Power Plan
	Stairwell Lighting	2021 Power Plan
	Streetlights	2021 Power Plan
Motors & Drives	Pumps	2021 Power Plan, RTF
Process Loads	Elevators	2021 Power Plan
	Engine Block Heater	2021 Power Plan, RTF
Refrigeration	Freezer	2021 Power Plan
	Grocery Refrigeration	2021 Power Plan, RTF
	Ice Maker	2021 Power Plan, RTF
	Refrigerator	2021 Power Plan, RTF
	Vending Machine	2021 Power Plan, RTF
	Water Cooler Controls	2021 Power Plan
Water Heating	Commercial Clothes Washer	2021 Power Plan, RTF
	Heat Pump Water Heater	2021 Power Plan, RTF
	Pre-Rinse Spray Valve	2021 Power Plan, RTF
	Pumps	2021 Power Plan, RTF
	Showerheads	2021 Power Plan

Table 17: Industrial End Uses and Measures

End Use	Measure Category	Data Source(s)
All Electric	Energy Management	2021 Power Plan
	Forklift Charger	2021 Power Plan
	Water/Wastewater	2021 Power Plan
Compressed Air	Air Compressor	2021 Power Plan
	Air Compressors	2021 Power Plan
	Compressed Air Demand Reduction	2021 Power Plan
Fans and Blowers	Fan Optimization	2021 Power Plan
	Fans	2021 Power Plan, RTF
HVAC	HVAC	2021 Power Plan
Lighting	High Bay Lighting	2021 Power Plan
	Lighting	2021 Power Plan
	Lighting Controls	2021 Power Plan
Low Temp Refer	Motors	2021 Power Plan
	Refrigeration Retrofit	2021 Power Plan
Material Handling	Motors	2021 Power Plan
	Paper	2021 Power Plan
	Wood Products	2021 Power Plan
Material Processing	Hi-Tech	2021 Power Plan
	Motors	2021 Power Plan
	Paper	2021 Power Plan
	Pulp	2021 Power Plan
	Wood Products	2021 Power Plan
Med Temp Refer	Food Storage	2021 Power Plan
	Motors	2021 Power Plan
	Refrigeration Retrofit	2021 Power Plan
Melting and Casting	Metals	2021 Power Plan
Other	Pulp	2021 Power Plan
Other Motors	Motors	2021 Power Plan
Pollution Control	Motors	2021 Power Plan
Pumps	Pulp	2021 Power Plan
	Pump Optimization	2021 Power Plan
	Pumps	2021 Power Plan, RTF

Table 18: Utility Distribution End Uses and Measures

End Use	Measure Category	Data Source
Distribution	Line Drop Control with no Voltage/VAR Optimization	2021 Power Plan
	Line Drop Control with Voltage Optimization & AMI	2021 Power Plan

Appendix VI: Cost-Effective Energy Efficiency Potential by End Use

Table 19: Cost-Effective Residential Potential by End Use (MWh)

End Use	2-Year	4-Year	10-Year	20-Year
Appliances	390	896	2,770	5,033
Cooking	1	5	53	296
Electronics	13	51	618	1,976
EVSE	0	0	0	0
HVAC	1,175	2,463	8,504	16,578
Lighting	49	132	773	3,132
Motors	0	0	0	0
Water Heat	309	886	4,330	9,849
Whole Home	0	0	0	0
Total	1,937	4,432	17,048	36,864

Table 20: Cost-Effective Commercial Potential by End Use (MWh)

End Use	2-Year	4-Year	10-Year	20-Year
Compressed Air	2	9	105	500
Electronics	53	212	1,963	2,822
Food Preparation	18	41	138	279
HVAC	576	2,019	11,639	29,375
Lighting	1,689	3,622	8,470	15,335
Motors/Drives	25	90	815	3,221
Process Loads	0	0	0	0
Refrigeration	160	546	4,260	11,620
Water Heat	6	22	242	1,230
Total	2,529	6,561	27,631	64,383

Table 21: Cost-Effective Industrial Potential by End Use (MWh)

End Use	2-Year	4-Year	10-Year	20-Year
All Electric	543	1,828	8,508	11,345
Compressed Air	56	197	1,118	2,382
Fans and Blowers	43	154	1,366	5,506
HVAC	110	376	1,771	2,370
Lighting	770	2,130	7,832	9,655
Low Temp Refrigeration	198	681	3,422	5,680
Material Handling	5	14	77	309
Material Processing	20	58	320	992
Med Temp Refrigeration	59	202	1,028	1,763
Melting and Casting	7	14	35	64
Other	0	1	2	2
Other Motors	2	10	96	376
Pollution Control	0	1	13	52
Pumps	89	322	3,030	12,615
Total	1,903	5,988	28,617	53,112

Table 22: Cost-Effective Utility Distribution Efficiency by End Use (MWh)

End Use	2-Year	4-Year	10-Year	20-Year
LDC with no VVO	21	86	924	2,721
LDC with VVO & AMI	140	576	6,197	18,245
Total	161	662	7,121	20,966

Appendix VII: Ramp Rate Alignment Documentation

This appendix documents the application of ramp rates in Richland Energy Service's (RES) 2025 Conservation Potential Assessment (CPA), developed by Lighthouse Energy Consulting and Nauvoo Solutions (the study team). Ramp rates are annual values that approximate the portion of technical potential that can be realistically achieved in each year. For example, all unweatherized homes in RES's service territory could theoretically be weatherized in a single year. However, program budgets, workforce availability, and other dynamics make this impractical. As a result, only a percentage of homes could realistically be weatherized in a single year.

For equipment measures like clothes washers, upgrading to more efficient equipment is most likely to occur when the equipment reaches the end of its life and needs to be replaced. Therefore, ramp rates for equipment measures reflect the share of equipment turning over in a given year that is replaced with a more efficient model.

The ramp rates used in this study are based on those used in the 2021 Power Plan but were updated to reflect the fact that some time has elapsed since the 2021 Power Plan. The study team assigned ramp rates that align the near-term cost-effective potential quantified in the CPA with the recent and expected achievements of RES's energy efficiency programs. Under both CETA and EIA, utilities are required to pursue all conservation that is cost-effective, reliable, and achievable. Therefore, the ramp rates in this study are designed to ensure that the near-term potential is feasible and achievable for RES's programs and the measures considered for adoption meet regulatory cost-effectiveness criteria.

Ramp Rate Alignment Process

RES staff provided recent program achievement data, which the study team summarized by sector and end use. For the residential sector, the study team further classified program achievements by high-level measure categories.

Additionally, RES benefits from the regional market transformation work of the Northwest Energy Efficiency Alliance (NEEA). To reflect this, the study team incorporated estimated energy efficiency savings from NEEA market transformation activity occurring in RES's service territory. These savings were allocated across sectors, end uses, and measure categories based on recent reporting of NEEA's regional savings.

The study team compared the recent savings from RES's programs and NEEA's market transformation initiatives with the initial estimates of the cost-effective energy efficiency potential identified in the CPA. The study team made changes to the assigned ramp rates to accelerate or decelerate the forecasted pace of savings acquisition to align future savings potential with recent programmatic achievements. Areas where there were little to no recent program achievements typically have a slow ramp rate applied to account for the fact that a program may need to build momentum over several years.

The following tables show how RES's recent programmatic achievements and allocated NEEA market transformation savings compare to the potential estimated to be cost-effective after adjusting the ramp rates. Color scaling has been applied to highlight the larger values. Discussion follows each table with additional detail.

Residential

Table 23 shows how residential potential was aligned with recent achievements by measure category.

Note that ramp rate choices are discrete and may not provide exact alignment. The overall goal is to achieve a general alignment across end uses and measures.

Table 23: Alignment of Residential Program History and Potential by Measure Category (MWh)

End Use	Category	Program History			CPA Cost-Effective Potential			
		2022	2023	2024	2026	2027	2028	2029
Appliances	Clothes Washer	116	139	131	83	101	112	122
Appliances	Dryer	49	59	55	32	44	55	65
Appliances	Freezer	-	-	-	0	1	2	3
Appliances	Refrigerator	69	83	78	60	68	73	75
Cooking	Microwave	-	-	-	0	1	1	2
Cooking	Oven	-	-	-	0	0	0	0
Electronics	Advanced Power Strips	0	29	0	-	-	-	-
Electronics	Desktop	9	11	11	-	-	-	-
Electronics	Laptop	-	-	-	1	1	2	3
Electronics	Monitor	-	-	-	-	-	-	-
Electronics	TV	-	-	-	4	8	13	20
EVSE	EVSE	0	1	1	-	-	-	-
HVAC	ASHP	554	259	260	187	218	249	290
HVAC	CAC	-	-	-	1	3	4	7
HVAC	Circulator	-	-	-	0	0	0	0
HVAC	Circulator Controls	-	-	-	0	0	0	0
HVAC	DHP	141	161	140	-	-	-	-
HVAC	Duct Sealing	-	-	-	23	38	58	82
HVAC	Room AC	0	1	1	-	-	-	-
HVAC	Thermostat	-	577	26	56	98	155	229
HVAC	Weatherization	202	565	444	333	216	144	70
Lighting	Fixtures	-	-	-	21	28	36	46
Water Heat	Circulator	-	-	-	0	0	0	0
Water Heat	Circulator Controls	-	-	-	0	0	0	1
Water Heat	Dishwasher	-	-	-	0	0	0	1
Water Heat	HPWH	134	140	139	118	179	239	306
Water Heat	TSRV	-	2	1	4	7	12	17
Total		1,275	2,025	1,287	926	1,012	1,156	1,340

Note: For clarity, in the table above, measure categories with no program achievements and no cost-effective potential have been removed. In addition, note that some measures have savings values that are small and cannot be shown at this level of resolution. These values show as 0 in this and following tables while a true zero value is shown as a dash.

The following sections discuss the alignment within each residential end use.

Appliances

In this end use, the savings are from NEEA's market transformation initiatives. NEEA's work includes an initiative for retail products and appliances that contributes savings. The savings from this work typically grow over time as markets transform. Ramp rates were adjusted to align with the NEEA savings.

Cooking

Neither RES nor NEEA have savings in this end use, so the measures—microwaves and ovens—were given slow ramp rates.

Electronics

Most of the historical savings in this end use come from NEEA's work advancing efficient desktop computers. The more efficient Energy Star desktop computer is not cost-effective and therefore not incorporated in the future potential. The Regional Technical Forum (RTF) has recently deactivated advanced power strips due to a lack of data and confidence in the savings, so the measure was removed from this CPA. Going forward, the cost-effective potential is associated with TVs and laptops. The study team slowed the ramp rate for these categories since there are no current RES programs or NEEA initiatives that would address these measures.

HVAC

The HVAC category is RES's largest source of program savings in the past three years, and the top program measures include air source heat pumps (ASHP), ductless heat pumps (DHP), smart thermostats, and weatherization measures.

Measures in the HVAC end use are often expensive. Although ASHPs typically struggle to be cost-effective, the study team included the tax credits and incentives provided for heat pumps through the federal Inflation Reduction Act (IRA). While much of IRA has recently been repealed, program funding has already been distributed to the states. Including these federal credits and incentives improves the cost-effectiveness of ASHPs, particularly for income-qualified households, who are eligible for more substantial benefits.

None of the DHP measures were identified as cost effective after updating measure assumptions with recent RTF updates.

Additional cost-effective potential is available through smart thermostats, duct sealing, efficient central air conditioning systems, and weatherization, which were assigned ramp rates to align with RES's recent program history.

Lighting

The lighting end use is now subject to product standards that cover many screw-in lamps. The potential that remains is in fixtures with integrated LEDs and less common bulb types. There is not currently a program to incentivize LED fixtures, so these measures were given a slower ramp rate.

Water Heat

The past savings in the water heating category are from heat pump water heaters, both from RES's programs and NEEA's market transformation efforts.

Washington has state product standards for showerheads and aerators, so there is no potential in these categories. The study team applied slower ramp rates to the remaining measure categories with cost-effective potential, which includes circulator pumps and controls, dishwashers, and thermostatic restrictor valves (TSRV).

Table 24 below summarizes the residential measure category results in Table 23 by end use. This table also incorporates savings from whole home measures that do not align with categories included in the CPA but could be grouped in the end uses listed below. Savings in the HVAC end use could not be aligned as the program history includes significant savings from ductless heat pumps, which were not found to be cost-effective in this CPA.

Table 24: Alignment of Residential Program History and Potential by End Use (MWh)

Program History				CPA Cost-Effective Potential			
End Use	2022	2023	2024	2026	2027	2028	2029
Appliances	234	280	264	176	214	242	264
Cooking	-	-	-	0	1	1	2
Electronics	10	40	11	4	8	15	23
EVSE	0	1	1	-	-	-	-
HVAC	897	1,563	871	601	573	610	679
Lighting	-	-	-	21	28	36	46
Motors	-	-	-	-	-	-	-
Water Heat	134	141	141	123	187	251	325
Whole Home	-	-	-	-	-	-	-
Total	1,275	2,025	1,287	926	1,012	1,156	1,340

Commercial

In the commercial sector, the greatest potential lies within lighting and HVAC end uses, which are also the areas where RES's programs achievements are the greatest. NEEA also contributes additional savings in these end uses. The ramp rates associated with these end uses were aligned as best as possible. The end uses outside of the lighting and HVAC end uses were generally given slower ramp rates to reflect the lower program activity in these areas.

Note that lighting in the commercial sector is impacted by Washington House Bill 1185's¹⁶ ban on the sale of lighting products containing mercury, which includes fluorescent lighting. The ban takes effect in the second half of 2029. After this, much of the remaining lighting potential is associated with lighting controls and lighting technologies where fluorescent lighting is not the baseline technology.

Table 25 below shows the alignment of program history and potential in the commercial sector.

¹⁶Accessed July 11, 2025. <https://lawfilesexternal.wa.gov/biennium/2023-24/Pdf/Bills/Session%20Laws/House/1185-S2.SL.pdf?q=20250714075226>

Table 25: Alignment of Commercial Program History and Potential by End Use (MWh)

Program History				CPA Cost-Effective Potential			
End Use	2022	2023	2024	2026	2027	2028	2029
Compressed Air	-	-	-	1	2	3	4
Electronics	25	29	28	18	35	61	98
Food Preparation	9	11	10	8	10	11	12
HVAC	199	171	933	205	371	592	852
Lighting	88	2,500	414	778	911	1,026	906
Motors/Drives	21	26	24	9	16	26	39
Process Loads	1	1	1	-	-	-	-
Refrigeration	-	-	-	60	100	156	229
Water Heat	-	-	-	2	4	6	10
Total	343	2,738	1,410	1,081	1,448	1,881	2,152

Industrial

Savings in the industrial sector are often irregular and uneven, subject to the projects that are completed in a given year. Table 26 shows the alignment of industrial potential and recent program history by end use. Since the savings in any particular end use may not be known in advance, the study team sought to align the overall level of potential with recent program history.

Table 26: Alignment of Industrial Program History and Potential by End Use (MWh)

Program History				CPA Cost-Effective Potential			
End Use	2022	2023	2024	2026	2027	2028	2029
Energy Management	833	684	-	199	344	534	750
Compressed Air	-	983	-	20	36	58	83
Fans and Blowers	-	-	58	16	27	44	66
HVAC	-	367	-	40	70	110	155
Lighting	-	922	-	325	445	592	768
Motors	-	-	1	1	2	3	5
Refrigeration	-	-	374	92	164	259	368
Process	-	168	-	14	18	23	30
Pumps	-	-	-	32	56	92	141
Other	-	-	-	0	0	1	1
Total	833	3,123	434	739	1,164	1,716	2,369

Utility Distribution System

The potential in the utility distribution system is from conservation voltage reduction, where system voltages are lowered while remaining within required ranges. RES currently controls its system voltages at times of peak demand as a way to reduce its monthly demand charges. The energy savings shown here represent the energy savings if the voltage was controlled on a continuous basis. The potential in this sector is limited compared to other sectors.

Table 27: Alignment of Distribution System Program History and Potential by End Use (MWh)

Program History			CPA Cost-Effective Potential			
End Use	2023	2024	2026	2027	2028	2029
Distribution System	-	-	54	107	191	310



2025 DEMAND RESPONSE POTENTIAL ASSESSMENT

Richland Energy Services

August 25, 2025

Prepared by:



LIGHTHOUSE ENERGY
— CONSULTING —



Nauvoo
Solutions

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Introduction

This report summarizes the 2025 Demand Response Potential Assessment (DRPA) conducted by Lighthouse Energy Consulting and Nauvoo Solutions (the project team) for Richland Energy Services (RES). The DRPA estimated the cost-effective demand response potential for 2026 to 2045.

The DRPA generally followed the methodology used by the Northwest Power and Conservation Council (Council) in the 2021 Power Plan and included many of the same demand response (DR) products. The DR products included in this DRPA are applicable to the commercial, industrial, and residential sectors, impact both the summer and winter seasons, and utilize a range of strategies, including direct load control, customer-initiated demand curtailment, and time-varying prices in order to effect reductions in peak demand.

Background

The 2021 Power Plan defines DR as “a non-persistent intentional change in net electricity usage by end-use customers from normal consumptive patterns in response to a request on behalf of, or by, a power and/or distribution/transmission system operator. This change is driven by an agreement, potentially financial, or tariff between two or more participating parties.”¹

DR has not been widely used in the Northwest but has received increased interest in recent years. Growing capacity constraints associated with the closure of regional coal-fired power plants, increases in policies requiring the use of carbon-neutral or renewable energy such as Washington’s Clean Energy Transformation Act (CETA), and operational limitations placed on the region’s hydropower system are all driving a need for cost-effective generation capacity. DR offers a solution to reduce system demands, help integrate renewable resources, and alleviate congestion on transmission and distribution systems.

In addition, the CETA requires utilities to assess the amount of DR resource potential that is cost-effective, reliable, and feasible, and use that assessment to identify a target for DR in each Clean Energy Implementation Plan (CEIP). The first CEIP was due January 1, 2022, and updates are due every subsequent four years.

Like many utilities in the Northwest, RES does not currently have active customer-facing DR programs. RES does, however, currently make use of voltage reduction during times of peak demand. This is known as demand voltage regulation, or DVR. Regional utilities have been conducting pilots of different DR program types to learn what types of programs would work well in the Northwest. RES has participated in past pilots offered by Bonneville Power Administration (BPA), including a regional pilot conducted from 2013 to 2017. RES also offers an incentive for electric vehicle charging equipment and requires that customers document that the chargers have been set to charge during off-peak hours.

¹ Northwest Power and Conservation Council, *2021 Power Plan*. March 10, 2022.
https://www.nwcouncil.org/fs/17680/2021powerplan_2022-3.pdf

Methodology

The project team developed this DRPA by identifying the DR products to be included in the assessment, quantifying their costs and benefits, and then quantifying RES's customer base that could adopt them.

Like a conservation potential assessment, the DR potential calculation process began with the quantification of technical potential, which is the maximum amount of DR possible without regard to cost or market barriers to limit participation. The assessment then considered market barriers, program participation rates, and other factors to quantify the achievable potential. Finally, the economic potential is quantified by applying a total resource cost (TRC) perspective cost-benefit test to the achievable potential. This methodology is discussed further below.

Demand Response Products

This DRPA included the same products that were included in RES's 2023 DRPA. These included products that cover a range of sectors, end uses, and product types. While RES is not currently considered a summer peaking utility, they experience high demand in the summer that continues to grow, so the project team included DR products impacting the summer and winter seasons. Furthermore, RES is a load following customer of Bonneville Power Administration (BPA) and is subject to demand charges throughout the year.

The high-level categories of DR products included in this assessment are summarized in Table 1 below, which organizes the products by sector and implementation strategy.

Table 1: Demand Response Products

	Residential	Commercial	Industrial	Utility
Direct Load Control	• EV Charging • Grid-Enabled Water Heater • Water Heater Switch • Space Heating Switch • Space Cooling Switch • Smart Thermostat	• Space Heating Switch • Space Cooling Switch • Smart Thermostat		• Demand Voltage Reduction (DVR)
Demand Curtailment		• Demand Curtailment	• Demand Curtailment	
Time-Varying Prices	• Time of Use (TOU) Pricing • Critical Peak Pricing	• Critical Peak Pricing	• Critical Peak Pricing • Real Time Pricing	

Direct load control (DLC) products are those in which the utility has direct control of the operation of applicable equipment. This could be achieved by adding switch controls to existing equipment or controlling equipment with integrated controls such as smart thermostats and grid-enabled hot water heaters. DLC products typically achieve high event participation rates as participation in an

event is only limited by the success of the controlled equipment receiving and implementing any instructions to change its operation or customer intervention to opt out of a demand response event. Demand curtailment is like DLC but requires the intervention of customers to implement reductions in load. These products usually involve contracts between the customer and utility that detail the amount, duration, and frequency of load reductions. Time-varying price products rely on a variety of tariff-based strategies to encourage customers to respond to higher energy or demand prices. Participation in curtailment and price-based programs depends on customer willingness to shift energy usage, the expectations from the utility of how often and long events would occur, and the incentives for participating.

The project team customized the assumptions for these products to better reflect RES's service territory and projections of equipment saturations based on RES's 2025 Conservation Potential Assessment (2025 CPA). For example, the project team used the projections of future adoption of heat pump water heaters and smart thermostats from the 2025 CPA to estimate the number of homes with these technologies that could participate in related demand response programs.

Appendix I of this report includes a complete list of the products used in this assessment.

Customer and Sales Forecasts

Once the products were identified, the project team then quantified the customer base that could adopt the products. RES provided 2024 customer sales and counts for each sector and the project team used historical sales and customer data to estimate growth over the study period. Summaries of these forecasts are shown in Figure 1 and Figure 2. Over 40% of RES's sales and by far the majority of RES's customers are in the residential sector.

In the residential sector, customer counts and saturations of eligible equipment are the primary determinants of DR potential. Relative to the prior DRPA, the projected 20-year residential customer counts decreased by 15% due to slower growth rate assumptions based on more recent housing data. Updated customer data resulted in higher saturations of electric space heating equipment as well.

In the commercial and industrial sectors, the potential is largely determined by forecasted sales. For the 2025 DRPA, the project team updated the allocation of sales between the commercial and industrial sectors based on improved data that allowed for better alignment of customers to these segments. This shift resulted in the 20-year industrial sales increasing by 13% relative to the previous DRPA and the commercial sales decreasing by 30% relative to the previous DRPA. The project team also used more recent data to estimate future growth over the study period in the nonresidential sectors and this led to a slower growth rate.

Figure 1: Sales Forecast by Sector

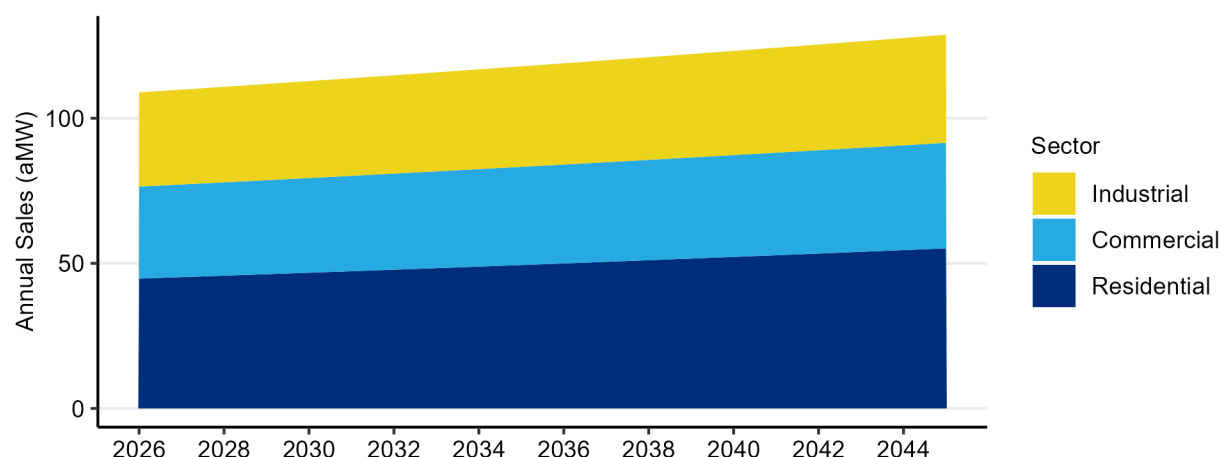
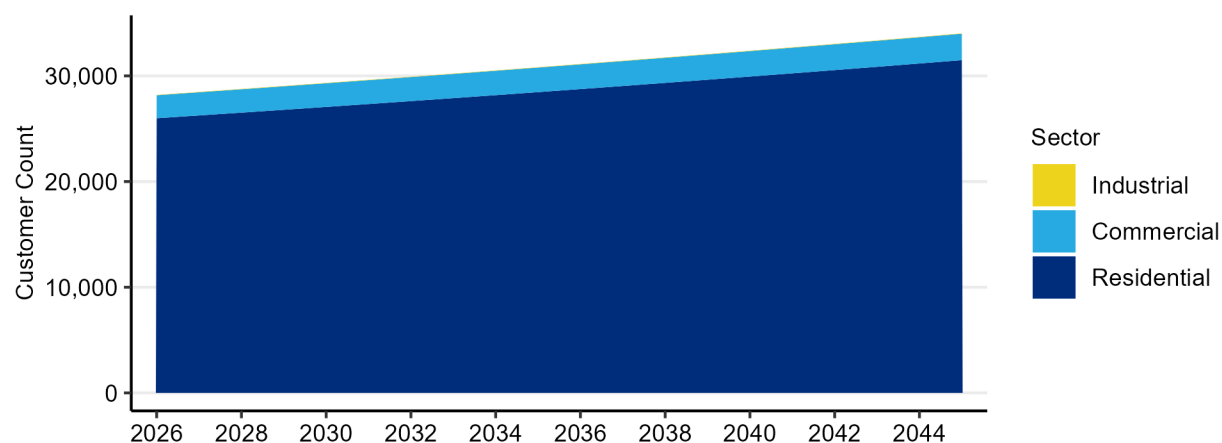


Figure 2: Customer Count Forecast by Sector



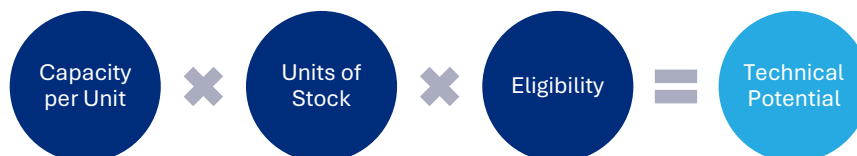
Technical Potential

The project team quantified the technical DR potential by a combination of bottom-up and top-down methodologies, depending on how the impact of a given product was quantified. In products where the impacts are quantified in terms of an assumed demand impact per unit, the bottom-up methodology is used. For example, smart thermostats have an assumed demand impact of approximately 1 kilowatt per thermostat in the winter. Products with percentage-based impacts use the top-down method. Residential time of use rates are modeled on a top-down basis using an assumed demand reduction of approximately 3% during winter on-peak periods. These methodologies are described further below.

In the bottom-up method, illustrated in Figure 3, the per-unit demand reduction estimate for each DR product was multiplied by the number of technically possible opportunities. The number of opportunities was determined by multiplying the units of stock, such as the number of homes, by an eligibility factor. This factor quantifies the share of units that are eligible to install the DR product or participate in a program, typically by having the appropriate equipment installed. For example, in

quantifying the potential associated with a smart thermostat demand response program, the eligibility factor would be the share of homes in RES's service territory with a smart thermostat installed.

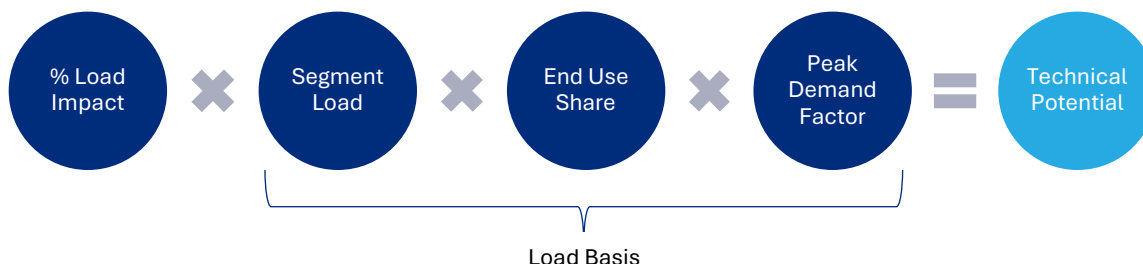
Figure 3: Bottom-Up Technical Potential Calculation



This analysis used the capacity values determined by Council in the 2021 Power Plan or through additional research and analysis conducted by the project team. Stock unit counts were developed from data provided by RES, Census data, and regional stock assessments. Finally, the eligibility factors were determined by a combination of data from RES's 2025 CPA and the 2021 Power Plan. The project team used projections of the future adoption of technologies such as smart thermostats and heat pump water heaters from RES's 2025 CPA to inform the future potential identified in this DRPA.

In the top-down method, the technical potential was determined by multiplying each DR product's assumed load impact by an applicable load basis. The impact is the estimated demand reduction, expressed as a percentage, and the load basis is measured in units of demand. The load basis was determined by multiplying the load of a given customer segment by the share of load within the impacted end use. For example, with products controlling HVAC equipment, the load basis is calculated by multiplying the overall load of the customer segment and the share of energy used by HVAC equipment. Finally, a peak demand factor converts annual energy consumption values into an average demand, based on the expected number and duration of DR events, and their coincidence with RES's expected system peaks. This calculation is shown in Figure 4.

Figure 4: Top-Down Technical Potential Calculation



The load impact assumptions and end use shares were taken from the 2021 Power Plan or developed from research conducted by the project team. The segment loads within each sector were developed from sector-level forecasts from RES. The project team calculated the peak demand factors based on 2021 Power Plan load shapes and their coincidence with RES's system peaks.

Achievable Potential

The project team quantified the achievable potential for each product by adjusting the technical potential to include considerations for program and event participation rates and program ramp up.

Program participation is the proportion of eligible customers who participate in a DR program while event participation quantifies the share of program participants that engage in any given DR event. For DR products enabled through DLC, the event participation rate depends on the success of the controlled equipment responding to the control signal and reducing demand as well as participant opt-outs, while for other types of programs this factor considers the likelihood of human intervention.

The annual rate of DR program adoption was based on ramp rates. Ramp rates consider whether a program is starting from scratch or already has traction in the market and how long it will take to reach its maximum participation levels. This assessment generally used the ramp rates used in the 2021 Power Plan, where most products were given a ramp rate that reflects a 5- or 10-year ramp up period.

The calculation of achievable potential is the same for both bottom-up and top-down methods and is shown in Figure 5.

Figure 5: Achievable Potential Calculation



Economic Potential

The economic potential was determined by applying a TRC-based cost-effectiveness screening to the achievable potential described above. To perform this screening, the project team estimated the costs of capacity avoided through demand response for RES and compared those to the estimated program costs for each product. Table 2 summarizes the costs and benefits included in the cost effectiveness calculation.

Table 2: Demand Response Costs and Benefits

Costs	Benefits
• Program setup costs • Operation and maintenance costs • Equipment costs • Marking costs • Program incentives²	• Avoided monthly demand charges from BPA • Avoided capital costs related to the deferral or avoidance of capacity expansions on the transmission and distribution systems

These costs and benefits are projected over 20 years, based on the projected participation and associated demand reductions.

² While program incentives are not typically included in the Total Resource Cost perspective typically used in utility planning, for demand response, some portion of the incentive is assumed to represent the cost of a DR program participant's burden or inconvenience in participating in a program. For example, in the residential sector, 25-35% of the incentives are included.

This assessment assumes that DR events can be called with perfect anticipation of peak demands. In implementing a DR program, utilities typically specify a maximum number of events per season that will be called. This gives participants an upper limit of what may be asked of them but also provides utilities with a number of events to call when forecasted demands are high. However, challenges still exist in deciding the dates and hours to call DR events, and any peak events occurring when DR events were not planned may result in reductions in the ultimate cost-effectiveness of a DR program.

Results

This section documents the results of the DRPA. It begins with the winter and summer achievable potential, followed by a comparison to the results of RES's previous DRPA. Finally, the costs and economic potential are discussed.

Winter Achievable Potential

The estimated achievable winter DR potential is summarized by sector and year in Figure 6. The total 20-year winter potential is 11.9 MW, which is approximately 6% of RES's estimated 2045 winter peak demand.

Most of the potential is in the residential sector, which totals 9.5 MW in the last year of the study period. DVR offers the second greatest opportunity equating to 1.0 MW of peak reduction in the final year of the study. The remaining potential in the commercial and industrial sectors is approximately 1.4 MW in total.

Residential loads are highly correlated with winter peak demand periods, while commercial loads tend to peak in the summer and industrial loads are often fairly flat throughout the year. In addition, many commercial and industrial facilities have less ability to reduce or shift their loads and participation in demand response programs is limited.

Figure 6: Annual Achievable Winter DR Potential by Sector

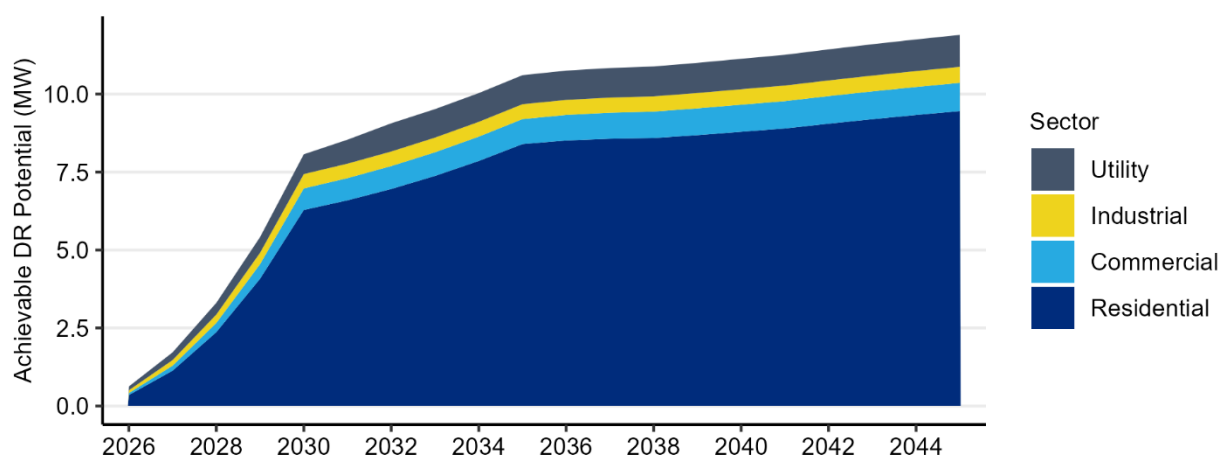


Figure 7 shows how this potential breaks down by end use. The potential is spread across the categories of space heating, water heating, EV charging, and the “all” end use. The “all” end use includes pricing products and curtailment strategies whose impacts are not specific to a single end use. This includes DVR. The growth rates for each end use reflect different rates of eligibility for different types of equipment. The growth in potential from EV charging is driven by the forecasted adoption of electric vehicles. The DR potential in water heating is impacted by the adoption of heat pump water heaters, which provide energy savings throughout the year but less callable load reductions for demand response. Growth in the “all” end use is based on the assumed rollout of curtailment and DVR programs.

Figure 7: Annual Achievable Winter DR Potential by End Use

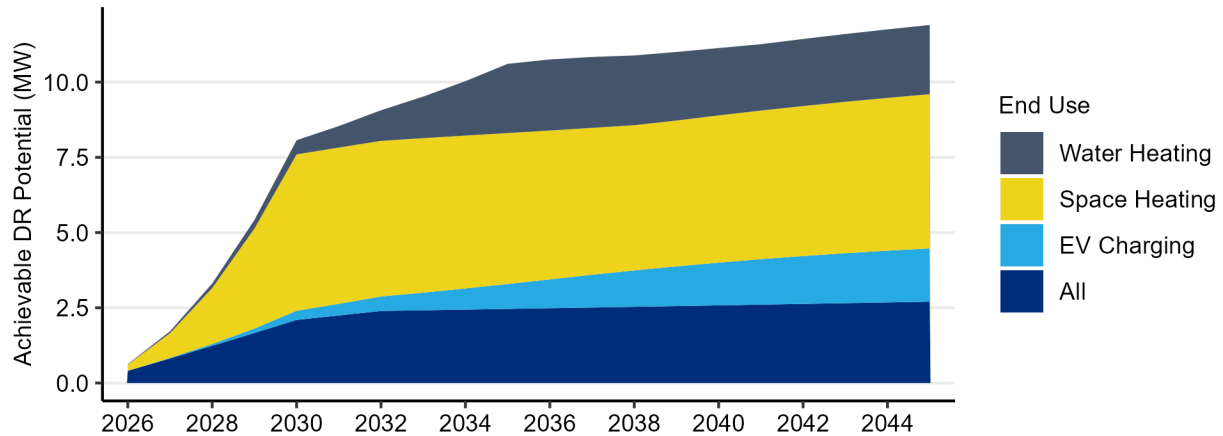
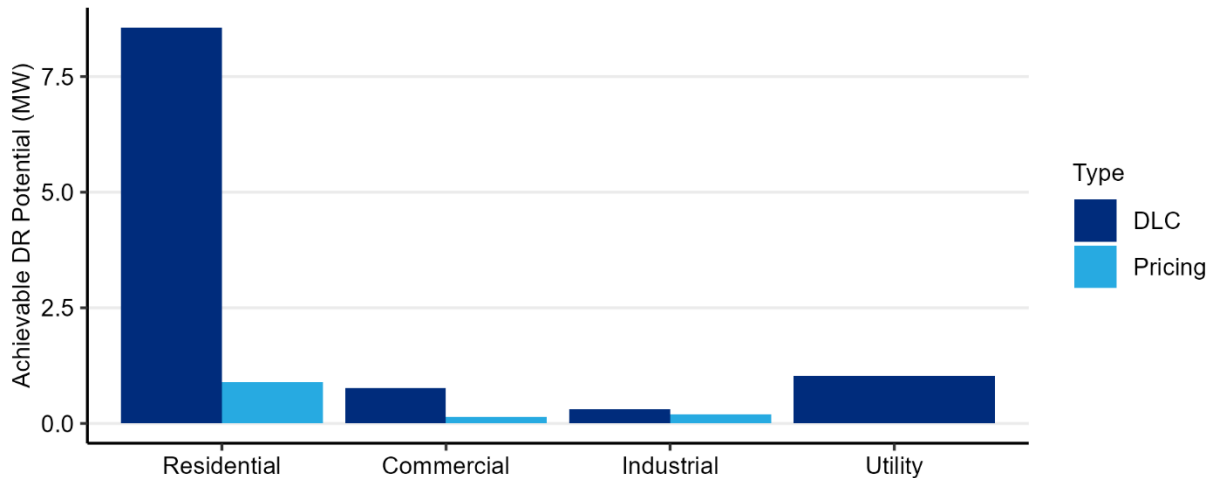


Figure 8 shows how this potential breaks down across the various product types within each sector. The commercial and industrial curtailment products are classified as DLC products in this figure. By far, most of the potential is from residential DLC products, with smaller amounts coming from the pricing and demand curtailment strategies.

Figure 8: Achievable Winter DR Potential by Sector and Type



Summer Achievable Potential

In the summer, RES has approximately 14.2 MW of achievable demand response available by 2045, which is 7% of RES's estimated 2045 summer peak demand. The distribution of summer potential across sectors is similar that of winter with residential potential being slightly lower and commercial and industrial being slightly higher than in the winter. The increase in nonresidential potential in summer relative to winter is due to the coincidence of commercial and industrial sector loads with peak summer demands. Figure 9 shows the annual achievable summer potential by sector.

Figure 9: Annual Achievable Summer DR Potential by Sector

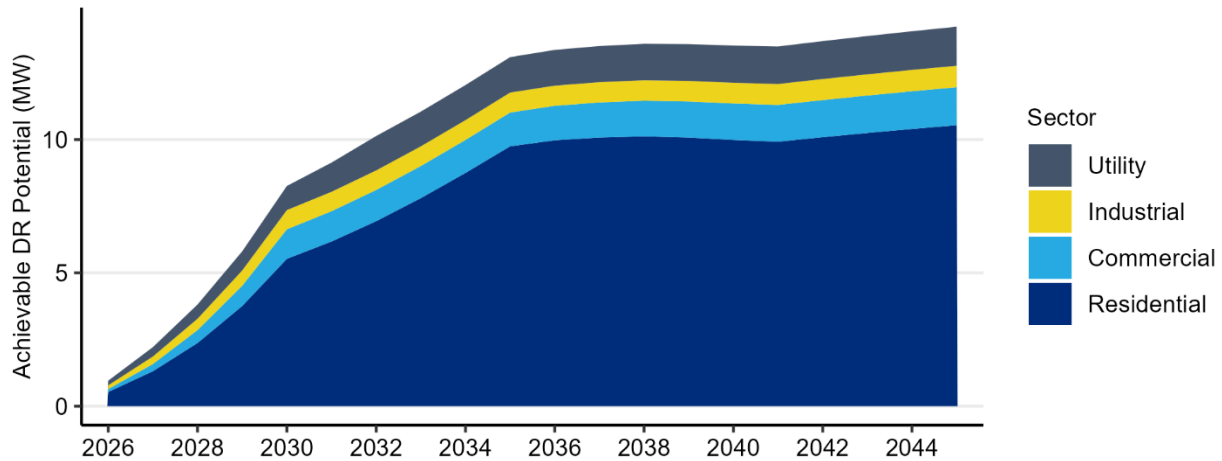


Figure 10 shows the breakdown of summer DR potential by end use. The “all” end use has nearly double the potential identified in the winter. This is a result of greater summer potential in the nonresidential pricing products, and the coincidence of nonresidential loads with RES’s summer system peaks.

Figure 10: Annual Achievable Summer DR Potential by End Use

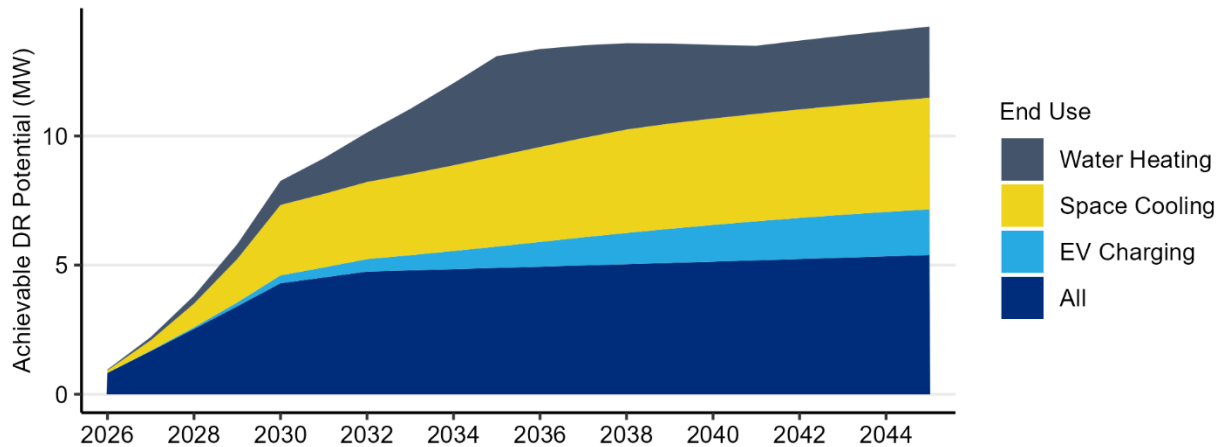
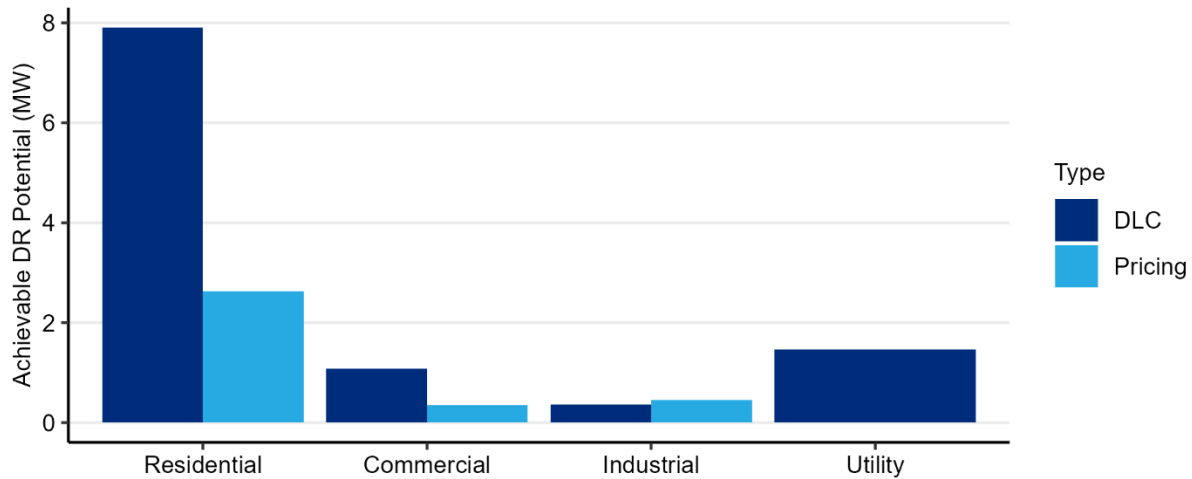


Figure 11 shows how the summer potential splits across sectors and program types. While most of the potential is associated with residential DLC products, pricing products across all three sectors provide a greater contribution to the summer potential compared to the winter.

Figure 11: Achievable Summer DR Potential by Sector and Type



Comparison to the 2023 DRPA

Table 3 compares the total cumulative 20-year achievable DR potential identified in this study with RES's previous DRPA, conducted in 2023. Lower customer counts and electric heating saturations resulted in lower winter potential in the residential sector while updates to the RES system shape led to greater savings in the summer for this sector. The lower commercial and industrial loads resulted in lower potential in both winter and summer. The 2025 DRPA identified more savings in the summer season compared to the previous DRPA because the more recently provided RES system shape showed more alignment between peak summer demands and commercial and industrial loads.

Table 3: Comparison of 2023 and 2025 DR Potential

Season/Sector	2023 DRPA	2025 DRPA
Winter	16.2	11.9
Residential	12.9	9.5
Commercial and Industrial	1.9	1.4
Utility	1.4	1.0
Summer	13.8	14.2
Residential	10.3	10.5
Commercial and Industrial	2.5	2.2
Utility	1.0	1.5

Costs

A demand response supply curve details the quantity of DR potential available at different cost thresholds. The supply curves for winter and summer DR are shown in Figure 12 and Figure 13, respectively. The products are ranked by levelized cost (\$/kW-year), with the lowest cost product at the bottom. Moving up the supply curve, the incremental DR potential for each product is shown in dark blue and the cumulative potential from all previous products shown in light blue.

The horizontal axis reflects the DR capacity and the value at the end of each bar is the levelized cost of each product. As discussed above, the levelized cost calculations for winter products include credits for deferred distribution and transmission system capacity costs.

Figure 12 shows the residential smart thermostats, EV charging, and grid-ready heat pump water heater products have higher amounts of potential. There are 3.3 MW available through the residential smart thermostats and another 3.0 MW available through the combination of EV charging and grid-ready HPWH.

In addition to having the highest potential, residential smart thermostats also have the second lowest cost, at \$15/kW-year. DVR was identified as the least cost product with a negative levelized cost that indicates the benefits outweigh the costs. Commercial and industrial products are generally more expensive.

Figure 12: Winter DR Supply Curve (MW and \$/kW-year)

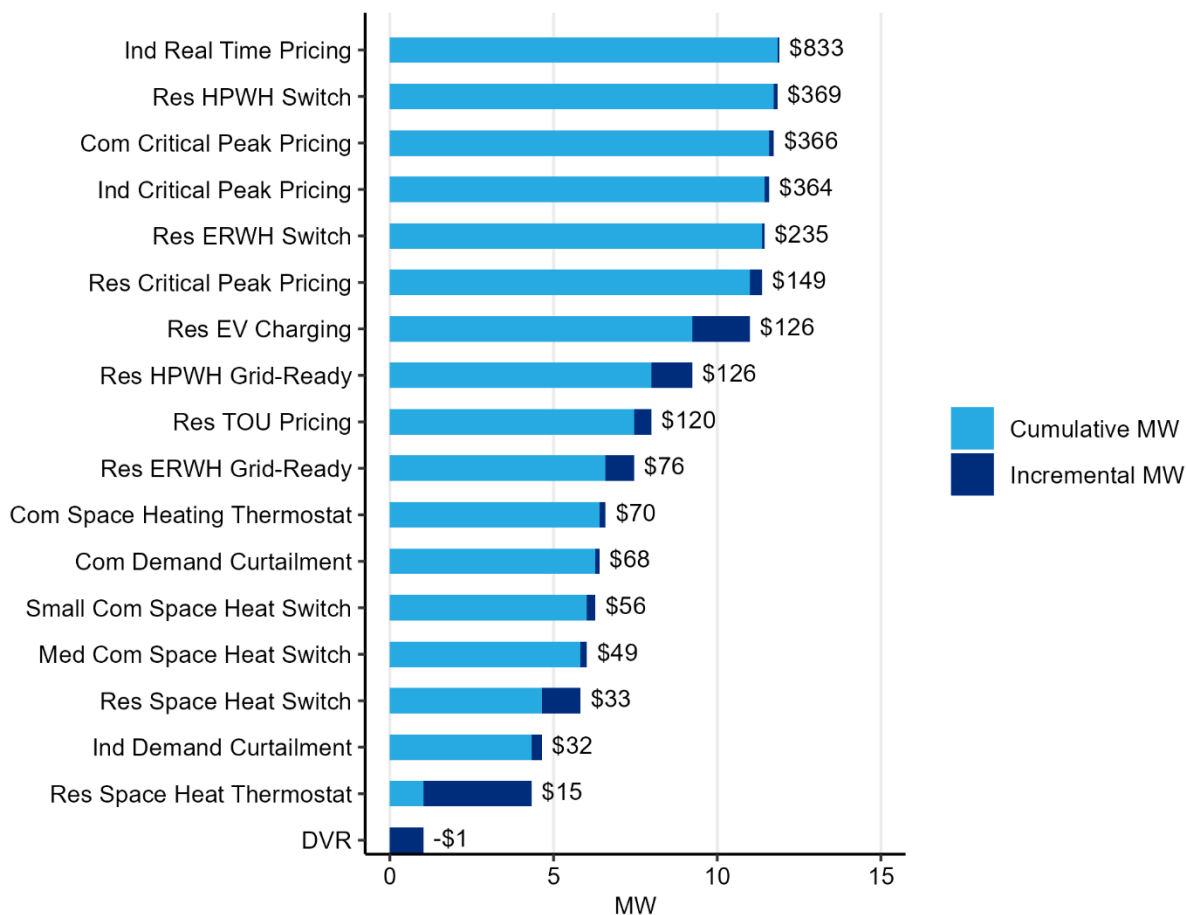
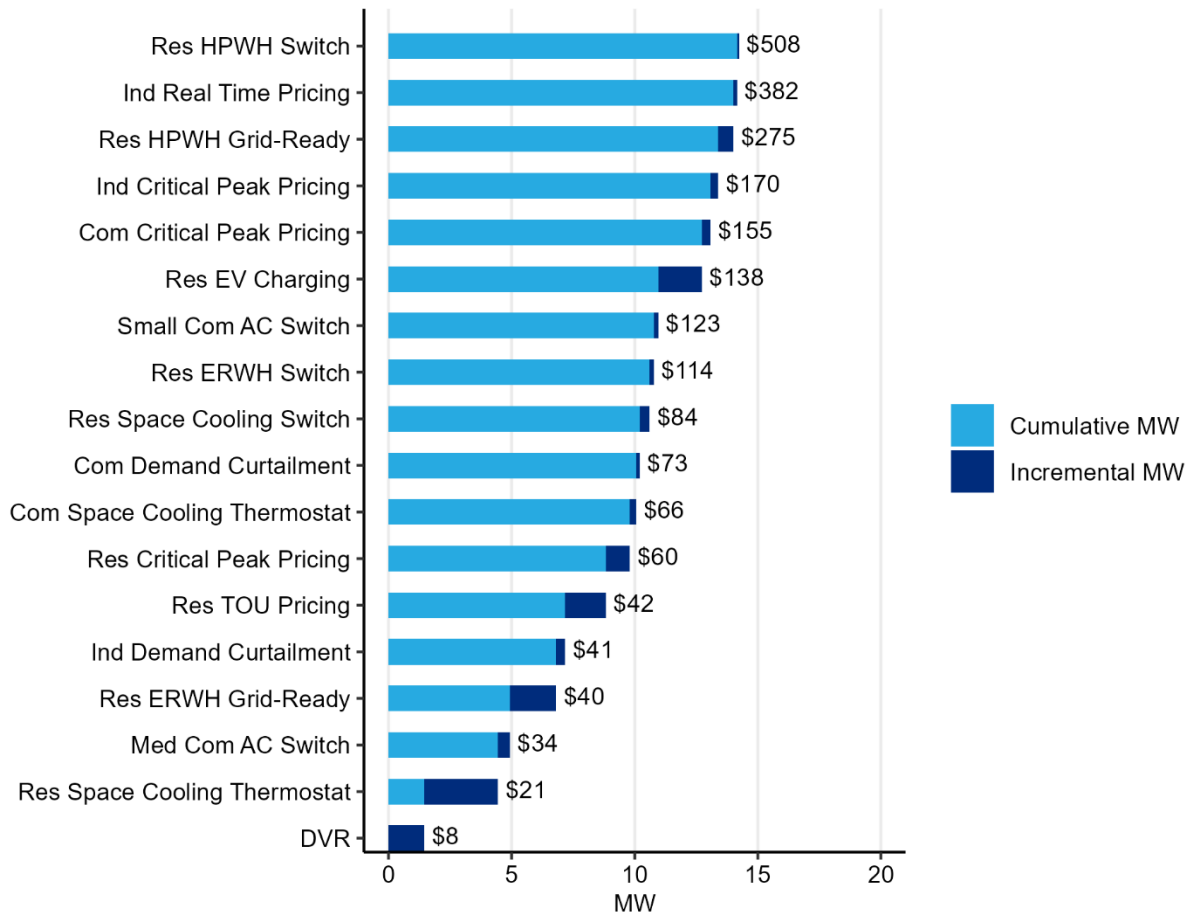


Figure 13 shows the supply curve for summer capacity. Like the winter, most of the low-cost potential is in the residential sector, since this is the sector with the largest load and includes DR capable technologies like smart thermostats and grid-enabled water heaters. In the summer, commercial and industrial loads are higher, resulting in lower levelized costs for DR products in these sectors. Once again DVR is the least cost product.

Figure 13: Summer DR Supply Curve (MW and \$/kW-year)



Cost Effectiveness

Table 4 shows the result of the cost-effectiveness screening for each winter DR product. Products are ranked in descending order by benefit-cost ratio. The 20-year DR potential for each product is also shown. Residential DVR was the only product identified with a cost-effectiveness ratio greater than 1.0. Residential smart thermostats were the second most cost-effective, but the benefit cost ratio for this product fell below the threshold for cost-effectiveness, with a benefit-cost ratio of 0.88. The remaining products fell well below the cost-effectiveness threshold of 1.0.

The current saturations of grid-enabled heat pump water heaters and electric vehicles are low, leaving few participants to cover the fixed costs of starting a program in the near term. However, since growth is expected in both areas, these programs may be more cost-effective in the future.

Table 4: Winter Benefit-Cost Ratio Results by Product

Product Name	Benefit-Cost	
	Ratio	Cumulative MW
DVR	2.3	1.0
Res Space Heat Thermostat	0.9	3.3
Res ERWH Grid-Ready	0.6	0.9
Ind Demand Curtailment	0.5	0.3
Res Space Heat Switch	0.5	1.2
Medium Com Space Heating Switch	0.4	0.2
Res HPWH Grid-Ready	0.4	1.2
Small Com Space Heating Switch	0.3	0.3
Com Demand Curtailment	0.3	0.1
Com Space Heating Thermostat	0.3	0.2
Res ERWH Switch	0.2	0.1
Res TOU Pricing	0.2	0.5
Res EV Charging	0.2	1.8
Res Critical Peak Pricing	0.1	0.4
Res HPWH Switch	0.1	0.1
Ind Critical Peak Pricing	0.1	0.1
Com Critical Peak Pricing	0.1	0.1

In the summer season, both DVR and residential smart thermostats were identified as cost-effective. This can be seen in Table 5. Therefore, when considered across both summer and winter seasons, the smart thermostat product may be a cost-effective resource for RES as some of the same participants could participate across both seasons.

Table 5: Summer Benefit-Cost Ratio Results by Product

Product Name	Benefit-Cost Ratio	Cumulative MW
DVR	3.5	1.5
Res Space Cooling Thermostat	1.4	3.0
Medium Com Space Cooling Switch	0.8	0.5
Res ERWH Grid-Ready	0.7	1.9
Ind Demand Curtailment	0.7	0.4
Res TOU Pricing	0.7	1.7
Res Critical Peak Pricing	0.5	1.0
Com Space Cooling Thermostat	0.4	0.3
Com Demand Curtailment	0.4	0.1
Res Space Cooling Switch	0.3	0.4
Res ERWH Switch	0.3	0.2
Small Com Space Cooling Switch	0.2	0.2
Res EV Charging	0.2	1.8
Com Critical Peak Pricing	0.2	0.3
Ind Critical Peak Pricing	0.2	0.3
Res HPWH Grid-Ready	0.1	0.6
Ind Real Time Pricing	0.1	0.1

Summary

This report summarizes the results of the 2025 DRPA conducted for RES. The assessment included many of the products and used the same calculation methodology as those used by the Council in the 2021 Power Plan. The project team customized the products and modified other assumptions to better reflect RES's service territory and aligned inputs with the projections of RES's 2025 CPA. It included products applicable to the residential, commercial, industrial, and utility sectors that use a variety of DLC, demand curtailment, and price-based strategies to target multiple end uses.

Overall, the assessment quantified 11.9 MW of achievable winter DR capacity and 14.2 MW of achievable summer DR capacity. Most of the DR potential identified is in the residential sector, which is consistent with the makeup of RES's loads and customer base. Residential smart thermostats and DVR were identified as cost-effective in the summer, but only DVR was identified as cost-effective in the winter.

Note that recent legislative changes have amended Washington's Energy Independence Act, allowing utilities to count demand response towards the Act's renewable energy requirements. While this change was not included as part of this assessment, it may provide additional value for demand response, adding to the cost effectiveness of the products considered in this assessment.

Appendix I: DR Product List

DR Product Info					
Sector	End Use	Product	Type	Impact	Methodology
Residential	EV Charging	Res EV Charging - Winter	DLC	Winter	Bottom Up
Residential	EV Charging	Res EV Charging - Summer	DLC	Summer	Bottom Up
Residential	Water Heating	Res ERWH Switch - Winter	DLC	Winter	Bottom Up
Residential	Water Heating	Res ERWH Switch - Summer	DLC	Summer	Bottom Up
Residential	Water Heating	Res ERWH Grid-Ready - Winter	DLC	Winter	Bottom Up
Residential	Water Heating	Res ERWH Grid-Ready - Summer	DLC	Summer	Bottom Up
Residential	Water Heating	Res HPWH Switch - Winter	DLC	Winter	Bottom Up
Residential	Water Heating	Res HPWH Switch - Summer	DLC	Summer	Bottom Up
Residential	Water Heating	Res HPWH Grid-Ready - Winter	DLC	Winter	Bottom Up
Residential	Water Heating	Res HPWH Grid-Ready - Summer	DLC	Summer	Bottom Up
Residential	Space Heating	Res Space Heat Switch - East	DLC	Winter	Bottom Up
Residential	Space Cooling	Res Space Cooling Switch - East	DLC	Summer	Bottom Up
Residential	Space Heating	Res Space Heat Thermostat - East	DLC	Winter	Bottom Up
Residential	Space Cooling	Res Space Cooling Thermostat - East	DLC	Summer	Bottom Up
Commercial	Space Heating	Com Space Heating Switch - Small/East	DLC	Winter	Bottom Up
Commercial	Space Cooling	Com Space Cooling Switch - Small/East	DLC	Summer	Bottom Up
Commercial	Space Heating	Com Space Heating Thermostat - East	DLC	Winter	Bottom Up
Commercial	Space Cooling	Com Space Cooling Thermostat - East	DLC	Summer	Bottom Up
Commercial	Space Heating	Com Space Heating Switch - Medium/East	DLC	Winter	Bottom Up
Commercial	Space Cooling	Com Space Cooling Switch - Medium/East	DLC	Summer	Bottom Up
Commercial	All	Com Demand Curtailment - Winter	DLC	Winter	Top Down
Commercial	All	Com Demand Curtailment - Summer	DLC	Summer	Top Down
Industrial	All	Ind Demand Curtailment - Winter	DLC	Winter	Top Down
Industrial	All	Ind Demand Curtailment - Summer	DLC	Summer	Top Down
Residential	All	Res TOU Pricing - Winter	Pricing	Winter	Top Down
Residential	All	Res TOU Pricing - Summer	Pricing	Summer	Top Down
Residential	All	Res Critical Peak Pricing - Winter	Pricing	Winter	Top Down
Residential	All	Res Critical Peak Pricing - Summer	Pricing	Summer	Top Down
Commercial	All	Com Critical Peak Pricing - Winter	Pricing	Winter	Top Down
Commercial	All	Com Critical Peak Pricing - Summer	Pricing	Summer	Top Down
Industrial	All	Ind Critical Peak Pricing - Winter	Pricing	Winter	Top Down
Industrial	All	Ind Critical Peak Pricing - Summer	Pricing	Summer	Top Down
Industrial	All	Ind Real Time Pricing - Winter	Pricing	Winter	Top Down
Industrial	All	Ind Real Time Pricing - Summer	Pricing	Summer	Top Down
Utility	All	DVR - Winter	DLC	Winter	Top Down
Utility	All	DVR - Summer	DLC	Summer	Top Down

Appendix II: Acronyms

AC	Air Conditioning
AMI	Advanced Metering Infrastructure
aMW	Average Megawatt
CEIP	Clean Energy Implementation Plan
CETA	Clean Energy Transformation Act
CPA	Conservation Potential Assessment
CPP	Critical Peak Pricing
CVR	Conservation Voltage Reduction
DLC	Direct Load Control
DR	Demand Response
DRPA	Demand Response Potential Assessment
ERWH	Electric Resistance Water Heater
EV	Electric Vehicle
HPWH	Heat Pump Water Heater
HVAC	Heating, Ventilation, and Air Conditioning
kW	Kilowatt
MW	Megawatt
TOU	Time of Use

Appendix III: Detailed Results

Product	End Use	Levelized Cost (\$/kW-year)	Benefit-Cost Ratio	4-Year Achievable Potential (MW)	10-Year Achievable Potential (MW)	20-Year Achievable Potential (MW)
Res EV Charging - Winter	EV Charging	\$126	0.17	0.1	0.8	1.8
Res EV Charging - Summer	EV Charging	\$138	0.21	0.1	0.8	1.8
Res ERWH Switch - Winter	Water Heating	\$235	0.20	0.1	0.2	0.1
Res ERWH Switch - Summer	Water Heating	\$114	0.25	0.3	0.5	0.2
Res ERWH Grid-Ready - Winter	Water Heating	\$76	0.55	0.1	1.4	0.9
Res ERWH Grid-Ready - Summer	Water Heating	\$40	0.71	0.2	3.0	1.9
Res HPWH Switch - Winter	Water Heating	\$369	0.13	0.0	0.1	0.1
Res HPWH Switch - Summer	Water Heating	\$508	0.06	0.0	0.1	0.1
Res HPWH Grid-Ready - Winter	Water Heating	\$126	0.35	0.0	0.6	1.2
Res HPWH Grid-Ready - Summer	Water Heating	\$275	0.10	0.0	0.3	0.6
Res Space Heat Switch - East	Space Heating	\$33	0.53	2.6	2.4	1.2
Res Space Cooling Switch - East	Space Cooling	\$84	0.34	0.9	0.8	0.4
Res Space Heat Thermostat - East	Space Heating	\$15	0.88	0.5	2.1	3.3
Res Space Cooling Thermostat - East	Space Cooling	\$21	1.38	0.4	1.9	3.0
Com Space Heating Switch - Small/East	Space Heating	\$56	0.34	0.1	0.2	0.3
Com Space Cooling Switch - Small/East	Space Cooling	\$123	0.23	0.1	0.2	0.2
Com Space Heating Thermostat - East	Space Heating	\$70	0.28	0.0	0.1	0.2
Com Space Cooling Thermostat - East	Space Cooling	\$66	0.44	0.0	0.2	0.3
Com Space Heating Switch - Medium/East	Space Heating	\$49	0.38	0.1	0.2	0.2
Com Space Cooling Switch - Medium/East	Space Cooling	\$34	0.83	0.3	0.4	0.5
Com Demand Curtailment - Winter	All	\$68	0.29	0.1	0.1	0.1
Com Demand Curtailment - Summer	All	\$73	0.39	0.1	0.1	0.1
Ind Demand Curtailment - Winter	All	\$32	0.53	0.2	0.3	0.3
Ind Demand Curtailment - Summer	All	\$41	0.70	0.3	0.3	0.4
DVR - Winter	All	-\$1	2.28	0.5	0.9	1.0
DVR - Summer	All	\$8	3.54	0.7	1.3	1.5
Res TOU Pricing - Winter	All	\$120	0.18	0.4	0.5	0.5
Res TOU Pricing - Summer	All	\$42	0.68	1.1	1.5	1.7
Res Critical Peak Pricing - Winter	All	\$149	0.14	0.2	0.3	0.4
Res Critical Peak Pricing - Summer	All	\$60	0.47	0.7	0.9	1.0
Com Critical Peak Pricing - Winter	All	\$366	0.06	0.1	0.1	0.1
Com Critical Peak Pricing - Summer	All	\$155	0.18	0.2	0.3	0.3
Ind Critical Peak Pricing - Winter	All	\$364	0.06	0.1	0.1	0.1
Ind Critical Peak Pricing - Summer	All	\$170	0.17	0.2	0.3	0.3