



Agenda
City Council Regular Meeting
Tuesday, April 19, 2016
City Hall Council Chamber | 505 Swift Boulevard

City Council Pre-Meeting - 7:00 p.m. (Discussion Only – Annex Building)

Agenda Item:

1. Request for Public Funding (10 minutes)
 - Cindy Reents, City Manager
2. Discuss Meeting Agenda Items (20 minutes)
 - City Council Members

City Council Regular Meeting - 7:30 p.m. (City Hall Council Chamber)

Welcome and Roll Call

Pledge of Allegiance

Approval of Agenda: (Approved by Motion)

Presentations:

3. 2015 Community Survey Results (5 minutes)
 - Hollie Logan, Communications & Marketing Manager

Public Hearing: (Please Limit Public Hearing Comments to 3 Minutes)

4. Proposed Increase in Appropriation of the Parks Project Construction Fund - Ordinance No. 19-16.
 - Phil Pinard, Planning and Capital Projects Manager

Public Comments: (Please Limit Public Comments to 2 Minutes)

Consent Calendar: (Approved by single vote or Council may pull items and transfer to Items of Business)

Minutes:

5. Approve the Minutes of the Council Meeting Held on March 28 and April 5, 2016
 - Heather Kintzley, City Attorney

Ordinances - First Reading:

6. Ordinance No. 19-16, Proposed Increase in Appropriation of the Parks Project Construction Fund and Revising the 2016 Capital Improvement Plan
 - Phil Pinard, Planning and Capital Projects Manager
7. Ordinance No. 20-16 Amending the Zoning Code to require Buffer Standards when Neighborhood Retail Zoning abuts Single Family Residential Zones
 - Rick Simon, Development Services Manager

8. Ordinance No. 21-16, Amending the Zoning Classification on .3 acres owned by Luther Senior Center to provide for Medium Residential Small Lot Zoning (R2-S)
 - Rick Simon, Development Services Manager

Ordinances - Second Reading/Passage:

9. Ordinance No. 16-16, Proposed Increase in Appropriation of the General Fund From Acceptance of the WASPC Traffic Safety Equipment Grant
 - Chris Skinner, Police Services Director

Resolutions – Adoption:

10. Resolution No. 14-16, Authorizing an Agreement with UtiliWorks Consulting, LLC for Phase 2 Advanced Metering Infrastructure Planning
 - Bob Hammond, Energy Services Director
11. Resolution No. 82-16, Authorizing Agreement Modification with ARES Corporation for Snyder Substation Expansion and Electrical Distribution System Project Management and Staff Augmentation
 - Bob Hammond, Energy Services Director
12. Resolution No. 87-16, Authorizing Interlocal Agreement for Automatic Aid Response
 - Tom Huntington, Fire and Emergency Services Director
13. Resolution 88-16, Authorizing Four Grant Applications to the Washington State Recreation and Conservation Office (RCO)
 - Phil Pinard, Planning and Capital Projects Manager
14. Resolution No. 89-16, Authorizing Submittal of Transportation Investment Generating Economic Recovery (TIGER) Grant Application for Duportail Bridge Project
 - Pete Rogalsky, Public Works Director
15. Resolution No. 91-16, Affirming Prior Actions Taken Related to the City of Richland 401(a) Plan No. 107151
 - Cathleen Koch, Administrative Services Director
16. Resolution No. 92-16, Restating and Amending the City of Richland 401(a) Plan No. 107151 and Authorizing an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC)
 - Cathleen Koch, Administrative Services Director
17. Resolution No. 93-16, Affirming Prior Actions Taken Related to the City of Richland 401(a) Plan No. 107162
 - Cathleen Koch, Administrative Services Director
18. Resolution No. 94-16, Restating and Amending the City of Richland 401(a) Plan No. 107162, and Authorizing an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC)
 - Cathleen Koch, Administrative Services Director
19. Resolution No. 95-16, Authorizing an Interlocal Cooperation Agreement between Cities of Kennewick, Richland, Pasco and West Richland for Quad-City Water Right Mitigation Model and Operating Procedures
 - Pete Rogalsky, Public Works Director
20. Resolution No. 97-16, Affirming Prior Actions Taken Related to the City of Richland 457 Plan No. 300042
 - Cathleen Koch, Administrative Services Director

21. Resolution No. 98-16, Restating and Amending the City of Richland 457 Plan No. 300042, Deferred Compensation Plan, and Authorizing an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC)
- Cathleen Koch, Administrative Services Director

Items for Approval:

22. Authorize Travel for Mayor Thompson and Councilmember Lemley
- Cindy Reents, City Manager

Expenditures - Approval:

23. Expenditures from March 28, 2016 - April 8, 2016 for \$4,311,966.23 including Check Nos. 232691-233076, Wire Nos. 6126-6136, Payroll Check Nos. 103774-104752, and Payroll Wire/ACH Nos. 9396-9416
- Cathleen Koch, Administrative Services Director

Items of Business:

Reports and Comments:

1. City Manager
2. City Council
3. Mayor

Adjournment

City Council Meetings are broadcast live on CityView Channel 192 and online at CI.RICHLAND.WA.US/CITYVIEW

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COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Agenda Item

Key Element:

Subject:

Request for Public Funding (10 minutes)

Department:

City Manager

Ordinance/Resolution Number:

Document Type:

General Business Item

Recommended Motion:

Summary:

Fiscal Impact:

Attachments:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Agenda Item

Key Element:

Subject:

Discuss Meeting Agenda Items (20 minutes)

Department:

City Manager

Ordinance/Resolution Number:

Document Type:

Presentation

Recommended Motion:

Summary:

Fiscal Impact:

Attachments:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Presentations

Key Element:

Subject:

2015 Community Survey Results (5 minutes)

Department:

Assistant City Manager

Ordinance/Resolution Number:

Document Type:

Presentation

Recommended Motion:

Summary:

Staff to present summary of 2015 Citizen Survey results, which is attached.

Fiscal Impact:

Attachments:

I. Community Survey Results

2015 COMMUNITY SURVEY

EXECUTIVE SUMMARY

An assessment by citizens of Richland's Strategic Leadership Plan.

ADMINISTERED BY THE CITY OF RICHLAND, WASHINGTON

Communications & Marketing Office | 2015



CITY OF RICHLAND

2015 COMMUNITY SURVEY RESULTS

EXECUTIVE SUMMARY

This report provides an executive summary of the results of Richland's 2015 Community Survey. The Communications and Marketing Office administered the municipal survey during late 2015.

In 2011, a baseline survey was created for the primary purpose of asking residents to assess their level of satisfaction with City Council-identified benchmarks and to obtain input toward potential goals for the Strategic Leadership Plan (SLP).

This is the fifth consecutive year that City Council has requested this community survey. The information received is invaluable as we assess our priorities and objectives moving forward. This will also guide the municipal staff in, first, identifying the objectives to reach the goals and, second, recommending a budget for future years that will accomplish those objectives.

SURVEY METHODOLOGY

The City conducted its 2015 survey through a web-based service. The City mailed postcards to a sampling of 4,250 residents, selected at random from the City's utility customer base, inviting them to participate in the survey and instructing them how to access the survey via the City's website.

The postcard invited recipients without internet access and those who preferred a paper survey to request one by phoning the Communications and Marketing Office. 21 residents requested paper copies of the survey; 15 of those completed and returned their surveys.

There was a total completion of 491 surveys compared to 750 in 2014. This is a significant drop in participation. We could attribute this to a transition in management as well as a slight delay in distribution during the holiday season. The margin of error for the 2015 survey is 5%. These results may be extrapolated to the City's entire population with a 95% confidence level. This means that if the survey were conducted 100 times, the data would be within 5 percentage points above or below the percentage reported in 95 of the 100 surveys.

Source of survey sample	Random computer selection from the City's utility billing records, limited to residential accounts with a Richland mailing address.
Notification to invitees	Invitation postcard from Mayor and City Manager
Number of responses obtained	491
Margin of error	+ or – 5%

DEMOGRAPHIC INFORMATION

The geographical distribution of the randomly selected survey respondents was 42.6% for resident north of Williams, 37.5% south (or west) of the Yakima River, and 19.8% south of Williams and north (or east) of the Yakima River. Survey respondents compared to actual population percentages are: north of Williams received 42.9% of the responses with a population base of 38.1%; south of Williams and north (or east) of the Yakima River received close to 21.1% with a population count of 24.1%; and south (or west) of the Yakima River received a response rate of 36.0%, with a population count at 37.8%.

The curve of survey respondents tends to be older than the general populace because children are not asked to complete the survey. In addition, the 11.9% participation rate in the 21-39 year-old group increased from 3.1% in 2014. This is lower than the actual population, while participation among older age groupings is higher than the population. The highest number of responses came in at nearly 48.6% from the 40-64 age group, followed closely by the 65-80 age group at almost 34%. The survey was taken by 5.2% over the age of 80.

STATISTICAL RESULTS

The survey asked respondents to assess their level of satisfaction, from excellent to poor, in eight areas, as identified by City Council for inclusion in the Key Statistics.

For each of the eight benchmarks, residents overwhelmingly indicated good to excellent satisfaction levels. Almost 83%, up 6% from the prior year and 9% up from 2013, of the respondents rated the direction the City is now headed as good to excellent. The good to excellent rating for the City's future planning was down approximately 2% from the previous year for a rating of 69%.

Satisfaction levels of good to excellent for street cleanliness and water quality remained in the 80th percentiles from the previous year with an increase of 3% and a slight decrease of almost 3%, respectively. Neighborhood safety satisfaction levels of greater than good remained the same for an overall rank of 92%. Parks Services and Recreation Services each remained statistically unchanged for a good to excellent rating of 93% and 88%, respectively. The Library services rating of 96% for good to excellent satisfaction levels has remained the same for the last four surveys.

Ninety-four percent of respondents said that Richland is a good to excellent place to live, which is slight down by 1% than the 2014 rate. Almost 86% percent, statistically consistent since 2012, said that their household receives good to excellent value for their City dollars.

In addition, approximately 94% continue to indicate they are informed about City of Richland services, programs, and projects. Of note, 77% of respondents said they obtain information from the City's monthly utility bill inserts, which is down by 5% from the 2014 rate. The City uses a multi-pronged approach to communicate messages to residents and businesses to effectively reach a variety of demographics. In addition to the utility bill inserts, there was an increase in other communication resources, most notably the City Website and other printed material, the local newspaper and television news. We continue to see an increase in social media engagement as well.

Staff have been able to streamline the survey responses to include questions pertaining to City emergency response services. The excellent to good satisfaction levels for those citizens who utilized the Richland Ambulance Services was at 97%, down slightly from 2014. The Richland Fire Department remained at 100% satisfaction level for the past three years.

The Richland Police Department (RPD) rating of good to excellent jumped another 2% for a total of almost 90%. The survey asked respondents to prioritize potential issues based on their concern level and the top four responses changed significantly from the last two years. The top two in order were Traffic Congestion and Traffic Behavior vs. gangs and illegal drugs in previous years. Overall criminal activity and gangs ranked third and fourth respectively.

There were two open ended questions asked pertaining to the RPD; one asked for other potential community issues and the other asked for recommendations to improve the services of the RPD. The responses did vary significantly with the common themes centered on enforcement of code violations and traffic infractions. Concerns regarding distracted drivers is a more recent theme as is concern regarding an increase in panhandling, and those in support of or against marijuana production/sales within the City. The second set of responses included suggestions to add more police, increase visibility/presence in the community, and more outreach.

Like the past four surveys, the 2015 survey asked for responders to consider the Seven Key Areas of the Strategic Leadership Plan (SLP) and indicate which keys the City Council should focus on in 2015-2017. Each of the respondents were given an opportunity to prioritize the seven Keys.

The responses slightly favored Key 1: Financial Stability and Operational Effectiveness with 34% choosing this as the highest priority slightly over Key 7: Neighborhoods and Community Safety which received 33% highest priority ratings. The remaining Keys in order by number of responses were: Key 2: Infrastructure and Facilities; Key 3: Economic Vitality; Key 5: Natural Resources Management; Key 6: Community Amenities; and Key 4: Targeted Investments.

KEY 1: FINANCIAL STABILITY AND OPERATIONAL EFFECTIVENESS

There was one major theme that surfaced from the general comments provided, which was consistent with previous years: keep expenses low and do not be wasteful with public money.

The consensus was to maintain financial stability and to not raise rates or taxes. The approved 2015 budget is 3.5% increase over 2014 with no property tax increase. The municipal budgets continue to be burdened as less money is available from federal and state governments. This practice is expected to continue and the City takes this under consideration as planning discussions occur.

KEY 2: INFRASTRUCTURE AND FACILITIES

Traffic Planning was the remained the most common theme. The comments included long range planning and the need to regularly maintain the streets. Several responders mentioned the timing of the street lights as an issue with traffic flow during peak drive times.

For the fourth year in a row, the Duportail Street Bridge was mentioned frequently as was improving traffic congestion on Queensgate.

Solid Waste Collection, more specifically the recycling and yard waste collection programs, was mentioned several times. Comments included a recommendation to make yard collection a year-round activity, a request for the City to offer more household hazardous waste collections, and a suggestion to require recycling for all residents. All of these comments and recommendations are consistent to those received in the previous surveys.

KEY 3: ECONOMIC VITALITY

Attracting more businesses into Richland remained the main topic identified for Key 3. Respondents encourage more businesses, while offering some of their own recommendations. This has been consistent feedback on other surveys; regardless of an increase in large and small businesses that have been recruited during that same timeframe.

KEY 4: TARGETED INVESTMENTS

The consensus was that core Richland, 650 George Washington Way to the Uptown, should be a redevelopment focus. Some responders mentioned the need to focus on the core area of Richland since the outer parts of Richland are now being developed. Some encouraged better defining a “downtown” as opposed to looking like a “suburb”.

KEY 5: NATURAL RESOURCE MANAGEMENT

Protecting open space was the main message reiterated throughout the comments received. Some responders called out specific locations, Howard Amon, The Shelterbelt. Most comments discouraged development at all, which is unlike previous surveys where respondents have been favorable to a balance of well planned development complimenting open space.

KEY 6: COMMUNITY AMENITIES

The written responses for this Key were mixed from a community need for more ball athletic venues, and a performing arts center. There were a few recommendations for better bicycling paths and a large indoor pool.

KEY 7: NEIGHBORHOODS AND COMMUNITY SAFETY

As in past surveys, code enforcement again topped the list with the most comments received for Key 7. The condition of older neighborhoods was called out as an area for emphasis. Unlike previous surveys, specific comments regarding the RPD were not as common under this Key, but respondents had the more opportunities than previous years for RPD comments earlier in the survey.

CONCLUSION

The overall consensus of the 2015 Community Survey is that the City is moving in the right direction. Although, some ratings differed from previous years, they remained statistically similar.

The 2015 survey's open-ended comments and concerns were similar to those made in the past four surveys. The emphasis in code enforcement, traffic planning, and economic development continue to be priorities.

Complete survey results are available from Communications and Marketing Office.

2015 COMMUNITY SURVEY

EXECUTIVE SUMMARY

An assessment by citizens of Richland's Strategic Leadership Plan.

COMMUNICATIONS & MARKETING OFFICE

505 Swift Blvd. | Richland, WA 99352

509-942-7386 | ci.richland.wa.us





COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Public Hearing

Key Element:

Subject:

Proposed Increase in Appropriation of the Parks Project Construction Fund - Ordinance No. 19-16.

Department:

Parks & Public Facilities

Ordinance/Resolution Number:

19-16

Document Type:

Ordinance

Recommended Motion:

None.

Summary:

State law requires that a public hearing be held prior to consideration of an ordinance to increase the appropriation of existing fund balance. Ordinance 19-16 is on this evening's consent calendar for first reading, and proposes to appropriate unbudgeted funds to the Parks Project Construction Fund for the HAPO Community Stage.

Fiscal Impact:

Attachments:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Minutes

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Approve the Minutes of the Council Meeting Held on March 28 and April 5, 2016

Department:

City Attorney

Ordinance/Resolution Number:

Document Type:

Minutes

Recommended Motion:

Approve the minutes of the Council meeting held on March 28 and April 5, 2016

Summary:

None.

Fiscal Impact:

None.

Attachments:

1. Draft Minutes of 3/28/16 Meeting
2. Draft Minutes of 4/5/16 Meeting



MINUTES

CITY COUNCIL SPECIAL MEETING

**Richland Library Board Room – 955 Northgate Drive
Monday, March 28, 2016**

City Council Special Meeting – 5:30 p.m.

Attendance:

Mayor Thompson, Councilmembers Anderson, Lemley and Luzzo Gilmour were present. Also present was City Manager Reents.

Agenda Item:

1. Team Building (3 hours)
- Cindy Reents, City Manager

Ms. Reents led the Council members on team building activities. There were 3 outcomes agreed upon and by the end of the workshop the Council felt they were accomplished.

Outcomes Desired:

- Agreement on Council Characteristics
- Enhanced working relationships
- Understand each other's interests and styles

The Council agreed on the following Council Characteristics (the model Richland Council Member):

- Don't carry emotional buildup – don't be too easily offended and don't take things too personally
 - address issues without loss of communication or overt hostility
- Be future thinking
- Be accessible to Council Members
- Create balanced accessibility to community
- Know your stuff
 - Back up Council decisions
- Have honest conversations with integrity
 - Say what you really mean
- Acknowledge that you can't make everyone happy

Council agreed on the Mayors expectations of Council Members

- Communicate
- Help with ceremonial duties – rotate
- Upbeat promotion of the City

- Be players in policy changes for the good of Richland
- Honesty

Council agreed with Council Members' expectations of the Mayor

- Be the face of the Council
- Be consistent
- Project an image of strength
- Be well spoken and concise
- Be fair and allow everyone to speak
- Share credit
- Run an efficient meeting
- Command presence
 - Back it up with knowledge and passion

There was positive discussion and each one present indicated they had a greater sense of trust, respect and team than before. The Mayor summed up the meeting with, "you know I don't really like these things, but this by far has exceeded my expectations."

Adjournment:

Mayor Thompson adjourned the special meeting 8:30 p.m.

Respectfully Submitted,

Marcia Hopkins, City Clerk

FORM APPROVED:

Robert J. Thompson, Mayor

DATE APPROVED:

DATE PUBLISHED:



MINUTES
RICHLAND CITY COUNCIL REGULAR MEETING
Richland City Hall ~ 505 Swift Boulevard
Tuesday, April 5, 2016

Draft

Pre-Meeting:

Mayor Thompson called the pre-meeting executive session to order at 7:00 p.m. in the City Manager's Conference Room in the City Hall Annex building.

Attendance:

Mayor Thompson, Mayor Pro Tem Christensen, Councilmembers Rose, Lemley and Kent were present.

Also present were City Manager Reents, City Attorney Kintzley, Administrative Services Director Koch and City Clerk Hopkins.

Discussion of Meeting Agenda Items:

Council and staff briefly reviewed the proposed agenda scheduled for the regular meeting.

Mayor Thompson asked for updates from Ms. Kintzley in regards to the marijuana legislation and Richland's current standing. Ms. Kintzley said recent state legislature has reconciled some issues between the recreational and medical marijuana and that more are being worked on. She said Richland's ban on marijuana stands unless Council takes action to change something.

Ms. Reents asked for Council's input on a letter prepared for the Office of River Protection regarding the DOE-ORPs 2018 Tank Waste Management acquisition strategy. She also gave an update on the REACH's financial stability, which Council discussed.

Regular Meeting:

Mayor Thompson called the Council meeting to order at 7:30 p.m. in the Council Chamber at City Hall.

Welcome and Roll Call:

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

Mayor Thompson, Mayor Pro Tem Christensen, Councilmembers Rose, Lemley and Kent were present.

Also present were City Manager Reents, City Attorney Kintzley, Fire and Emergency Services Director Huntington, Community Development Director Jensen, Administrative

Services Director Koch, Public Works Director Rogalsky, Parks and Public Facilities Director Schiessl, Police Services Director Skinner, Business Services Manager Edgemon, Library Manager Roseberry and City Clerk Hopkins.

MAYOR PRO TEM CHRISTENSEN MOVED AND COUNCILMEMBER KENT SECONDED A MOTION TO EXCUSE COUNCILMEMBERS ANDERSON AND LUZZO GILMOUR. THE MOTION CARRIED 5-0.

Pledge of Allegiance:

Mayor Thompson led the Council and audience in the recitation of the Pledge of Allegiance.

Approval of Agenda:

MAYOR PRO TEM CHRISTENSEN MOVED AND COUNCILMEMBER KENT SECONDED A MOTION TO APPROVE THE AGENDA AS PUBLISHED. THE MOTION CARRIED 5-0.

Presentations:

1. "Mayor's Day of Recognition for National Service" Proclamation
- Robert Thompson, Mayor

Mayor Thompson read the proclamation and AmeriCorps member My-Tran Nguyen received the proclamation. Ms. Nguyen described some of the projects they have provided to the community this past year and future events for 2016.

2. Three Rivers Homelink Future Cities Student Presentation
- Trevor MacDuff, Three Rivers Homelink

Mr. MacDuff introduced the Future Cities team from Three Rivers Homelink. Each of the team members described why they participated in the program, what they learned and how they enjoyed the experience. The team described the model of the city they created and what the buildings represented.

3. Expressing Appreciation to Danny La Plante for Service on the Code Enforcement Board - Resolution No. 44- 16
- Robert Thompson, Mayor

Mayor Thompson expressed his appreciation to Mr. La Plante for his service on the Code Enforcement Board. Mr. La Plante spoke to his positive experience during his service on the Code Enforcement Board.

4. TRIDEC Quarterly Update
- Carl Adrian, TRIDEC President/CEO

Mr. Adrian gave a presentation including: TRIDEC's mission; implementing the Tri-Cities Brand; their online presence; business recruitment; business retention and expansion; workforce development; federal programs and economic development.

5. New Hire/Retirements (5 minutes)
- Allison Jubb, Human Resources Director

Ms. Jubb said there were no retirees in March. She introduced the new hires Billy Russell, Building Inspector, Jessica Lopez, Customer Service Supervisor and Raul Jasso, Transfer Station Attendant.

Ms. Jubb said about 400 applications were collected at the job fair. She said she was compiling the information about the event at this time and will provide a report to Council in the near future.

Public Comments:

City Clerk Hopkins read the public comments procedure.

Patrick Paulson, 2253 Davison Avenue, Richland, WA, spoke on the Horn Rapids Master Plan regarding the environmental impact statement done in 1994 compared to the current impact statement. He believes the wetlands will be damaged on this property and believes SEPA impacts plans should be presented in the master plan and not just in the project plans.

Laura Ness, 2253 Davison Avenue, Richland, WA, spoke on the Horn Rapids Master Plan stating she believes the wetlands are going to be damaged by the proposed development. She said SEPA finding should be considered in the planning stage and throughout investigate of the findings should be carried out in the planning stages.

Consent Calendar:

City Clerk Hopkins read the Consent items.

Minutes:

1. Approve the Minutes of the Council Meetings Held March 15, 22, and 24, 2016
- Heather Kintzley, City Attorney

Ordinances - First Reading:

2. Ordinance No. 16-16, Proposed Increase in Appropriation of the General Fund From Acceptance of the WASPC Traffic Safety Equipment Grant
- Chris Skinner, Police Services Director

Ordinances - Second Reading/Passage:

3. Ordinance No. 10-16, Increasing 2016 Budget Appropriations to Include the 2015 Budget Carryovers
- Brandon Allen, Finance Director

4. Ordinance No. 13-16, Amending RMC Title 23: Zoning Regulations
- Heather Kintzley, City Attorney
5. Ordinance No. 14-16, Amending RMC Title 22: Environment
- Heather Kintzley, City Attorney

Resolutions – Adoption:

6. Resolution No. 41-16, Authorizing the Purchase and Sale Agreement for the Site Location of SE Richland Area Substation
- Bob Hammond, Energy Services Director
7. Resolution Nos. 44-16 and 45-16, Expressing Appreciation to Danny La Plante and Polly Parton for Service on the Code Enforcement Board
- Heather Kintzley, City Attorney
8. Resolution No. 55-16, Appointments to the Code Enforcement Board: Isaac Stanfield, Steve Snyder and Adam Pechtel
- Heather Kintzley, City Attorney
9. Resolution No. 75-16, Support for Proposal to Name U.S. State Route 395 the Thomas Foley Highway
- Pete Rogalsky, Public Works Director
10. Adopt Resolution No. 79-16, Authorizing an Agreement with Thaxton Parkinson, PLLC, for Legal Services for the Swift Corridor: City Hall Project
- Joe Schiessl, Parks and Public Facilities Director
11. Resolution No. 81-16, Authorizing a Consultant Agreement with SCS Engineers, Inc. for Solid Waste Disposal Business Case Evaluation and Rate Study, Contract No. 72-16
- Pete Rogalsky, Public Works Director
12. Resolution No. 83-16, Awarding Bid to Blue Star Enterprises Northwest, Inc. for Duportail Street Well Drilling Project
- Pete Rogalsky, Public Works Director
13. Resolution No. 84-16, Authorizing an Interlocal Agreement with Benton County for Mental Health Court Prosecution Services
- Heather Kintzley, City Attorney
14. Resolution No. 85-16, Authorizing a Purchase and Sale Agreement with Richland Heights Baptist Church for the Right-of-Way for Duportail Street Extension Project
- Pete Rogalsky, Public Works Director

15. Resolution No. 86-16, Authorizing a Purchase and Sale Agreements with Richland School District for Acquisition of Real Property Interests for Duportail Street Extension Project
- Pete Rogalsky, Public Works Director Expenditures - Approval:
16. Expenditures from March 7, 2016 - March 25, 2016 for \$11,007,956.12 including Check Nos. 232122-232690, Wire Nos. 6115-6125, Payroll Check Nos. 103268-103773, and Payroll Wire/ACH Nos. 9360-9395
- Cathleen Koch, Administrative Services Director

MAYOR PRO TEM CHRISTENSEN MOVED AND COUNCILMEMBER KENT SECONDED A MOTION TO APPROVE THE CONSENT CALENDAR AS PUBLISHED. THE MOTION CARRIED 5-0.

Items of Business:

1. Resolution No. 60-16, Awarding the Distribution of Business License Reserve Funds (BLRF) from the Reserve Account
- Zach Ratkai, Redevelopment Project Manager

Mr. Ratkai said the BLRF is funded through business license fees for the purpose of core development, tourism, general economic development, capital expenditures for community improvements, and the prevention of blight. The RMC specifies what types of organizations are eligible to use funds. The organizations include the Tri-Cities Regional Chamber of Commerce, the Tri-Cities Visitors and Convention Bureau, business improvement districts (within the City of Richland), and City of Richland departments. The determination of the appropriate groups to be awarded these funds shall be made by the Richland City Council based upon recommendations to the Council by the Economic Development Committee. Determination of funds available is based on a combination of the existing fund balance, previous allocations that carry over, and expected revenue. The total expected funds for 2016 are \$289,130. The budget for 2016 is \$170,157 with \$118,973 held in reserves. Total awards from the reserve account would be \$80,000.

In response to Council's questions, Mr. Ratkai said the Uptown Mural project is the next segment of this project and more murals are planned. He said he will provide Council a draft drawing of the murals and what their content will be. He said 11 applications were received, however, one was not eligible.

MAYOR THOMPSON MOVED AND PRO TEM CHRISTENSEN SECONDED A MOTION TO ADOPT RESOLUTION NO. 60-16. THE MOTION CARRIED 5-0.

2. Resolution No. 78-16, Adopting the Updated Horn Rapids Master Plan
- Rick Simon, Development Services Manager

Mr. Simon said the Horn Rapids Master Plan was originally adopted by the City in 1995 and was intended to guide the industrial development of City-owned property located in the Horn Rapids Industrial Park and Business Center. The Master Plan was last updated in 2011.

In September 2015, the City contracted with Mackay and Sposito to update the Master Plan. The City's existing comprehensive plan and zoning regulations for the industrial park are largely based on the original Master Plan. The plan is in need of an update to extend its utility over the projected 20 to 30-year build-out period that is likely needed for full development of the area and to reflect recent developments within the industrial park. The proposed update includes several amendments that better reflect current development trends within the master planning area.

The proposed Master Plan was reviewed by the Planning Commission and the Economic Development Committee. Both made motions to recommend City Council adopt the Master Plan update with corrections, primarily: Figure 9: Transportation Plan show that Robertson Drive will not be extended to Kingsgate Way; a pedestrian pathway be constructed along Kingsgate Way between Logan and First Streets; Section 5.4 Stormwater indicate that Stormwater will not be released into wetland areas; and that Figure 12: Railroad Plan shows that the railroad extending north of Horn Rapids Road is owned by the Department of Energy. The Master Plan includes a narrative and development cost estimates. Implementation of the plan occurs through zone changes and infrastructure development, all of which requires further Council approval. The Master Plan is only a guide for future development; actual development will have to meet market conditions and other design considerations.

Mr. Simon said the 1994 SEPA checklist was not originally part of the updated Master Plan, but it was included later, however, it did not change the updated plan in any way.

MAYOR THOMPSON MOVED AND COUNCILMEMBER LEMLEY SECONDED A MOTION TO ADOPT RESOLUTION NO. 78-16. THE MOTION CARRIED 5-0.

3. Ordinance No. 15-16, Vacation of a Portion of Wellhouse Loop for Duportail Street Extension Project (for second reading and passage)
- Pete Rogalsky, Public Works Director

Mr. Rogalsky said the Duportail Street Extension project between Thayer Drive and Wellsian Way requires a new intersection with Wellhouse Loop. Realignment of a portion of Wellhouse Loop is necessary to create this new intersection. As a result, a portion of existing Wellhouse Loop right-of-way is no longer needed for street purposes and staff is proposing it be vacated. RCW Chapter 35.79 provides for the authority and process for the City to vacate street rights-of-way when they are no longer needed. Staff is proposing that the vacated portions of Wellhouse Loop right-of-way be offered to the abutting property owners for purchase at fair market value in accordance with State and Federal guidelines.

Councilmember Rose recused himself from the rest of the meeting due to a conflict of interest on Ordinance No. 15-16 at 8:

COUNCILMEMBER LEMLEY MOVED AND COUNCILMEMBER CHRISTENSEN SECONDED A MOTION TO GIVE SECOND READING, BY TITLE ONLY, AND PASS ORDINANCE NO. 15-16. THE MOTION CARRIED 4-0.

Reports and Comments:

1. City Manager Reents said the results of the community survey will be available at the April 19 meeting.

2. Council:

Councilmember Kent said she will attend the grand opening of the Hapo stage on Saturday, April 9, at 10:00 a.m. She attended the ribbon cutting at the new 11Exhale Yoga Studio on Gage Boulevard as well as the Richland Police Department's awards ceremony.

Councilmember Lemley said he attended the annual Employee Appreciation Breakfast, the Tri Cities Regional Chamber of Commerce 10th anniversary luncheon with Patti Murray as the guest speaker, did a ride-along with the Meals on Wheels program and attended the annual Richland Police Department award ceremony and described the seven different awards given at the ceremony.

Mayor Pro Tem Christensen said he attended the grand opening of the Berkshire Hathaway Home Services Realty office located on Bradley Boulevard.

3. Mayor Thompson invited the staff and public to the grand opening of the HAPO stage scheduled on April 9, 2016 at 10:00 a.m.

Adjournment:

Mayor Thompson adjourned the meeting at 8:39 p.m.

Respectfully Submitted,

Marcia Hopkins, City Clerk

FORM APPROVED:

Robert J. Thompson, Mayor

DATE APPROVED:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Ordinances - First Reading

Key Element: Key 6 - Community Amenities

Subject:

Ordinance No. 19-16, Proposed Increase in Appropriation of the Parks Project Construction Fund and Revising the 2016 Capital Improvement Plan

Department:

Parks & Public Facilities

Ordinance/Resolution Number:

19-16

Document Type:

Ordinance

Recommended Motion:

Give first reading, by title only, to Ordinance 19-16, increasing appropriations to the Parks Project Construction Fund and revising the 2016 Capital Improvement Plan.

Summary:

State law requires that an ordinance be adopted to increase budgeted appropriations. Ordinance No. 19-16 proposes to amend the Parks Project Construction Fund by \$25,000 for the HAPO Community Stage.

on July 27, 2015, the Economic Development Committee recommended that Council award \$25,000 of Business License Reserve funds to the HAPO Community Stage at John Dam Plaza for amenities. The funds were not budgeted pending a determination that they were necessary for the project. Staff has determined that to complete the stage with all the necessary lighting and sound amenities to support a variety of performing arts productions, the \$25,000 of Business License Reserve Fund award is necessary.

Staff recommends that Ordinance 19-16 be approved, by title only, for first reading.

Fiscal Impact:

\$25,000 will be transferred from the Business License Reserve Fund to the HAPO Community Stage budget in the Parks Construction Fund.

Attachments:

1. Ordinance No. 19-16
2. John Dam Plaza 2016-2021 CIP Sheet

ORDINANCE NO. 19-16

AN ORDINANCE of the City of Richland amending the 2016 Budget and 2016-2021 Capital Improvement Plan to provide for additional appropriations and declaring that a public emergency exists in the City's Park Projects Construction Fund.

WHEREAS, on November 17, 2015, the Richland City Council approved Ordinance No. 74-15 approving the 2016 Budget; and

WHEREAS, on July 27, 2015 The Economic Development Committee recommended that Council award \$25,000 of Business License Reserve funds to the HAPO Community Stage at John Dam Plaza; and

WHEREAS, Council action on approving the funds has been held in abeyance until it has been determined that the funds will be necessary for the stage; and

WHEREAS, staff has determined that to complete the stage with all the necessary lighting and sound amenities to support a variety of performing arts productions, the \$25,000 of Business License reserve funds will be required.

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

Section 1. Facts Constituting Emergency. The expenses contained within this ordinance were not anticipated when the 2016 budget was approved.

Section 2. Declaration of Public Emergency. Due to circumstances described above, the City Council declares that a public emergency exists in the Parks Project Construction Fund.

Section 3. Amendment of the 2016 Budget. The 2016 Budget is hereby amended to provide additional appropriations in the Parks Project Construction Fund from unappropriated fund balance in the amount of \$25,000 as follows:

Parks Project Construction Fund

Current Appropriation:	\$1,158,600
Increase in Appropriation:	\$ 25,000
Amended Appropriation:	<u>\$1,183,600</u>

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

PASSED by the City Council of the City of Richland, at a regular meeting on the
_____ day of _____, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney

Date Published: _____

John Dam Plaza Improvements

Type of Project		Partnership Project?		Waterfront Project?		Project #	
Waterfront		YES		YES		WF140008	
						Formerly PR130004	
Key #	Goal #	Strategic Leadership Plan Project?		Yes			
6	3						
PROJECT NAME:		John Dam Plaza Improvements					
PROJECT ADMINISTRATION:		Parks & Public Facilities					
PROJECT LOCATION:		John Dam Plaza, central Richland; 800 Jadwin Avenue					
PROJECT TIMELINE:		04/2015 - 12/2021					
RESPONSE TO *GMA LEVEL OF SERVICE?		NO					

PROJECT DESCRIPTION

John Dam Plaza, 3.9 acres, is the central park in Richland's Central Business District and hosts Live @ 5, Movies in the Park, political gatherings and various other special events. Park amenities include art, restroom and performing arts stage. 2018-2021 construct the central plaza.

PROJECT ASSUMPTIONS

Demand for mobile food vendors remains strong and grants will be obtained.

BENEFITS

The proposed improvements will complement the City's vision to enhance the downtown and waterfront area. The annual HAPO contribution of \$30,000 wioll be set aside for maintenance beginning in 2017.

PROJECT COST ESTIMATE	Total Estimated Project Cost	Project Costs To-Date 12/31/14	Authorized Budget Remaining in 2015	2016	2017	2018	2019	2000	2021
DESIGN	-								
CONSTRUCTION MANAGEMENT	-								
CONSTRUCTION	2,151,051	309,555	786,496	25,000	30,000	270,000	230,000	270,000	230,000
10% CONTINGENCY	-								
OTHER ENG. SERVICES	-								
	-								
TOTAL	\$ 2,151,051	\$ 309,555	\$ 786,496	\$ 25,000	\$ 30,000	\$ 270,000	\$ 230,000	\$ 270,000	\$ 230,000
RECOMMENDED FUNDING SOURCES	Total Estimated Project Revenues	Project Revenue To-Date 12/31/14	Authorized Budget Remaining in 2015	2016	2017	2018	2019	2000	2021
BUSINESS LICENSE RESERVE FUND	214,051	44,555	64,496	25,000		40,000		40,000	
LODGING TAX	600,000		600,000						
RE EXCISE TAX 1ST 1/4%	800,000					200,000	200,000	200,000	200,000
UNDESIGNATED PARK RESERVE	92,000		92,000						
DONATION HAPO	180,000	-	30,000		30,000	30,000	30,000	30,000	30,000
LTGO BOND FUND	250,000	250,000							
UNDESIGNATED PARK RESERVE	15,000	15,000							
TOTAL	\$ 2,151,051	\$ 309,555	\$ 786,496	\$ 25,000	\$ 30,000	\$ 270,000	\$ 230,000	\$ 270,000	\$ 230,000
OPERATING & MAINTENANCE COSTS (IMPACTS)	Total Estimated Project Operating & Maint. Costs			2016	2017	2018	2019	2020	2021
	22,250				2,500	2,750	4,500	5,500	7,000
	-								
	-								
	-								
	-								
TOTAL	\$ 22,250	-	-	\$ -	\$ 2,500	\$ 2,750	\$ 4,500	\$ 5,500	\$ 7,000



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Ordinances - First Reading

Key Element: Key 7 - Neighborhoods & Community Safety

Subject:

Ordinance No. 20-16 Amending the Zoning Code to require Buffer Standards when Neighborhood Retail Zoning abuts Single Family Residential Zones

Department:

Community & Development Services

Ordinance/Resolution Number:

20-16

Document Type:

Ordinance

Recommended Motion:

Give first reading, by title only, to Ordinance No. 20-16, requiring buffer standards when neighborhood commercial property abuts single family residential land.

Summary:

The 2015 amendments to the comprehensive plan included a new land use policy which called for buffers to be provided when neighborhood commercial zones directly abut single family residential zones. Since the amendment was adopted last December, the Planning Commission has been working with staff to develop appropriate buffer standards over the course of several workshops. On March 23, 2016, the Commission held a public hearing and completed its work, unanimously recommending the adoption of the buffer standards that are included in proposed Ordinance No. 20-16.

The buffer standards are intended to provide adequate safeguards for residential lot owners who are located adjacent to neighborhood commercial land while still providing the commercial property owner with reasonable development opportunities. The standards include two options: a prescriptive path that consists of a specific set of requirements, and an alternative approach that would allow for the commercial developer to propose a different type of buffer plan that may not meet the standards but would still provide an equivalent level of mitigation for the adjoining residential uses. In these cases, the City's Hearing Examiner would be tasked with holding a public hearing and making a decision to approve or reject the developer's buffer plan.

Staff recommends approval of Ordinance 20-16 for first reading.

Fiscal Impact:

The proposed zoning code amendment would not result in direct fiscal impacts to the City.

Attachments:

1. Ordinance No. 20-16
2. Staff Report to the Planning Commission

ORDINANCE NO. 20-16

AN ORDINANCE of the City of Richland amending Richland Municipal Code Title 23: Zoning Regulations, amending buffer standards between the C-1 Neighborhood Retail zone and single family residential zones.

WHEREAS, in 2015, the City amended its comprehensive plan to include a new policy that states: *"In instances where a commercial zone change results in a commercial zoning boundary being adjacent to residentially zoned property, the commercial property owner shall be responsible for providing a buffer adequate to protect the adjacent residential property from the impacts created by commercial land use, including noise, glare and traffic."*; and

WHEREAS, the Planning Commission, in attempting to implement this policy, held several workshop sessions to develop an appropriate code amendment; and

WHEREAS, on March 23, 2016, the Planning Commission held a legally advertised public hearing to formally consider an amendment to RMC Section 23.22.020(B).

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

Section 1. RMC Title 23, Section 23.22.020, entitled Performance Standards and Special Requirements – Neighborhood Retail Business, shall be amended to read as follows:

Section 23.22.020 Performance Standards and Special Requirements

A. Commercial Limited Business. Residential uses permitted in the C-LB district must comply with the following standards except as provided by footnote (6) of RMC 23.22.040:

1. Minimum Yard Requirements.

- a. Front Yard. Twenty [\(20\)](#) feet except as provided by footnote (3) of RMC 23.18.040;
- b. Side Yards. Each side yard shall provide one [\(1\)](#) foot of side yard for each three [\(3\)](#) feet or portion thereof of building height;
- c. Rear Yards. Twenty-five [\(25\)](#) feet.

2. Required Court Dimensions. Each court on which windows open from any room other than a kitchen, bathroom or a closet, shall have all horizontal dimensions measured at right angles from the windows to any wall or to any lot line other than a front lot line equal to not less than the height of the building above the floor level of the story containing the room, but no dimension shall be less than twenty (20) feet.

3. Distance Between Buildings. No main building shall be closer to any other main building on the lot than a distance equal to the average of their heights. This provision shall not apply if no portion of either building lies within the space between the prolongation of lines along any two (2) of the opposite walls of the other building, but in any such situation the buildings shall not be closer to each other than a distance of ten (10) feet.

4. Percentage of Lot Coverage. Apartment buildings in a C-LB district shall cover not more than ~~33~~ thirty-three percent (33%) of the area of the lot.

B. Neighborhood Retail Business. All uses permitted in a C-1 district must comply with the following performance standards:

1. All business, service, repair, processing, or merchandise display shall be conducted wholly within an enclosed building, except for off-street automobile parking, the sale of gasoline, and self-service car washes. Limited outdoor display of merchandise is permitted; provided, that such display shall include only those quantities sold in a day's operation.

2. Outdoor storage areas incidental to a permitted use shall be enclosed with not less than a six-foot-high fence and shall be visually screened from adjoining properties. All storage areas shall comply with building setbacks.

3. Not more than three (3) persons shall be engaged at any one time in fabricating, repairing, cleaning, or other processing of goods other than food preparation in any establishment. All goods produced shall be primarily sold at retail on the premises where produced.

4. Lighting, including permitted illuminated signs, shall be shielded or arranged so as not to reflect or cause glare to extend into any residential districts, or to interfere with the safe operation of motor vehicles.

5. Noise levels resulting from the operation of equipment used in the conduct of business in the C-1 district shall conform to the requirements of Chapter 173-60 WAC, Maximum Environmental Noise Levels.

6. No single retail business, except for a food store, shall operate within a building space that exceeds fifteen thousand (15,000) square feet in area, unless approved by the planning commission through the issuance of a special use permit upon the

finding that the proposed retail business primarily serves and is appropriately located within the surrounding residential neighborhoods.

7. In addition to standards 1-6 listed above, any commercial use that is immediately adjacent to a residentially zoned property (including R-1-12 Single Family Residential, R-1-10 Single Family Residential, R-2 Medium Density Residential, R-2S Medium Density Residential Small Lot, or Planned Unit Development that is comprised of single family homes) shall comply with the following standards. For the purposes of this section, the term 'adjacent' includes abutting properties, and any property that is located within seventy-five (75) feet of the nearest residential property. The term 'adjacent' does not include properties that are separated by a public right-of-way.

a. Setback from residential property boundary. Thirty (30) feet;

b. Building design standard. No rooftop mechanical equipment shall be permitted unless screened from view with parapet wall or similar screening;

c. Parking. Vehicle parking areas and any access driveways (pavement) must be setback a minimum of ten (10) feet from residential property boundary. A solid fence or masonry wall between six (6) and eight (8) feet tall is required between any paved parking or access drive and the residential property boundary.

d. Outdoor Lighting. All outdoor lighting must comply with the Pattern Outdoor Lighting Code (USA) standard version 2.0, July 2010. For the purposes of this section, properties subject to this standard shall be considered to be within Lighting Zone 1.

e. Signs. All commercial signs placed on-site shall comply with Section 5 of the Pattern Outdoor Lighting Code (USA) standard version 2.0, July 2010; except that multicolored changeable copy LED signs shall not be permitted.

f. Mechanical Equipment. Any mechanical equipment placed outdoors between the building and the residential property boundary shall be screened to reduce equipment noise levels. Alternatively, the building owner can provide documentation to the City indicating that the specific equipment to be used will not generate noise levels beyond permissible state noise standards.

g. Refuse Areas. Any dumpsters or area for collection of recycled materials shall be setback a minimum of twenty (20) feet from the nearest residential property boundary and shall be screened from view by a solid screen sufficient to block its view from all adjacent residential properties.

h. Landscaping. The portions of a commercial site that lie within thirty (30) feet of a residential property boundary that are not covered with buildings, parking areas, access drives, loading areas or outdoor storage shall be landscaped and/or xeriscaped.

8. An individual proposing development on any commercial use that is immediately adjacent to a residentially zoned property (including R-1-12 Single Family Residential, R-1-10 Single Family Residential, R-2 Medium Density Residential, R-2S Medium Density Residential Small Lot, or Planned Unit Development that is comprised of single family homes) that does not meet the standards contained in 23.22.020(B)(7) may apply for a deviation from these standards by filing an application with the City. Such request shall be reviewed by the Hearing Examiner in accordance with the provisions for a public hearing for a Type II permit application. A request for deviation from these standards shall be granted only when the Hearing Examiner determines that the proposed deviation offers equivalent or better mitigation of impacts from commercial development to the adjacent residential properties than would occur under the basic standards. The Hearing Examiner shall at a minimum consider the type of commercial use proposed; the design of the commercial building or buildings; the topography of the site and adjacent residential properties; the proposed landscaping, lighting, and other mitigation measures proposed by the applicant in making a determination to grant or deny a requested deviation from these standards.

Section 2. This ordinance shall be effective immediately following the day after its publication in the official newspaper of the City.

PASSED by the City Council of the City of Richland, at a regular meeting on the ____ day of _____, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney

Date Published: _____

STAFF REPORT

TO: PLANNING COMMISSION
FILE NO.: Z2016-101

PREPARED BY: RICK SIMON
MEETING DATE: MARCH 23, 2016

GENERAL INFORMATION:

APPLICANT: CITY OF RICHLAND

REQUEST: TEXT AMENDMENTS TO SECTION 23.22.020 – BUFFER
STANDARDS FOR C-1 NEIGHBORHOOD RETAIL ZONING

LOCATION: CITYWIDE

REASON FOR REQUEST:

The City's adoption of a new comprehensive plan policy (Land Use Goal No. 3, Policy 5), calls for the creation of buffer standards for commercial lands that are adjacent to single family residential properties. RMC 23.20.020(B) (7-8) has been drafted to implement this policy.

FINDINGS AND CONCLUSIONS

Staff has completed its review of the proposed zoning text amendments and submits that:

1. The City amended its comprehensive plan in 2015 to add a Policy 5 to Land Use Goal No 3, which states: *In instances where a commercial zone change results in a commercial zoning boundary being adjacent to residentially zoned property, the commercial property owner shall be responsible for providing a buffer adequate to protect the adjacent residential property from the impacts created by commercial land use, including noise, glare and traffic;*
2. Current language contained within the Richland Municipal Code, Section 23.22.020(B) addresses standards for development within the C-1 Neighborhood Retail District but does not do so in a comprehensive fashion;
3. The proposed code amendments provide minimum standards for building setbacks from residential properties; parking setbacks from residential properties; landscape and fencing standards; outdoor lighting and illuminated sign standards, and screening standards for refuse areas and mechanical equipment and so doing work to implement the intent of the policies contained within the comprehensive plan;

4. The proposed code amendments also provide for deviations to the buffer standards to be approved by the Hearing Examiner following a public hearing if the Examiner can determine that the alternative design proposed offers equivalent or better mitigation than the standard buffer requirements and so provides a measure of flexibility that can be applied in unusual circumstances;
5. Based upon the above findings and conclusions, the adoption of the proposed amendments to Chapter 23.22.020(B) of the Richland Municipal Code concerning commercial buffer standards for C-1 Neighborhood Retail zoned properties when adjacent to single family residential properties is in the best interest of the community of Richland.

RECOMMENDATION

Staff recommends the Planning Commission concur with the findings and conclusions set forth in Staff Report (Z2016-101) and recommend to the City Council adoption of the proposed zoning code amendments to RMC Section 23.22.020(B) (7-8).

ATTACHMENTS

- A. Supplemental Information
- B. Draft Buffer Standards
- C. Pattern Outdoor Lighting Code, Standard Version 2.0, July 2010
- D. Washington Administrative Code 173-60 (Noise Standards)

SUPPLEMENTAL INFORMATION

EXISTING CODE

The current City code relating to C-1 Neighborhood Retail zoning includes performance standards that are intended to provide some protection for nearby residential uses. Section 23.22.020(B) currently states:

B. Neighborhood Retail Business. All uses permitted in a C-1 district must comply with the following performance standards:

- 1. All business, service, repair, processing, or merchandise display shall be conducted wholly within an enclosed building, except for off-street automobile parking, the sale of gasoline, and self-service car washes. Limited outdoor display of merchandise is permitted; provided, that such display shall include only those quantities sold in a day's operation.*
- 2. Outdoor storage areas incidental to a permitted use shall be enclosed with not less than a six-foot-high fence and shall be visually screened from adjoining properties. All storage areas shall comply with building setbacks.*
- 3. Not more than three persons shall be engaged at any one time in fabricating, repairing, cleaning, or other processing of goods other than food preparation in any establishment. All goods produced shall be primarily sold at retail on the premises where produced.*
- 4. Lighting, including permitted illuminated signs, shall be shielded or arranged so as not to reflect or cause glare to extend into any residential districts, or to interfere with the safe operation of motor vehicles.*
- 5. Noise levels resulting from the operation of equipment used in the conduct of business in the C-1 district shall conform to the requirements of Chapter 173-60 WAC, Maximum Environmental Noise Levels.*
- 6. No single retail business, except for a food store, shall operate within a building space that exceeds 15,000 square feet in area, unless approved by the planning commission through the issuance of a special use permit upon the finding that the proposed retail business primarily serves and is appropriately located within the surrounding residential neighborhoods.*

PROPOSED AMENDMENTS

The Commission has reviewed several iterations of draft code language in recent workshops. The draft language has been revised in an effort to address the comments made by individual Commissioners. A copy of the most current draft is attached.

Some of the changes from recent drafts include the following:

- Clarification of the meaning of the term 'adjacent'.
- Adoption of the Pattern Outdoor Lighting Code standards in subsection e. This code was chosen over the other recommended ordinance (the Model Lighting Ordinance produced by the International Dark Sky Association) because of its relative simplicity for ease of use for applicants and for the administration on the part of City staff. A copy of the code is attached.
- Adoption of the same Pattern Outdoor Lighting Code standards as they relate to illuminated outdoor signs.
- A clarification in subsection g relating to the screening of refuse areas to more clearly identify the intent to screen said areas from view of residential properties.
- The elimination of the reference to noise standards, as that reference already exists in the current code language in RMC 23.22.020(B) (5). A copy of the state noise standards is attached.
- Elimination of code language restricting hours of operation, as the requirements associated with noise and lighting standards offer sufficient protection for adjacent residential uses, when combined with the existing code language in RMC Section 23.42.053 which allows drinking establishments, restaurants with lounges, restaurants with entertainment and indoor commercial recreation facilities to be located within the C-1 zone only when the following criteria are met:
 - o The gross floor area of the building is 5,000 square feet or less;
 - o Businesses shall not operate past 11:00 p.m.;
 - o Outdoor seating for customers is permitted only if such areas are screened from view with fencing and/or landscaping and are setback at least 150 feet from single family residential areas.

COMPREHENSIVE PLAN

The Richland Comprehensive Plan establishes goals and policies for commercial development. The City added Policy 5 to its plan in 2015, at the same time that it amended the land use plan map. Land Use Goal No. 3 states:

The City will promote commercial growth and revitalization that serves residents and strengthens and expands the tax base.

Policy 1 – *The City will accommodate all types of commercial land uses including retail and wholesale sales and services, and professional services.*

Policy 2 – *The City will create new land use and zoning designations to facilitate both new development and redevelopment where required to implement the City's goals.*

Policy 3 – *The City will work to develop an attractive Central Business District and to revitalize declining commercial areas.*

Policy 4 – *The City will endeavor to located neighborhood oriented commercial land uses in Neighborhood Activity Centers.*

Policy 5 – *In instances where a commercial zone change results in a commercial zoning boundary being adjacent to residentially zoned property, the commercial property owner shall be responsible for providing a buffer adequate to protect the adjacent residential property form the impacts created by commercial land use, including noise, glare and traffic.*

ANALYSIS

The buffer standards are necessary in order to protect adjacent residential uses from the impacts of commercial development. On the other hand, the restrictions imposed on commercial development also need to consider the impact on the development and operation of viable commercial businesses. The draft standards have been the topic of Commission workshop discussions in November 2015, January 2016 and again earlier this month. The current draft strikes a good balance and would effectively implement the intent of Land Use Goal No. 3, Policy 5.

SUMMARY

The proposed amendments would incorporate reasonable provisions to lessen the impact of commercial development on adjacent residential properties and should be approved.

EXISTING RMC COMMERCIAL CODE SECTION 23.22.020

With Proposed Amendments in underlined, italicized type)

March 23, 2016

Performance standards and special requirements.

B. Neighborhood Retail Business. All uses permitted in a C-1 district must comply with the following performance standards:

1. All business, service, repair, processing, or merchandise display shall be conducted wholly within an enclosed building, except for off-street automobile parking, the sale of gasoline, and self-service car washes. Limited outdoor display of merchandise is permitted; provided, that such display shall include only those quantities sold in a day's operation.

2. Outdoor storage areas incidental to a permitted use shall be enclosed with not less than a six-foot-high fence and shall be visually screened from adjoining properties. All storage areas shall comply with building setbacks.

3. Not more than three persons shall be engaged at any one time in fabricating, repairing, cleaning, or other processing of goods other than food preparation in any establishment. All goods produced shall be primarily sold at retail on the premises where produced.

4. Lighting, including permitted illuminated signs, shall be shielded or arranged so as not to reflect or cause glare to extend into any residential districts, or to interfere with the safe operation of motor vehicles.

5. Noise levels resulting from the operation of equipment used in the conduct of business in the C-1 district shall conform to the requirements of Chapter 173-60 WAC, Maximum Environmental Noise Levels.

6. No single retail business, except for a food store, shall operate within a building space that exceeds 15,000 square feet in area, unless approved by the planning commission through the issuance of a special use permit upon the finding that the proposed retail business primarily serves and is appropriately located within the surrounding residential neighborhoods.

7. In addition to the standards 1-6 listed above, any commercial use that is immediately adjacent to a residentially zoned property (including R-1-12 Single Family Residential, R-1-10 Single Family Residential, R-2 Medium Density Residential, R-2S Medium Density Residential Small Lot, or Planned Unit Development that is comprised of single family homes) shall comply with the following standards. For the purposes of this section, the term 'adjacent' includes abutting properties, and any property that is located

within 75 feet of the nearest residential property. The term 'adjacent' does not include properties that are separated by a public right-of-way.

- a. Setback from residential property boundary – 30 feet;
 - b. Building design standard: No mechanical equipment permitted on rooftop unless screened from view with parapet wall or similar screening;
 - c. Parking: vehicle parking areas and any access driveways (pavement) must be setback a minimum of 10 feet from residential property boundary. A solid fence or masonry wall between 6 and 8 feet tall is required between the paved parking or access drive and the residential property boundary.
 - d. Outdoor Lighting: All outdoor lighting must comply with the Pattern Outdoor Lighting Code (USA) standard version 2.0, July 2010. For the purposes of this section, properties subject to this standard shall be considered to be within Lighting Zone 1.
 - e. Signs: All commercial signs placed on-site shall comply with Section 5 of the Pattern Outdoor Lighting Code (USA) standard version 2.0, July 2010; except that multicolored changeable copy LED signs shall not be permitted.
 - f. Mechanical Equipment: Any mechanical equipment placed outdoors between the building and the residential property boundary shall be screened to reduce equipment noise levels. Alternatively, the building owner can provide documentation to the City indicating that the specific equipment to be used will not generate noise levels beyond permissible state noise standards.
 - g. Refuse Areas: Any dumpsters or area for collection of recycled materials shall be setback a minimum of 20 feet from the nearest residential property boundary and shall be screened from view by a solid screen sufficient to block its view from all adjacent residential properties.
 - h. Landscaping: The portions of a commercial site that lie within 30 feet of a residential property boundary that are not covered with buildings, parking areas, access drives, loading areas or outdoor storage shall be landscaped and/or xeriscaped.
8. An individual proposing development on any commercial use that is immediately adjacent to a residentially zoned property (including R-1-12 Single Family Residential, R-1-10 Single Family Residential, R-2 Medium Density Residential, R-2S Medium Density Residential Small Lot, or Planned Unit Development that is comprised of single family homes) that does not meet the standards contained in 23.22.020(B)(7) may apply for a deviation from these standards by filing an application with the City. Such request shall be reviewed by the Hearing Examiner in accordance with the provisions for a public hearing for a Type II permit application. A request for deviation from these standards shall be granted only when the Hearing Examiner determines that the proposed deviation offers equivalent or better mitigation of impacts from commercial development to the adjacent residential properties than would occur under the basic standards. The Hearing Examiner shall at a minimum consider the type of commercial use proposed; the design of the commercial building or buildings; the topography of the site and adjacent residential properties; the proposed landscaping, lighting, and other mitigation measures proposed by the applicant in making a determination to grant or deny a requested deviation from these standards.

Pattern Outdoor Lighting Code (USA)

Standard ver. 2.0
July 2010

This document is based on the USA Pattern Code contained within the *IDA Outdoor Lighting Code Handbook*, published by the International Dark-Sky Association in 2000. It has been revised and updated by the author.

Christian B. Luginbuhl

U.S. Naval Observatory
Flagstaff Station

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 - 5.3 Multicolor Changeable-Copy LED Sign Lighting Standards
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- Section 6: Special Use Lighting Standards
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 - 8.2 Laser Source Light
 - 8.3 Searchlights
- Section 9: Temporary Exemption
 - 9.1 Request; Renewal; Information Required

- 9.2 Approval; Duration
- 9.3 Disapproval; Appeal
- Section 10: Other Exemptions
 - 10.1 Nonconformance
 - 10.2 State and Federal Facilities
 - 10.3 Emergency Lighting
 - 10.4 Swimming Pool and Fountain Lighting
- Section 11: Appeals
- Section 12: Law Governing Conflicts
- Section 13: Violation and Penalty
- Section 14: Severability
- Section 15: Definitions

Note: ***Bold italics*** indicate terms defined in Section 15.

Section 1. Purpose and Intent.

It is the intent of this Code to define practical and effective measures by which the obtrusive aspects of outdoor light usage can be reduced, while preserving safety, security, and the nighttime use and enjoyment of property. These measures are intended to curtail the degradation of the nighttime visual environment, reduce ***light trespass, glare***, energy and resource waste by encouraging lighting practices that direct appropriate amounts of light where and when it is needed, increasing the use of energy-efficient sources, and decreasing the use of poorly shielded or inappropriately directed ***lighting fixtures***.

Section 2. Conformance with Applicable Codes.

All outdoor lighting shall be ***installed*** in conformance with the provisions of this Code, the Building Code, the Electrical Code, the Energy Code, and the Sign Code of the jurisdiction as applicable and under appropriate permit and inspection.

Section 3. Applicability.

3.1 New Uses, Buildings and Major Additions or Modifications. For all proposed new land uses, developments, buildings, and structures that require a permit, all outdoor lighting shall meet the requirements of this Code. All building additions or modifications of twenty-five (25) percent or more in terms of additional dwelling units, gross floor area, or parking spaces, either with a single addition or with cumulative additions subsequent to the effective date of this provision, shall invoke the requirements of this Code for the entire property, including previously installed and any new outdoor lighting. Cumulative modification or replacement of outdoor lighting constituting twenty-five (25) percent or more of the permitted ***lumens*** for the parcel, no matter the actual amount of lighting already on a non-conforming site, shall constitute a major addition for purposes of this section.

3.2 Minor Additions. Additions or modifications of less than twenty-five (25) percent to existing uses, as defined in Section 3.1 above, and that require a permit, shall require the submission of a complete inventory and site plan detailing all existing and any proposed new ***outdoor lighting fixtures***. Any new ***outdoor lighting fixtures*** on the site shall meet the requirements of this Code with regard to shielding and lamp type; the ***total outdoor light output*** after the modifications are complete shall not exceed that on the site before the modification, or that permitted by this Code, whichever is larger.

3.3 Resumption of Use after **Abandonment**. If a property or use with non-conforming lighting is **abandoned**, then all outdoor lighting shall be reviewed and brought into compliance with this Code before the use is resumed.

3.4 Public Roadways. Lighting for public roadways must comply with the provisions of this Code, except the **total outdoor light output** limits of Section 4.2.

Section 4. General Outdoor Lighting Standards.

4.1 Shielding Standards. All nonexempt **outdoor lighting fixtures** shall have shielding as shown in Table 4.1; outdoor **luminous tube** lighting does not require shielding but total output from **partially shielded** lighting is subject to the limits set forth in Section 4.2.

Use Codes:

A = unshielded, **partially** and **fully shielded fixtures** allowed

P = **partially** and **fully shielded fixtures** allowed

F = only **fully shielded fixtures** allowed

X = not allowed

Table 4.1. LIGHT FIXTURE SHIELDING STANDARDS

Land Use and Lighting Class	Lighting Zone		Notes
	LZ 1	LZ 2	
Commercial, Industrial, Mixed-use and Multi-family Residential uses			
<i>Class 1 lighting</i> (Color Rendition):			
Initial output $\geq$ 2000 <i>lumens</i>	F	F	
Initial output $<$ 2000 <i>lumens</i>	F	P	3
<i>Class 2 lighting</i> (General Illumination):			
Initial output $\geq$ 2000 <i>lumens</i>	F	F	
Initial output $<$ 2000 <i>lumens</i>	F	P	3
<i>Class 3 lighting</i> (Decorative):			1
Initial output $\geq$ 2000 <i>lumens</i>	X	X	
Initial output $<$ 2000 <i>lumens</i>	P	P	3
Initial output $<$ 20 <i>lumens</i>	X	A	
Residential uses:			2
All Classes			
Initial output $\geq$ 2000 <i>lumens</i>	F	F	
Initial output $<$ 2000 <i>lumens</i>	P	P	1,3

Notes to Table 4.1

1. Exception: seasonal decorations using typical low-wattage incandescent lamps shall be permitted in all lighting zones from Thanksgiving through 15 January.
2. For purposes of this section, residential refers to all residential land-use zoning, including all densities and types of housing such as single-family detached and duplexes, but does not include multi-family residential uses.
3. Examples of lamp types of 2,000 and 1,000 *lumens* and below (The acceptability of a particular light is determined by *lumen* output, not wattage; values listed are approximate; check manufacturer's specifications).

Lamp Type and Wattage with Outputs below 2000 **lumens** and 1000 **lumens**

Lamp Type	2000 lumens	1000 lumens
Standard incandescent and less	100 watt	60 watt
Tungsten-halogen (quartz) and less	100 watt	60 watt
Fluorescent and less	25 watt	15 watt
Compact Fluorescent and less	26 watt	13 watt
No available High-Pressure Sodium or Metal Halide		

4.2. **Total Outdoor Light Output** Standards. **Total outdoor light output** (see definition 16.30) shall not exceed the limits in Table 4.2.

Table 4.2. MAXIMUM **TOTAL OUTDOOR LIGHT OUTPUT** STANDARDS

Land Use	LIGHTING ZONE		Notes
	LZ 1	LZ 2	
Commercial Industrial, Mixed-use and Multi-family Residential uses (<i>lumens</i> per <i>net acre</i>)			
total (<i>fully shielded</i> + <i>partially shielded</i> + unshielded)	50,000	100,000	
<i>partially shielded</i> + unshielded only	5,000	10,000	
Residential uses (<i>lumens</i> per residence)			1
total (<i>fully shielded</i> + <i>partially shielded</i>)	10,000	10,000	
<i>partially shielded</i>	3,000	3,000	

Note to Table 4.2

1. For purposes of this section, residential refers to all residential land-use zoning, including all densities and types of housing such as single-family detached and duplexes, but does not include multi-family residential uses.

4.3. Lamp Type Standards. All lamps must conform to the types listed in Table 4.3.

Lamp Types:

wLED = "warm white" light emitting diode with **CCT** ≤ 3500 K

HPS = high-pressure sodium

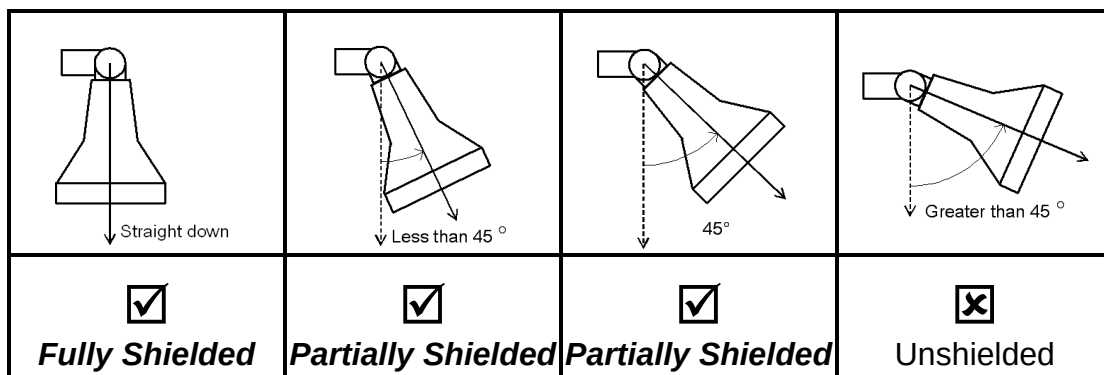
LPS = low-pressure sodium

Table 4.3. ALLOWED LAMP TYPES

LIGHTING CLASS	Allowed Lamp Types	Notes
Commercial, Industrial, Mixed-use and Multi-family Residential uses		
Class 1 lighting (Color Rendition):		
All initial outputs	all types	
Class 2 lighting (General Illumination):		
Initial output $\geq 2,000$ <i>lumens</i>	wLED, HPS, LPS	
Initial output $< 2,000$ <i>lumens</i>	all types	
Class 3 lighting (Decorative):		
All initial outputs	all types	
Residential uses (all Classes):		1
All initial outputs	all types	

Note to Table 4.3

- For purposes of this section, residential refers to all residential land-use zoning, including all densities and types of housing such as single-family detached and duplexes, but does not include multi-family residential uses.
- 4.4. **Spot Light** Aiming Standard. **Light Fixtures** containing **Spot** or **Flood lamps** must be aimed no higher than 45 degrees above straight down (half-way between straight down and straight to the side) (Figure 4.4). When aimed above straight down but at less than 45 degrees, such **light fixtures** shall be considered **partially shielded**; when aimed straight down they shall be considered **fully shielded**.

Figure 4.4. **Spot light** aiming

- 4.5. “House Side” Shielding Standard. Beyond the shielding requirements of Section 4.1, any privately or publicly owned **outdoor light fixture** with a lamp of initial output over 10,000 **lumens** located within 50 feet of any residential (including multi-family residential) property or public right-of-way shall utilize an internal or external “house-side” shield, with the **light fixture** and shield oriented to minimize **light trespass** over the adjacent property or right-of-way line (Figure 4.5). If an external shield is used, the surface of the shield facing the lamp must be a dark or flat black color.

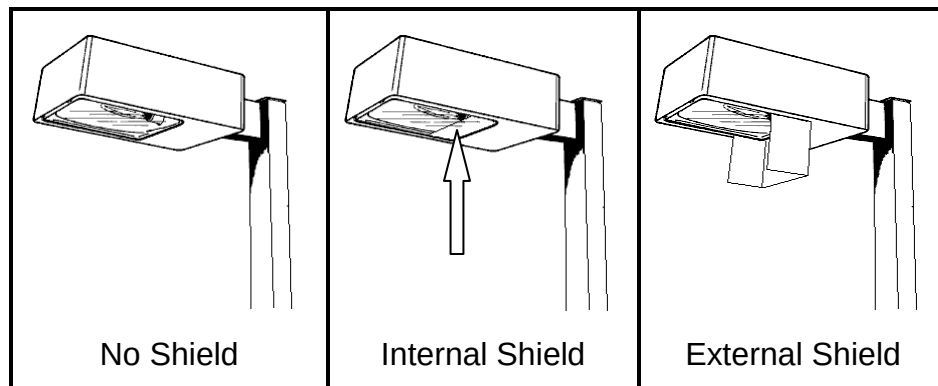


Figure 4.5. House-side shield configurations

- 4.6. Effective Shielding Standard. All **light fixtures** that are required to be **fully shielded** shall be installed and maintained in such a manner that the shielding is effective as described in the definition in Section 15 for **fully shielded fixtures**.
- 4.7. **Multi-Class Lighting** Standard. **Multi-Class lighting** must conform to the shielding and timing restrictions, if any, that apply to the most restrictive included **Lighting Class**.
- 4.8. **Luminous Tube** Lighting. Lighting using **luminous tubes** is included in the total outdoor light output calculations for the site. Lumens for neon lighting are calculated on a per foot basis, rather than per "fixture." Any unshielded neon lighting is limited by the **partially shielded** + unshielded lighting limits of Section 4.2.
- 4.9. Internally Illuminated Architecture. Any architectural element including walls, portions of buildings or canopy edges that is internally illuminated and that is not a sign or fenestration (windows or doors) shall have 100 percent of the initial lamp output of all lamps used to provide such illumination considered **partially shielded** lighting for the purposes of calculating **total outdoor light output** for the site.
- 4.10. Indoor Lighting. Any indoor lighting fixture within a non-residential structure containing a lamp with initial output over 2,500 lumens and mounted such that

any part of the fixture is lower than the upper edge of a window or door must be fully shielded (See Figure 4.10).

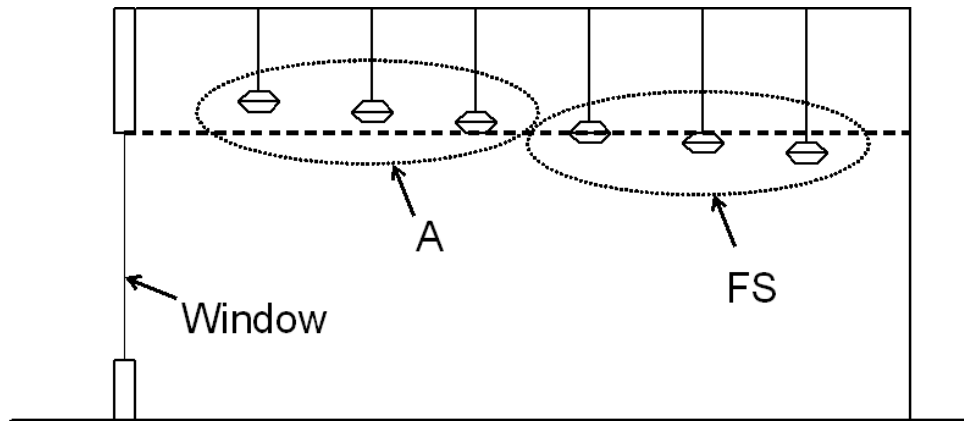


Figure 4.10. Elevation cross-section view showing required shielding for indoor non-residential lighting (FS = **fully shielded**; A = allowed, **fully shielded**, **partially shielded** or unshielded)

4.11. Time Limits.

- A. **Class 3 lighting** shall be extinguished between 10:00pm (or when the business closes, whichever is later) and the time the business re-opens.
- B. **Class 2 lighting** located 75 feet or more from the nearest building, **display area** or storage area shall be extinguished between 10:00pm (or within 30 minutes of the business closing, whichever is later) and the time the business re-opens.

Section 5. Outdoor Advertising Sign Lighting Standards.

5.1 **Externally Illuminated Sign** Lighting Standards. External illumination for signs, including **billboards**, shall conform to the provisions of this Code. Such lighting shall be treated as **Class 1 lighting** and shall conform to the lamp source, shielding restrictions and **total outdoor light output** limits of Section 4 (except as provided in Section A below). All upward-directed sign lighting is prohibited.

- A. Lighting for externally illuminated **billboards** may use up to 200 initial lamp **lumens** per square foot of sign face. Lighting for billboards is not included toward the **total outdoor light output** limits of Section 4.2.

5.2 **Internally Illuminated Sign, Neon Sign, Multicolor Fixed-Copy LED Sign and Single-Color LED Sign** Lighting Standards.

- A. Outdoor ***internally illuminated signs*** must either be constructed with an ***opaque*** background and translucent text and symbols, or with a colored background and generally LIGHTER text and symbols (Figure 5.2.A). Lamps used for internal illumination of ***internally illuminated signs*** shall not be counted toward the ***total outdoor light output*** limits in Section 4.2.

Light Background ✗	Colored Background ✓	Opaque Background ✓
		
		

Figure 5.2.A. ***Internally illuminated sign*** styles

- B. ***Neon signs, multicolor fixed-copy LED Signs*** and ***single-color LED signs*** (Figure 5.2.B) shall be treated as ***internally illuminated signs*** for the purposes of this Code, and shall not have their outputs counted toward the ***total outdoor light output*** limits in Section 4.2. Any lighting extending beyond the area considered to be the sign area (as defined in the Sign Code of this jurisdiction) shall conform to all provisions of this Code. In particular, such lighting shall be treated as ***Class 3 lighting*** (decorative) and shall conform to the ***total outdoor light output*** limits of Section 4.

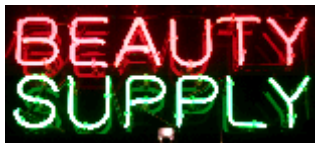
Neon	Multicolor Fixed-Copy LED	Single-Color LED
		

Figure 5.2.B. ***Neon, multicolor fixed-copy LED*** and ***single-color LED signs***

- C. Other internally-illuminated panels or decorations not considered to be signage according to the sign code of this jurisdiction (such as illuminated

canopy margins or building faces), shall be considered **Class 3 lighting** (decorative), and shall be subject to the standards applicable for such lighting, including but not limited to the lamp source, shielding standards and **total outdoor light output** limits of Section 4.2.

5.3 Multicolor Changeable-Copy LED Sign Lighting Standards. Lighting for **multicolor changeable-copy LED signs** (Figure 5.3.A) must meet the following:

A. [ALTERNATIVE A] **Multicolor changeable-copy LED signs** are not permitted.

[ALTERNATIVE B] **Multicolor changeable-copy LED signs** must be adjusted to prevent overly bright **luminance** at night: automatic controls must limit night **luminance** to a maximum of 100 **nits** when the display is set to show maximum brightness white (100% full white mode). The applicant shall provide a written certification from the sign manufacturer that the nighttime light intensity has been factory pre-set not to exceed this level, and that this setting is protected from end-user modification by password-protected software or other method as deemed appropriate by the Planning Director.



Figure 5.3.A. **Multicolor changeable-copy LED sign**

5.4 Time Limits. Illumination for all **on-site advertising signs** except **billboards**, shall be turned off by the times listed in Table 5.4 or when the business closes, whichever is later. Signs subject to time limits are required to have functioning and properly adjusted automatic shut-off timers. Light background (white, off-white, light gray, cream or yellow) **internally illuminated signs**, **installed** legally before enactment of this code [enter date], may continue to be used and illuminated but must conform to the time limits as indicated.

Table 5.4. ILLUMINATED SIGN TIME LIMITS

Sign Type	Lighting Zone	
	LZ 1	LZ 2
<i>Internally illuminated</i> , light background	6pm	8pm
<i>Multicolor Changeable-Copy LED</i>	6pm	8pm
All other types	9pm	10pm

Section 6: Special Use Lighting Standards.

6.1 Recreational Facilities.

- A. Class of Play: Fields designed primarily for use by municipal or amateur leagues, training, recreational or social levels, shall be considered ***Sports Class IV*** as defined by the Illuminating Engineering Society of North America (IESNA). Fields designed primarily for college, semiprofessional, professional or national levels shall be considered ***Sports Class I, Sports Class II*** or ***Sports Class III*** as defined by IESNA.
- B. Lighting Class and Amount: Lighting for outdoor athletic fields, courts or tracks shall be considered ***Class 1 lighting*** (Color Rendition), and shall be exempt from the ***lumens*** per acre limits of Section 4.2. ***Illuminance*** shall be designed to achieve no greater than the minimal levels for the activity as recommended by the Illuminating Engineering Society of North America (IESNA) for the ***Sports Class*** as described in Section 6.1.A.
- C. Shielding:
 1. Facilities designed for ***Sports Class III*** and ***Sports Class IV***: lighting for the field shall use ***fully shielded lighting fixtures***. Where ***fully shielded fixtures*** are not available, ***lighting fixtures*** using external louvers or shields that, in the final installed configuration, extend to within 3 inches on the lowest portion of the light fixture opening are required (Figure 6.1.C.1). The fixtures shall be ***installed*** and maintained with aiming angles that permit no greater than 1% of the light emitted by each fixture to project above the horizontal.

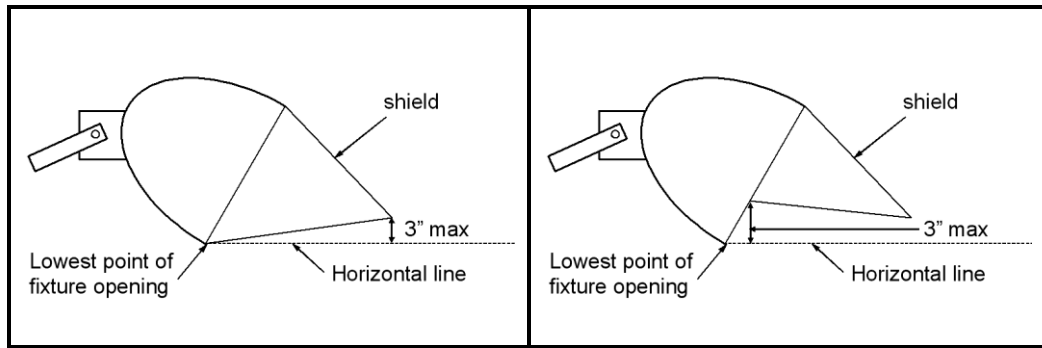


Figure 6.1.C.1. **Sports Class III** and **IV** lighting shield configurations.

2. Facilities designed for **Sports Class I** and **Sports Class II**: lighting for the field shall use **lighting fixtures** with internal and/or external control louvers or shields to minimize off-site **glare** and **light trespass**. The fixtures shall be **installed** and maintained with aiming angles that permit no greater than 5% of the light emitted by each fixture to project above the horizontal.
- D. Certification: Every such lighting system design and installation shall be certified by a registered engineer, architect or landscape architect as conforming to all applicable restrictions of this Code.
- E. Time Limit: All field lighting shall be extinguished within 30 minutes of cessation of play, and events shall be scheduled so as to complete activity before 11pm. Illumination of the playing field, court or track shall be permitted after the time limit only to conclude a scheduled event that did not conclude before the time limit due to unusual circumstances.

6.2. **Frontage Row of Vehicle Display Areas**

- A. Lighting Class: Lighting for **frontage row of vehicle display areas** shall be considered **Class 1 lighting** (Color Rendition).
- B. Shielding: All **frontage row vehicle display area** lighting shall utilize **fully shielded light fixtures** that are **installed** in a fashion that maintains the **fully shielded** characteristics.
- C. **Lumen** Limit: **Total outdoor light output** for the **frontage row of vehicle display areas** is exempt from the **total outdoor light output** limits in Section 4.2, but shall not exceed 60 **lumens** per square foot.
- D. Time Limit: The **frontage row of vehicle display area** lighting exceeding the **lumens** per acre cap of Section 4.2 shall be turned off at 10 p.m. or within thirty minutes after closing of the business, whichever is later. Lighting in the **frontage row of vehicle display areas** after the time limit

shall be considered **Class 2 lighting**, and shall conform to all restrictions of this Code applicable for **Class 2 lighting**, including the **total outdoor light output** limits in Section 4.2.

6.3 Service Station Canopies.

- A. Lighting for service station canopies shall be considered **Class 1 lighting** (Color Rendition).
- B. Shielding: All **light fixtures** mounted on or recessed into the lower surface of service station canopies shall be **fully shielded** and utilize flat lenses.
- C. Total Under-Canopy Output: The total light output used for illuminating service station canopies, defined as the sum of all under-canopy initial bare-lamp outputs in **lumens**, shall not exceed 60 **lumens** per square foot of canopy. All lighting mounted under the canopy, including but not limited to **light fixtures** mounted on the lower surface or recessed into the lower surface of the canopy and any lighting within signage or illuminated panels over the pumps, is to be included toward the total at full initial **lumen** output.
- D. The **lumen** output of lamps mounted on or within the lower surface of a canopy is included toward the **total outdoor light output** limits in Section 4.2 according to the method defined for **total outdoor light output**. Other lighting located under a canopy but not mounted on or within the lower surface is included toward the **total outdoor light output** limits in Section 4.2 at full initial output.

6.4 Other Lighting on Parcels with Special Uses. All lighting not directly associated with the special use areas above shall conform to the lighting standards described in this Code at all times, including but not limited to the shielding requirements of Section 4.1, the **total outdoor light output** limits of Section 4.2 and the lamp type standards of Section 4.3. The **net acreage** for the determination of compliance with Section 4.2 shall not include the area of the athletic field or **frontage row of vehicle display area**; the area of any service station canopy shall be included in the **net acreage**.

Section 7. Submission of Plans and Evidence of Compliance with Code, Subdivision Plats.

7.1 Submission Contents. The applicant for any permit required by any provision of the laws of this jurisdiction in connection with proposed work involving **outdoor lighting fixtures** shall submit (as part of the application for permit) evidence that the proposed work will comply with this Code. Even should no other such permit be required, the installation or modification of any exterior lighting (except for routine servicing and same-type lamp replacement) shall

require submission of the information described below. The submission shall contain but shall not necessarily be limited to the following, all or part of which may be part of or in addition to the information required elsewhere in the laws of this jurisdiction upon application for the required permit:

- A. plans indicating the total number and location on the premises of all **outdoor lighting fixtures**, both proposed and any already existing on the site;
- B. description of all **outdoor lighting fixtures**, both proposed and existing. The description may include, but is not limited to, catalog cuts and illustrations by manufacturers (including sections where required); lamp types, wattages and initial **lumen** outputs;

7.2 Additional Submission. The above required plans, descriptions and data shall be sufficiently complete to enable the designated official to readily determine whether compliance with the requirements of this Code will be secured. If such plans, descriptions and data are not sufficient, the applicant shall submit such additional evidence as reasonably requested by the jurisdiction, including certified reports of tests performed and certified by a recognized testing laboratory.

7.3 Subdivision Plats. If any subdivision proposes to have **installed** street or other common or public area outdoor lighting, submission of the information as described in Section 7.1 shall be required for all such lighting.

7.4 Lamp or Fixture Substitution. Should any **outdoor light fixture** or the type of light source therein be changed after the permit has been issued, a change request must be submitted to the designated official for approval, together with adequate information to assure compliance with this Code. Approval must be received prior to substitution.

7.5 Plan Approval. If the designated official determines that the proposed lighting does not comply with this Code, the permit shall not be issued or the plan approved.

7.6 Certification of Installation. For projects using 200,000 lumens or more a registered engineer shall certify in writing to the City that all lighting was installed in accordance with the approved plans.

Section 8. Prohibitions.

8.1 Sale of Non-Conforming Fixtures and Lamps. The installation, sale, offering for sale, lease or purchase of any outdoor lighting fixture or lamp the use of which is not allowed by this Code is prohibited.

8.2 Laser Source Light. The use of laser source light or any similar high intensity light for outdoor advertising or entertainment, when projected above the horizontal, is prohibited.

8.3 Searchlights. The operation of searchlights for advertising purposes is prohibited.

Section 9. Temporary Exemption.

9.1 Request; Renewal; Information Required. Any person may submit, on a form prepared by the jurisdiction, to the designated official, a temporary exemption request. The request shall contain the following information:

- A. specific Code exemption(s) requested;
- C. duration of requested exemption(s);
- E. proposed location on premises of the proposed light fixture(s);
- B. purpose of proposed lighting;
- D. information for each light fixture and lamp combination as required in section 7.1;
- F. previous temporary exemptions, if any, and addresses of premises thereunder;
- G. such other data and information as may be required by the designated official.

9.2 Approval; Duration. The designated official shall have five (5) business days from the date of submission of the request for temporary exemption to act, in writing, on the request. If approved, the exemption shall be valid for not more than thirty (30) days from the date of issuance of the approval. The approval shall be renewable upon further written request, at the discretion of the designated official, for a maximum of one (1) additional thirty (30) day period. The designated official is not authorized to grant more than one (1) temporary permit and one (1) renewal for a thirty (30) day period for the same property within one (1) calendar year.

9.3 Disapproval; Appeal. If the request for temporary exemption or its extension is disapproved, the person making the request will have the appeal rights provided in Section 11.

Section 10. Other Exemptions.

10.1 Nonconformance

- A. Bottom-mounted or unshielded outdoor advertising sign lighting shall not be used beginning five years after enactment of this Code.

B. All other outdoor light fixtures lawfully installed prior to and operable on the effective date of this Code are exempt from all requirements of this Code. There shall be no change in use or lamp type, or any replacement (except for same-type and same-output lamp replacement) or structural alteration made, without conforming to all applicable requirements of this Code. Further, if the property is abandoned, or if there is a change in use of the property, the provisions of this Code will apply when the abandonment ceases or the new use commences.

10.2 State and Federal Facilities. Compliance with the intent of this Code at all State and Federal facilities is encouraged.

10.3 Emergency Lighting. Emergency lighting, used by police, firefighting, or medical personnel, or at their direction, is exempt from all requirements of this code for as long as the emergency exists.

10.4 Swimming Pool and Fountain Lighting. Underwater lighting used for the illumination of swimming pools and fountains is exempt from the lamp type and shielding standards of Section 4.1, though it must conform to all other provisions of this code.

Section 11. Appeals.

Any person substantially aggrieved by any decision of the designated official made in administration of the Code has the right and responsibilities of appeal to the Advisory/Appeals Board of this jurisdiction.

Section 12. Law Governing Conflicts.

Where any provision of federal, state, county, township or city statutes, codes, or laws conflicts with any provision of this Code, the most restrictive shall govern unless otherwise regulated by law.

Section 13. Violation and Penalty.

It shall be a civil infraction for any person to violate any of the provisions of this Code. Each and every day or night during which the violation continues shall constitute a separate offense. A fine shall be imposed of not less than fifty dollars nor more than seven hundred dollars for any individual or not less than 100 nor more than ten thousand dollars for any corporation, association, or other legal entity for each offense. The imposition of a fine under this Code shall not be suspended.

Section 14. Severability.

If any of the provisions of this Code or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of this Code which can be given effect, and to this end, the provisions of this Code are declared to be severable.

Section 15. Definitions.

As used in this Code, unless the context clearly indicates otherwise, certain words and phrases shall mean the following:

15.1 **Abandoned.** Abandonment shall be determined as provided in Section _____ of the City/Town's Zoning Ordinance. [Consider "cessation of use" here instead, depending on advice of local counsel]

15.2 **Billboard.** Any sign designed for use with changeable advertising copy and which is normally used for the advertisement of goods produced or services rendered at locations other than the premises on which the sign is located.

15.3 **CCT.** Correlated color temperature. A numerical figure used to describe the apparent color of white or nearly white light sources such as LEDs or metal halide.

15.4 **Class 1 Lighting.** All outdoor lighting used for, but not limited to, outdoor sales or eating areas, assembly or repair areas, advertising and other signs, recreational facilities and other similar applications where COLOR RENDITION IS IMPORTANT to preserve the effectiveness of the activity. Designation of lighting as **Class 1 lighting** requires a finding by the Planning Director of the essential nature of color rendition for the application. Recognized **Class 1 lighting** uses are: outdoor eating and retail food or beverage service areas; outdoor maintenance areas where regularly scheduled maintenance activity occurs after dark; **display areas**; assembly areas such as concert or theater amphitheaters.

15.5 **Class 2 Lighting.** All outdoor lighting used for, but not limited to, illumination for walkways, roadways, equipment yards, parking lots and outdoor security where GENERAL ILLUMINATION for visibility, safety or security of the grounds is the primary concern.

15.6 **Class 3 Lighting.** Any outdoor lighting used for DECORATIVE effects including, but not limited to, architectural illumination, flag and monument lighting, and illumination of trees, bushes, etc.

15.7 Development Project. Any residential, commercial, industrial or mixed-use subdivision plan or development plan which is submitted to the City for approval.

15.8 Display Area. Outdoor areas where active nighttime sales activity occurs AND where accurate color perception of merchandise by customers is required. Recognized **display area** uses include automobile and recreational vehicle sales, boat sales, tractor sales, building supply sales, gardening or nursery sales, swap meets. Uses not on this list must be approved as **display area** uses by the Planning Director.

15.9 Frontage Row of Vehicle Display Area. That portion of a **display area** used for vehicles located adjacent to the parcel frontage. Includes only the front row of vehicles adjacent to the parcel frontage; does not include the driving area located behind the parked vehicles or the remainder of the **display area** not adjacent to the frontage. (Figure 15.9)

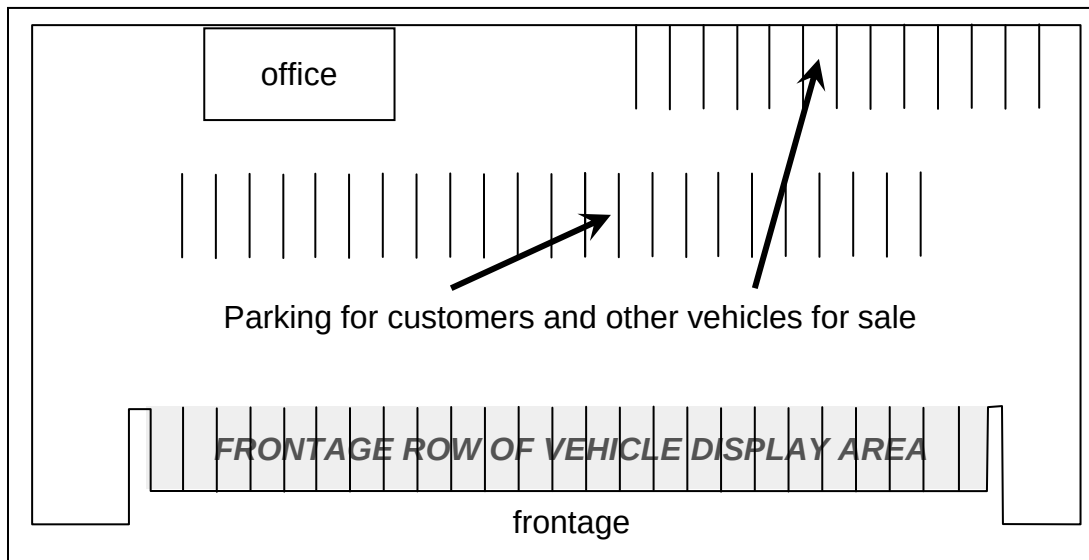


Figure 15.9. **Frontage Row of Vehicle Display Area**

15.10 Flood Lamp. See **Spot Lamp**.

15.11 Footcandle. The standard imperial unit used to measure **illuminance**, or the amount of light falling onto a surface, such as a roadway or athletic field. One **footcandle** equals one **lumen** per square foot. One **footcandle** equals approximately 10 **lux**.

15.12 Fully Shielded (Light Fixture). A **light fixture** constructed in such a manner that all light emitted by the fixture, either directly from the lamp or a diffusing element, or indirectly by reflection or refraction from any part of the **fixture**, is projected below the horizontal. Any structural part of the **light**

fixture providing this shielding must be permanently affixed, and part of the fixture, not part of any surrounding building or architectural elements.

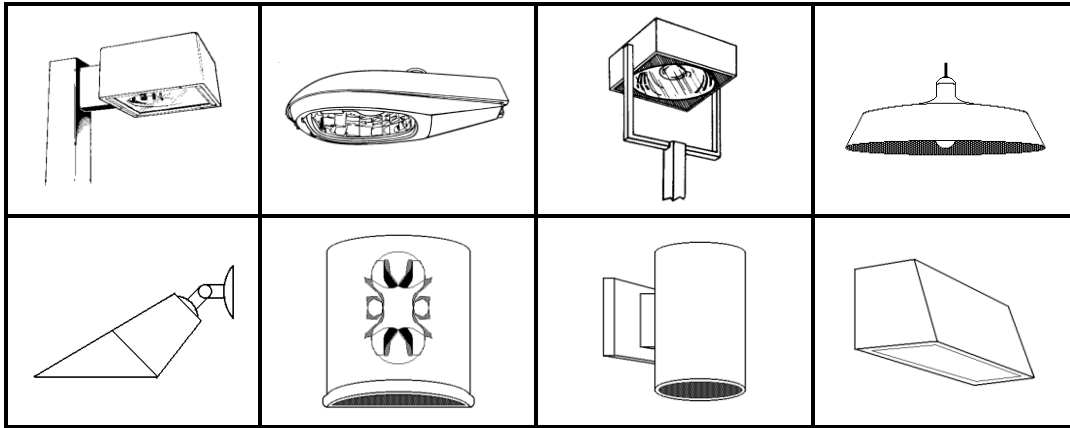


Figure 15.12a. Examples of **fully shielded fixtures**.

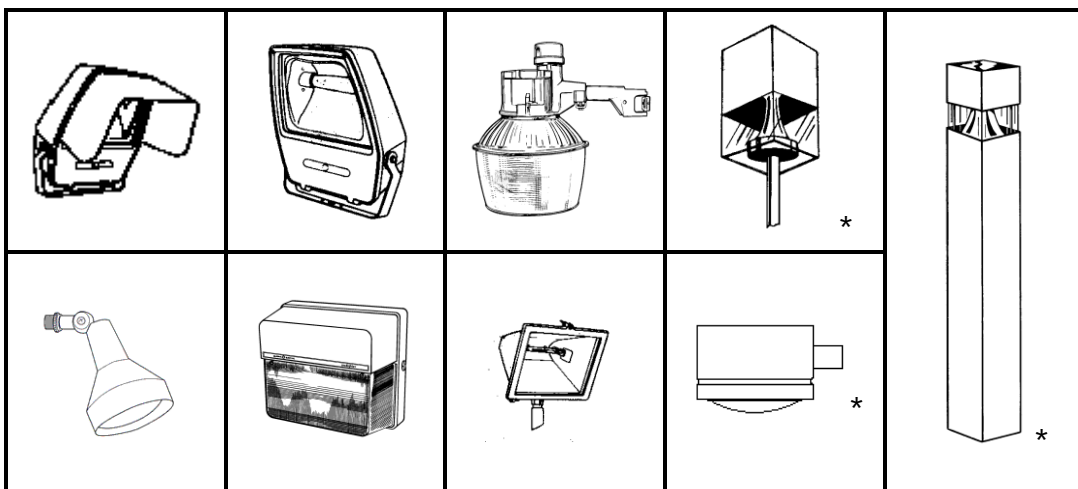


Figure 15.12b. Examples of fixtures that are NOT **fully shielded** (*even though the lamp in these fixtures is shielded from direct view when viewed from the side or above, reflective surfaces and/or lens covers are visible from the side).

15.13 **Glare**. The sensation produced by a bright source within the visual field that is sufficiently brighter than the level to which the eyes are adapted to cause annoyance, discomfort, or loss in visual performance and visibility; blinding light.

15.14 **Illuminance**. The amount of light falling onto a unit area of surface (luminous flux per unit area) - measured in **footcandles** or **lux**.

15.15 **Installed**. The attachment, or assembly fixed in place, whether or not connected to a power source, of any **outdoor light fixture**.

15.16 **LED**. Light emitting diode.

15.17 **Light Fixture, Outdoor**. A complete lighting assembly (including the lamp, housing, reflectors, lenses and shields), less the support assembly (pole or mounting bracket). Includes **luminous tubes**, lamps or similar devices, permanently **installed** or portable, used for illumination, decoration, or advertisement. Such devices shall include, but are not limited to lights used for:

- A. parking lot or **parking garage** lighting;
- B. roadway and driveway lighting;
- C. pedestrian or walkway lighting;
- D. entryway lighting;
- E. recreational areas;
- F. landscape lighting;
- G. **billboards** and other signs (advertising or other);
- H. **display area** lighting;
- I. building or structure decoration;
- J. building overhangs and open canopies.

For purposes of determining **total light output from a light fixture**, lighting assemblies which include multiple lamps within a single **light fixture** or on a single pole or standard shall be considered as a single unit (Figure 15.18).

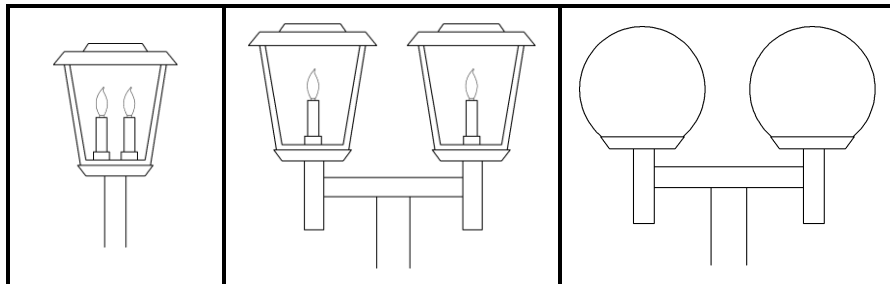


Figure 15.17. **Light fixtures** with multiple lamps in a single fixture (left) and on a single pole or bracket (center, right)

15.18 **Light Trespass**. Light falling across property boundaries, onto property not containing the originating light source.

15.19 **Lighting Zones**. The **lighting zones** are defined on the Lighting Zone Map, by this reference made a part of this Code. Guidelines used to guide the delineation of the **lighting zones** are:

- A **Lighting Zone LZ 1**. This Zone includes predominantly residential areas, including small neighborhood commercial or industrial areas mostly surrounded by residential areas

B Lighting Zone LZ 2. This Zone includes urban areas with primary land uses for commercial, business and industrial activity, including urban multi-family residential areas mostly surrounded by commercial areas.

15.20 **Lumen.** Unit of luminous flux; used to measure the amount of light emitted by lamps.

15.21 **Luminaire.** See *Light Fixture, (Outdoor)*.

15.22 **Luminance.** The intensity of light reflected or emitted from a unit area of surface, such as a sign face - measured in *nits*.

15.23 **Luminous Tube.** A glass tube filled with a gas or gas mixture (including neon, argon, mercury or other gasses), usually of small diameter (10-15 millimeter), caused to emit light by the passage of an electric current, and commonly bent into various forms for use as decoration or signs. A "neon" tube. Does not include common fluorescent tubes or compact fluorescent lamps.

15.24 **Lux.** The standard metric unit used to measure *illuminance*, or the amount of light falling onto a surface, such as a roadway or athletic field. One *lux* equals one *lumen* per square meter. One *lux* equals approximately 0.1 *footcandles*.

15.25 **Multi-Class Lighting.** Any outdoor lighting used for more than one purpose, such as security and decoration, such that its use falls under the definition of two or more Classes as defined for *Class 1, 2 and 3 Lighting*.

15.26 **Neon Tube.** See *Luminous Tube*.

15.27 **Net Acreage.** The remaining area after deleting all portions for proposed and existing streets within a parcel, subdivision or multiple contiguous parcels proposed for development. For parcels including special uses listed in Section 6 that are exempted from the *total outdoor light output* limits of Section 4.2, the area devoted to the special use only shall also be excluded from the *net acreage*.

15.28 **Nit.** The standard unit used to measure the brightness of a surface, such as a sign.

15.29 **Outdoor Light Fixture.** See *Light Fixture, Outdoor*.

15.30 **Opaque.** *Opaque* means that a material does not transmit light from an internal illumination source. Applied to sign backgrounds, means that the area surrounding any letters or symbols on the sign allows no light from an internal source to shine through it.

15.31 **Outdoor Light Output, Total.** The initial total amount of light, measured in **lumens**, from all lamps used in **outdoor light fixtures**. Includes all lights and **luminous tubes** used for **Class 1, Class 2, Class 3** and **multi-Class lighting**, and lights used for external illumination of signs, but does not include lights used to illuminate **internally illuminated signs**, **luminous tubes** used in **neon signs**, or seasonal lighting from typical low-output lamps permitted between Thanksgiving and January 15th. For lamp types that vary in their output as they age (such as high pressure sodium, fluorescent and metal halide), the initial lamp output, as defined by the manufacturer, is the value to be considered. For **LED** fixtures, the light output of the fixture, as defined by the manufacturer, is the value to be considered. For determining compliance with Section 4.2 [**Total Outdoor Light Output**] of this Code, the light emitted from lamps and **luminous tubes** is to be included in the total output as follows (see Figures 15.31a/b):

- A. **outdoor light fixtures installed** on poles (such as parking lot **light fixtures**) and **light fixtures** or **luminous tubes installed** on the sides of buildings or other structures, when not shielded from above by the structure itself as defined in parts B, C and D below, are to be included in the **total outdoor light output** by simply adding the initial **lumen** outputs of the lamps and tubes;
- B. **outdoor light fixtures** and **luminous tubes installed** under canopies, buildings (including **parking garage** decks), overhangs or roof eaves where all parts of the lamp, tube or **light fixture** are located at least five (5) feet but less than ten (10) feet from the nearest edge of the canopy or overhang are to be included in the **total outdoor light output** as though they produced only one-quarter (0.25) of the lamp's rated initial **lumen** output;
- C. **outdoor light fixtures** and **luminous tubes installed** under canopies, buildings (including **parking garage** decks), overhangs or roof eaves where all parts of the lamp, tube or **light fixture** are located at least ten (10) feet but less than thirty (30) feet from the nearest edge of the canopy or overhang are to be included in the total outdoor light output as though they produced only one-tenth (0.10) of the lamp's or tube's rated initial **lumen** output.
- D. **outdoor light fixtures** and **luminous tubes installed** under canopies, buildings (including **parking garage** decks), overhangs or roof eaves where all parts of the lamp or light fixture are located thirty (30) or more feet from the nearest edge of the canopy or overhang are not to be included in the **total outdoor light output**. Such lamps and tubes must however conform to the lamp source and shielding requirements of Section 4.

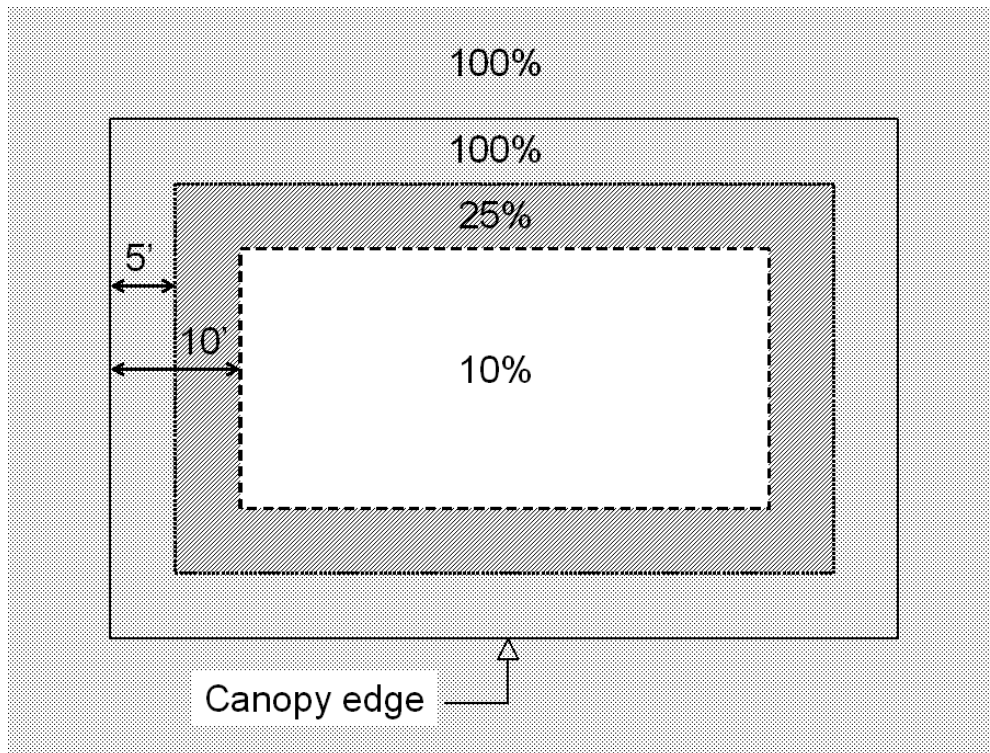


Figure 15.31a. Plan view of a canopy, showing fixture location and initial lamp output percentage counted toward **Total Outdoor Light Output**.

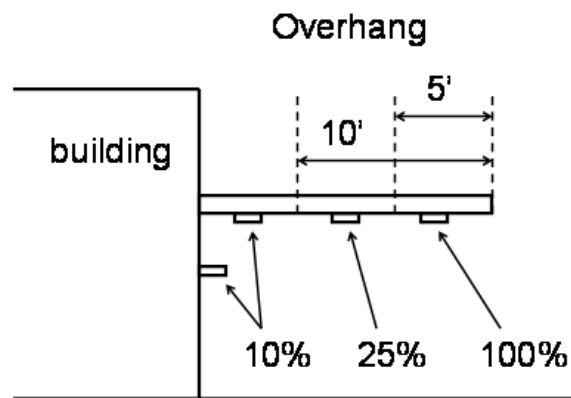


Figure 15.31b. Elevation view of a canopy or overhang attached to a building, showing location of **fully shielded fixtures** and initial lamp output percentage counted toward **Total Outdoor Light Output**.

15.32 Parking Garage. A multi-level or covered structure for parking that is open to the outside air. Includes parking facilities under buildings when the area is open to the outside at more locations than just the automobile entries and exits.

15.33 **Partially Shielded** (Light Fixture). A **light fixture** constructed and mounted such that most light emitted by the fixture, either directly from the lamp or a diffusing element, or indirectly by reflection or refraction from any part of the fixture, is projected below the horizontal. Light emitted at or above the horizontal direction (sideways or upwards) arises only from decorative elements or strongly colored or diffusing materials such as "honey" or colored glass or plastic. Fixtures using spot or flood lamps are considered **partially shielded** if the lamps are aimed no higher than 45 degrees above straight down (half-way between straight down and straight to the side).

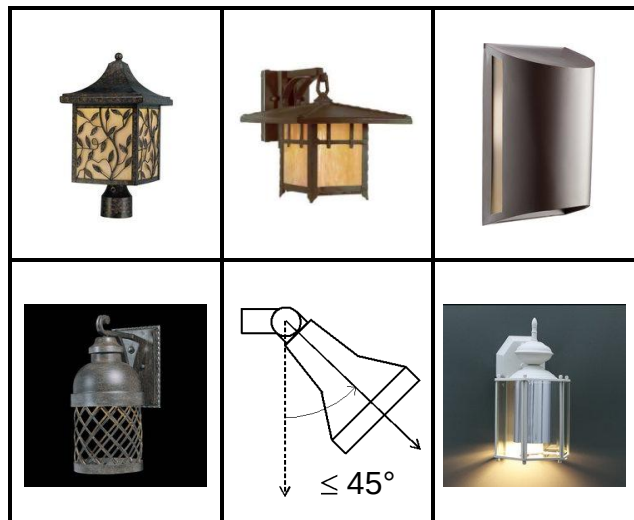


Figure 15.33. Examples of **partially shielded fixtures**:

15.34 **Person**. any individual, tenant, lessee, owner, or any commercial entity including but not limited to firm, business, partnership, joint venture, or corporation.

15.35 **Searchlight**. A lighting assembly designed to direct the output of a contained lamp in a specific tightly focused direction (a beam) with a reflector located external to the lamp, and with a swiveled or gimbaled mount to allow the assembly to be easily redirected. Such lights are used commonly to sweep the sky for advertisement purposes.

15.36 **Sign, Externally Illuminated**. A sign illuminated by light sources from the outside.

15.37 **Sign, Internally Illuminated**. A sign illuminated by light sources enclosed entirely within the sign cabinet and not directly visible from outside the sign.

15.38 **Sign, Multicolor Changeable-Copy LED**. A sign composed of **LEDs** of more than one color and programmable to allow changing displays.

- 15.39 **Sign, Multicolor Fixed-Copy LED.** A sign composed of **LEDs** of more than one color with a fixed (not changeable or programmable) copy display.
- 15.40 **Sign, Neon.** A sign including **luminous tubes** formed into text, symbols or decorative elements and directly visible from outside the sign cabinet.
- 15.41 **Sign, On-Site Advertising.** A sign used primarily to advertise goods or services offered on the same parcel on which the sign is located. Such a sign may include incidental non-advertising information (for example time and temperature; does not include publicly owned signs providing general interest information exclusively (such as road names or highway conditions)
- 15.42 **Sports Class I/II/III/IV.** Level of sports play as defined by the Illuminating Engineering Society of North America. This level is primarily determined by the number and distance of spectators; the higher recommended illumination levels facilitate the spectator's ability to view the action. **Sports Class IV** is the most common level, and is typical of municipal and amateur league and social level sports, with minimal accommodations for spectators, typically including bleachers located close to the field. **Sports Class III** includes increased accommodation for spectators. **Sports Class II** and **Sports Class I** apply to large sports facilities where thousands of spectators may be located hundreds of feet from the field, and television broadcasting may be a consideration.
- 15.43 **Spot Lamp.** A specific form of lamp designed to direct its output in a specific direction (a beam) with a reflector formed from the glass envelope of the lamp itself, and with a clear or nearly clear glass envelope: Such lamps are so designated by the manufacturers, and typically used in residential outdoor area lighting (Figure 15.43).

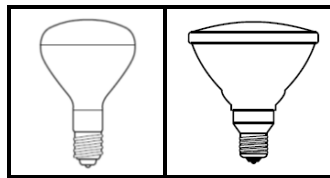


Figure 15.43. **Spot lamps**

- 15.44 **Spot Light.** A **light fixture** containing a **Spot Lamp**.
- 15.45 **Temporary Lighting.** Lighting which does not conform to the provisions of this Code and which will not be used for more than one thirty (30) day period within a calendar year, with one thirty (30) day extension. Temporary lighting is intended for uses which by their nature are of limited duration; for example holiday decorations, civic events, or construction projects in.

WAC 173-60-030 State Noise Standards

Identification of environments.

(1) Except when included within specific prior designations as provided in subsections (2), (3), and (4) of this section, the EDNA of any property shall be based on the following typical uses, taking into consideration the present, future, and historical usage, as well as the usage of adjacent and other lands in the vicinity.

(a) Class A EDNA - Lands where human beings reside and sleep. Typically, Class A EDNA will be the following types of property used for human habitation:

- (i) Residential
- (ii) Multiple family living accommodations
- (iii) Recreational and entertainment, (e.g., camps, parks, camping facilities, and resorts)
- (iv) Community service, (e.g., orphanages, homes for the aged, hospitals, health and correctional facilities)

(b) Class B EDNA - Lands involving uses requiring protection against noise interference with speech. Typically, Class B EDNA will be the following types of property:

- (i) Commercial living accommodations
- (ii) Commercial dining establishments
- (iii) Motor vehicle services
- (iv) Retail services
- (v) Banks and office buildings
- (vi) Miscellaneous commercial services, property not used for human habitation
- (vii) Recreation and entertainment, property not used for human habitation (e.g., theaters, stadiums, fairgrounds, and amusement parks)
- (viii) Community services, property not used for human habitation (e.g., educational, religious, governmental, cultural and recreational facilities).

(c) Class C EDNA - Lands involving economic activities of such a nature that higher noise levels than experienced in other areas is normally to be anticipated. Persons working in these areas are normally covered by noise control regulations of the department of labor and industries. Uses typical of Class A EDNA are generally not permitted within such areas. Typically, Class C EDNA will be the following types of property:

- (i) Storage, warehouse, and distribution facilities.
- (ii) Industrial property used for the production and fabrication of durable and nondurable man-made goods
- (iii) Agricultural and silvicultural property used for the production of crops, wood products, or livestock.

(d) Where there is neither a zoning ordinance in effect nor an adopted comprehensive plan, the legislative authority of local government may, by ordinance or resolution, designate specifically described EDNAs which conform to the above use criteria and, upon departmental approval, EDNAs so designated shall be as set forth in such local determination.

(e) Where no specific prior designation of EDNAs has been made, the appropriate EDNA for properties involved in any enforcement activity will be determined by the investigating official on the basis of the criteria of (a), (b), and (c) of this subsection.

(2) In areas covered by a local zoning ordinance, the legislative authority of the local government may, by ordinance or resolution designate EDNAs to conform with the zoning ordinance as follows:

- (a) Residential zones - Class A EDNA
- (b) Commercial zones - Class B EDNA
- (c) Industrial zones - Class C EDNA

Upon approval by the department, EDNAs so designated shall be as set forth in such local determination. EDNA designations shall be amended as necessary to conform to zone changes under the zoning ordinance.

(3) In areas not covered by a local zoning ordinance but within the coverage of an adopted comprehensive plan the legislative authority of the local government may, by ordinance or resolution designate EDNAs to conform with the comprehensive plan as follows:

- (a) Residential areas - Class A EDNA
- (b) Commercial areas - Class B EDNA
- (c) Industrial areas - Class C EDNA

Upon approval by the department EDNAs so designated shall be as set forth in such local determination. EDNA designations shall be amended as necessary to conform to changes in the comprehensive plan.

(4) The department recognizes that on certain lands, serenity, tranquillity, or quiet are an essential part of the quality of the environment and serve an important public need. Special designation of such lands with appropriate noise level standards by local government may be adopted subject to approval by the department. The director may make such special designation pursuant to the procedures of the Administrative Procedure Act, chapter [34.04](#) RCW.

WAC 173-60-040

Maximum permissible environmental noise levels.

(1) No person shall cause or permit noise to intrude into the property of another person which noise exceeds the maximum permissible noise levels set forth below in this section.

(2)(a) The noise limitations established are as set forth in the following table after any applicable adjustments provided for herein are applied.

EDNA OF NOISE SOURCE	EDNA OF RECEIVING PROPERTY		
	Class A	Class B	Class C
CLASS A	55 dBA	57 dBA	60 dBA
CLASS B	57	60	65
CLASS C	60	65	70

(b) Between the hours of 10:00 p.m. and 7:00 a.m. the noise limitations of the foregoing table shall be reduced by 10 dBA for receiving property within Class A EDNAs.

(c) At any hour of the day or night the applicable noise limitations in (a) and (b) above may be exceeded for any receiving property by no more than:

- (i) 5 dBA for a total of 15 minutes in any one-hour period; or
- (ii) 10 dBA for a total of 5 minutes in any one-hour period; or
- (iii) 15 dBA for a total of 1.5 minutes in any one-hour period.



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Ordinances - First Reading

Key Element: Key 7 - Neighborhoods & Community Safety

Subject:

Ordinance No. 21-16, Amending the Zoning Classification on .3 acres owned by Luther Senior Center to provide for Medium Residential Small Lot Zoning (R2-S)

Department:

Community & Development Services

Ordinance/Resolution Number:

21-16

Document Type:

Ordinance

Recommended Motion:

Give first reading, by title only, to Ordinance No. 21-16, amending the zoning classification on .3 acres owned by Luther Senior Center to provide for R2S Medium Density Residential Small Lot zoning.

Summary:

Luther Senior Center owns .32 acres located at 1925 Luther Place, which is part of a complex that has been developed with duplexes operated to provide housing for low income seniors. The owners desire to divide this site into two lots and construct two additional duplexes for low income seniors. The existing R2 zoning, while permitting duplexes, has a minimum lot size requirement that would preclude two duplexes on this particular site. Consequently, the applicants have proposed R2-S zoning which would allow for the proposed use.

The Richland Hearing Examiner held a public hearing on March 24, 2016 to consider this application for a change in zoning, and issued a recommendation on April 6, 2016 to approve the request subject to a property use and development agreement that would limit construction on the site to duplexes for low income seniors. A draft ordinance that would implement this recommendation has been prepared for Council's consideration.

Fiscal Impact:

This proposed rezone is not anticipated to have any fiscal impacts to the City.

Attachments:

1. Ordinance 21-16
2. Hearing Examiner Recommendation
3. Staff Report to Hearing Examiner

WHEN RECORDED RETURN TO:

Richland City Clerk's Office
505 Swift Boulevard
Richland, WA 99352

ORDINANCE NO. 21-16

AN ORDINANCE of the City of Richland relating to land use, zoning classifications and districts by amending Title 23: Zoning Regulations, of the Richland Municipal Code and the Official Zoning Map of the City by amending Sectional Map No. 15 so as to change the zoning on .3 acres from Medium Density Residential (R2) to Medium Density Residential Small Lot (R2-S), contingent upon the recording of a properly executed, delivered and accepted Property Use and Development Agreement. Said property is located at 1925 Luther Place (Luther Senior Center).

WHEREAS, on March 24, 2016, the Richland Hearing Examiner held a properly advertised public hearing to consider a petition to change the zoning of the property hereafter described; and

WHEREAS, following the March 24, 2016 public hearing, the Richland Hearing Examiner issued a written decision recommending approval of the requested rezone on April 6, 2016; and

WHEREAS, the Richland City Council has considered the record created at the March 24, 2016 public hearing and has considered the written recommendations of the Richland Hearing Examiner.

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

Section 1. It is hereby found, as an exercise of the City's police power, that the best land use classification for the land described below is Medium Density Residential Small Lot (R2-S) when consideration is given to the interest of the general public.

Section 2. Contingent upon the recording, as in Section 4 hereof, and within 90 days of the passage of this ordinance, of a properly executed, delivered and accepted "Property Use and Development Agreement" substantially in the form attached hereto as Exhibit A by the petitioner for rezone of the property, restricting the use and development of such property that is more particularly described as follows:

Lot 7, Block 3, Chief Joseph Third Addition, according to the plat thereof recorded in Volume 8 of Plat, Page 99, records of Benton County, Washington.

Such land is rezoned from Medium Density Residential (R2) to Medium Density Residential Small Lot (R2-S).

Section 3. Title 23 of the City of Richland Municipal Code and the Official Zoning Map of the City as adopted by Section 23.08.040 of said title, are amended by amending Sectional Map No. 15 which is one of a series of maps constituting said Official Zoning Map, as shown on the attached Sectional Map No. 15 and bearing the number and date of passage of this ordinance and by this reference made a part of this ordinance and of the Official Zoning Map of the City.

Section 4. Upon receipt of a properly executed "Property Use and Development Agreement," as contemplated in Section 2 hereof, the City Manager is authorized to accept the same for and on behalf of the City, and upon such acceptance is authorized and directed to indicate such acceptance thereon, and, to cause said agreement to be recorded in the records of the Benton County Auditor, and to file said recorded agreement with the City Clerk.

Section 5. The City Clerk is directed to file with the Auditor of Benton County, Washington a copy of this ordinance and the attached amended Sectional Map No. 15, duly certified by the Clerk as a true copy.

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

PASSED by the City Council of the City of Richland, at a regular meeting on the _____ day of _____, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney

Date Published: _____

Exhibit A

After recording please return to:
Richland City Attorney
Attn: Heather Kintzley
P.O. Box 190 MS-07
Richland, WA 99352

PROPERTY USE AND DEVELOPMENT AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 2016, by and between the **City of Richland** ("City"), a Washington Municipal Corporation, and **Luther Senior Center**, a Washington Non-Profit Corporation ("Petitioner").

W-I-T-N-E-S-S-E-T-H:

WHEREAS, the City of Richland is currently entertaining an application by the Luther Senior Center for a change of zone covering a .32 acre site located at 625 Luther Place ("Property") and more particularly described in Ordinance No. 21-16; and

WHEREAS, the City desires to ensure that the residences constructed are, in fact, built for the purpose of serving low-income seniors per the stated mission of Luther Senior Center; and

WHEREAS, the Petitioner agrees to provide such housing by way of duplex facilities in the event the requested change of zone is authorized by the City of Richland.

NOW, THEREFORE, it is agreed that if the subject Property is rezoned from R2 - Medium Density Residential to R2-S - Single Family Residential Small Lot, the Petitioner, for himself and for and on behalf of his heirs, successors and assigns, covenants and agrees as follows:

1. Development of the subject property shall consist of two (2) duplexes designed for low income seniors. Each of the duplex units shall contain only one (1) bedroom.
2. For the purpose of this Agreement, "low income" refers to individuals who are at 80% or less of the area median income.
3. For the purposes of this Agreement, "senior" refers to individuals who are 62 years of age or older.
4. The obligation of the Petitioner under this Agreement is to construct duplexes designed for low income seniors. This Agreement shall be fulfilled, and all obligations of Petitioner hereunder shall be deemed satisfied, when construction of the duplexes is complete and a certificate of occupancy is issued.
5. Once the provisions of this Agreement are fulfilled as identified in Section 4 above, the City shall record with the Benton County Auditor a Satisfaction and Release relevant to the affected parcel (Parcel ID: 1-3508-306-0003-007). The City is not obligated, nor does it intend, to monitor the income and/or age of the individuals residing within the duplexes over time.

This agreement shall be placed on record and the terms and conditions thereof shall be a covenant running with the land until Petitioner's obligations have been satisfied as set forth above. The City of Richland shall be deemed a beneficiary of this covenant without regard to whether it owns any land or interest therein in the locality of the subject Property and shall have the right to enforce this covenant in any court of competent jurisdiction.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

CITY OF RICHLAND

LUTHER SENIOR CENTER

Cynthia D. Reents, ICMA-CM
City Manager

Gary A. Weible
Title:

APPROVED AS TO FORM:

Heather Kintzley, City Attorney

**BEFORE THE HEARING EXAMINER
FOR THE CITY OF RICHLAND**

Regarding the Application to **Rezone** a)
vacant .32 acre site located at 1925)
Luther Place from R-2 (Medium Density)
Residential) to R-2S (Medium Density)
Residential Small Lot), submitted by the)
property owner)

File No. Z2016-100

Luther Senior Center,)
Applicant,)
)
)
)

**FINDINGS OF FACT,
CONCLUSIONS AND
RECOMMENDATION**

I. SUMMARY OF RECOMMENDATION.

The applicant has met its burden of proof to demonstrate that its requested rezone merits approval. The site is already designated as suitable for medium density residential land uses under the City's Comprehensive Plan, and the applicant is only seeking a change from one type of medium-density Residential zone to another. The applicant has plans to short-plat the property into two 7,000 square foot lots, and construct two new duplexes (with four small 1-bedroom units) to serve very-low-income seniors. City staff and the applicant worked together to propose a property use and development agreement between the City and the applicant, to be adopted at the time of the proposed rezone, which would limit initial construction on the site to the small duplexes identified in the pending rezone application materials. After public notices provided in accord with law, there was no opposition, and no environmental or other special development limitations appear warranted. Accordingly, the undersigned Examiner recommends APPROVAL by the Richland City Council, with conditions as reflected in the proposed Property Use and Development Agreement

**FINDINGS OF FACT, CONCLUSIONS AND
RECOMMENDATION RE: LUTHER SENIOR
CENTER'S REZONE APPLICATION TO CHANGE
A SITE LOCATED AT 1925 LUTHER PLACE FROM
R-2 (MEDIUM DENSITY RESIDENTIAL) TO R-2S
(MEDIUM DENSITY RESIDENTIAL SMALL LOT)
FILE NO. Z2016-100**

GARY N. MCLEAN
HEARING EXAMINER FOR THE CITY OF RICHLAND
CITY HALL - 505 SWIFT BOULEVARD
RICHLAND, WASHINGTON 99352

II. BACKGROUND and APPLICABLE LAW.

In this matter, the Hearing Examiner has jurisdiction to conduct an open record public hearing on the site-specific rezone application at issue, and is directed to issue a written recommendation for consideration and final action by the Richland City Council. *See* Richland Municipal Code (RMC) 19.20.010(C)(2)(identifies “site-specific rezone” as a Type III permit application); RMC 19.20.030(jurisdiction to conduct public hearing, issue recommendation); RMC 19.25.110(authority for Examiner actions, including conditions of approval on applications or appeals); and RCW 35A.63.170(state statute regarding hearing examiner system).

The applicant bears the burden of proof to show that its application conforms to the relevant elements of the city’s development regulations and comprehensive plan, and that any significant adverse environmental impacts have been adequately addressed. RMC 19.60.060. And, because a site-specific rezone application is a Type III matter, the City’s code mandates that a concurrency review must be undertaken to determine the transportation impacts (if any) that could be created by the proposed action. RMC 19.50.010(C).

Finally, Washington Courts apply three basic rules when reviewing appeals of rezone applications: (1) there is no presumption favoring the rezone request; (2) the proponent of a rezone must demonstrate that there has been a change of circumstances since the original zoning, PROVIDED if a proposed rezone implements the policies of a comprehensive plan, a showing of changed circumstances is usually not required¹; and (3) the rezone must have a substantial relationship to the public health, safety, morals, or general welfare. *Woods v. Kittitas County*, 162 Wn.2d 597 (2007), citing *Citizens for Mount Vernon*, 133 Wn.2d 861, at 875 (1997); *Parkridge v. City of Seattle*, 89 Wn.2d 454, 462 (1978).

¹ *Save Our Rural Env't v. Snohomish County*, 99 Wn.2d 363, 370-71 (1983); *Henderson v. Kittitas County*, 124 Wn. App. 747, 754 (Div. III, 2004); *Bjarnson v. Kitsap County*, 78 Wn. App. 840, 846 (Div. III, 1995).

**FINDINGS OF FACT, CONCLUSIONS AND
RECOMMENDATION RE: LUTHER SENIOR
CENTER'S REZONE APPLICATION TO CHANGE
A SITE LOCATED AT 1925 LUTHER PLACE FROM
R-2 (MEDIUM DENSITY RESIDENTIAL) TO R-2S
(MEDIUM DENSITY RESIDENTIAL SMALL LOT)
FILE NO. Z2016-100**

GARY N. MCLEAN
HEARING EXAMINER FOR THE CITY OF RICHLAND
CITY HALL – 505 SWIFT BOULEVARD
RICHLAND, WASHINGTON 99352

III. QUESTIONS PRESENTED.

For purposes of the pending rezone application, the central questions presented are:

A. Whether the requested rezone implements policies of the City's Comprehensive Plan, and/or whether there has been a change of circumstances since the original R-2 zoning was adopted for the site?

Short Answer: Yes.

B. Whether the rezone bears a substantial relationship to the public health, safety, morals, or general welfare?

Short Answer: Yes.

IV. RECORD.

Exhibits entered into evidence as part of the record, and an audio recording of the public hearing, are maintained by the City of Richland, and may be examined or reviewed by contacting the City Clerk's Office.

Hearing Testimony: The following individuals presented testimony under oath at the duly noticed public hearing for the underlying application, held on March 24, 2016:

1. Rick Simon, Development Services Manager for the City of Richland; and
2. Sheryldene Rogers, development consultant, representing the applicant, Luther Senior Center.

Exhibits: The Development Services Division Staff Report, including a recommendation of approval, was provided to the Examiner in the week before the hearing. The Staff Report, and the following Exhibits, were all accepted into the Record in their entirety without modification:

1. Application Form.
2. Site plan.

FINDINGS OF FACT, CONCLUSIONS AND
RECOMMENDATION RE: LUTHER SENIOR
CENTER'S REZONE APPLICATION TO CHANGE
A SITE LOCATED AT 1925 LUTHER PLACE FROM
R-2 (MEDIUM DENSITY RESIDENTIAL) TO R-2S
(MEDIUM DENSITY RESIDENTIAL SMALL LOT)
FILE NO. Z2016-100

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1 3. Site photos.

2 4. Public Notices.

3 5. Proposed Property Use and Development Agreement (NOTE: this item was
4 replaced on the night of the hearing with a revised copy, reflecting changes that were
agreeable to the city and the applicant).

5 No one submitted any written comments regarding the pending rezone application.

6 The Examiner visited the road network and vicinity of the proposed rezone on the
7 day following the public hearing, and is fully advised on matters at issue herein, including
8 without limitation applicable law, application materials, and relevant comprehensive plan
provisions.

9 **V. FINDINGS OF FACT.**

10 Based upon the record, the undersigned Examiner issues the following Findings of
11 Fact.

12 ***Application, Public Notice, and Review***

13 1. On or about February 10, 2016, the owner of the subject-property, Luther Senior
14 Center Inc., a Washington Corporation, submitted an application seeking to rezone its
15 property located at 1925 Luther Place (Parcel No. 1-3508-306-0003-007) in the City of
16 Richland, Washington, from one Residential zoning designation to another – specifically
17 from R-2 (Medium Density Residential) to R-2S (Medium Density Residential Small Lot).
(Exhibit 1, application form; Exhibit 4, 5th page, Chicago Title report listing legal owner
and tax parcel number)

18 2. The application includes the following notation as “Justification” for the requested
19 rezone: *“Luther Senior Center is spinning it off [the vacant parcel addressed in the
rezone] to develop two new duplexes (4 units) to serve very-low-income seniors.”* (Ex. 1).

20 3. Following receipt, City staff complied with all applicable public notice requirements
21 for the rezone application and the public hearing held for the matter. *Staff Report, Page 6,
and Exhibit 4, copies of various public notices published and mailed.*

22 4. Because staff deemed the application to be consistent with the City’s
23 Comprehensive Plan, which already designates the rezone site as suitable for medium

24 FINDINGS OF FACT, CONCLUSIONS AND
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1 density residential uses, and the City's plan was analyzed in an environmental impact
2 statement at the time of its adoption, the pending application is categorically exempt from
SEPA review as provided in WAC 197-11-800(6)(c). *Staff Report, page 7.*

3 5. Although notices were duly published, posted and mailed as required by law, no one
4 provided any written comments regarding the pending application. *Staff Report, page 6;*
Testimony of Mr. Simon.

5 ***Site location, transportation concurrency.***

6 6. The rezone site is currently vacant, flat, and surrounded (to the north, west and
7 southwest) by other properties owned and managed by Luther Senior Center, which have
8 existing multi-family units that serve low-income seniors. Properties immediately south of
9 the site and across the street along Luther Place are developed with duplexes on individual
lots. There are no single family homes located on Luther Place. *Staff Report, pages 5-6.*

10 7. Here, the applicant's proposed small-duplexes will have no material impact on
11 capacity provided by the existing local street system that serves the property. Luther Place
12 is already fully developed, with curbs, gutters and sidewalks, and it has sufficient capacity
to support the limited future development on the site. *Staff Report, page 7, and page 8, at*
Finding 4; Site Visit; Ex. 3, site photos.

13 ***Summary of Public Hearing.***

14 8. At the public hearing, Mr. Simon made a brief presentation regarding the
15 application, the site, and his recommendation, as explained in the Staff Report. He
16 observed that the entire block, minus the fire station, is already developed with multi-family
units.

17 9. The applicant's representative, Ms. Rogers, expressed the applicant's satisfaction
18 with the staff recommendation and she raised no objections to its content. She briefly
19 explained that in order to achieve the goal of building very-low-income duplexes on the
20 site, the property must be separate from the recently re-mortgaged existing multi-family
21 housing units owned by Luther Senior Center on surrounding properties in the same general
22 location. She summarized the Luther Senior Center's commitment and plans to continue
providing affordable senior housing options in the existing 75 or so units within the same
23 block, and how HUD refinancing options may be used to draw equity and purchase
remaining duplexes on the Southeast corner of the block, which could provide affordable
family units.

24 FINDINGS OF FACT, CONCLUSIONS AND
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1 ***Public services and utilities are adequate and readily available to serve the site.***

2 10. As part of the review process, City staff confirms that adequate utilities, including
3 without limitation water, power, and sewer, are in place and/or readily available to serve the
4 parcel that is at issue in this matter. *Staff Report, page 7.*

5 ***Surrounding uses and zones.***

6 11. As noted above, the rezone-site is surrounded by existing residential multi-family
7 and duplex housing units, and those that are owned Luther Senior Center have long
8 provided affordable housing options for low-income seniors. *Testimony of Ms. Rogers and
9 Mr. Simon.*

10 12. Properties adjacent to and surrounding the site to the north, east, south and west are
11 all zoned R-2; the southwest corner of the block is zoned C-LB, and includes multi-family
12 housing structures and a city fire station. *Staff Report, pages 4-5.*

13 ***Relevant distinctions between R-2 and R-2S zones.***

14 13. The applicant's proposed use of the rezone-property, small-duplex units for low-
15 income seniors on a relatively small development site, serves to justify the proposed rezone
16 request. The existing R-2 zone requires 10,000 square feet lot area for any duplex, whereas
17 the R-2S zone only requires 7,000 square feet. Further, lot coverage and setbacks are less
18 restrictive in the proposed R-2S zone. *Staff Report, page 6, Table 1 – Comparison of R-2 &
19 R-2S Dimensional Standards.*

20 ***Consistency with City Codes and Comprehensive Plan.***

21 14. The rezone application is consistent with existing city codes, particularly RMC
22 23.18.010(D), which provides in relevant part as follows: “

23 *The medium-density residential small lot (R-2S) is a residential zone classification
24 permitting a higher density of population, encouraging small lot development
25 conducive to energy conservation and to other factors contributing to the
26 production of affordable housing, and including the establishment of duplex
dwellings... [] This zoning classification is intended to be applied to some portions
of the city that are designated medium-density residential (5.1 to 10 dwellings per
acre) under the city of Richland comprehensive plan.”*

27 **FINDINGS OF FACT, CONCLUSIONS AND
28 RECOMMENDATION RE: LUTHER SENIOR
29 CENTER'S REZONE APPLICATION TO CHANGE
30 A SITE LOCATED AT 1925 LUTHER PLACE FROM
31 R-2 (MEDIUM DENSITY RESIDENTIAL) TO R-2S
32 (MEDIUM DENSITY RESIDENTIAL SMALL LOT)
33 FILE NO. Z2016-100**

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1 15. Based on the record, particularly the two medium-density residential zoning
2 classification options that are available for properties in the area of the rezone, the
3 Examiner finds and concludes that the requested rezone from R-2 to R-2S is not different
4 from or inconsistent with existing land uses located on or zoning designations assigned to
5 surrounding properties in the area.

6 16. Standing alone, the requested rezone conforms to the Comprehensive Plan, because
7 the plan already identifies the property as suitable for medium density residential uses. The
8 City's zoning code includes two medium-density residential classifications available for
9 portions of the City that are designated as suitable for medium density residential in the
10 City's Comprehensive Plan. See RMC 23.18.010(C) and (D). The pending rezone would
11 simply change the zoning classification from one type of medium-density residential zoning
12 to another, permitting construction of the proposed, small-duplexes on relatively small
13 7,000 square foot lots.

14 ***General findings.***

15 17. The requested rezone bears a substantial relationship to the public health, safety,
16 and general welfare. It allows for development of additional, affordable housing choices
17 for seniors and it promotes infill housing on a vacant, flat parcel that is already served by a
18 full-range of public services, including adequate utilities, roads, and sidewalks.

19 18. The requested rezone is appropriate in the context of adjacent properties,
20 particularly evidence that shows demand for affordable housing options for seniors living in
21 the Richland area. The requested rezone will allow for small-unit duplexes on small 7,000
22 square foot lots that the applicant plans to create on the site, which would not be possible
23 under the R-2 zone that was initially adopted for the site.

24 19. The Development Services Manager's Staff Report includes a number of specific
25 findings and explanations that establish how the underlying application satisfies provisions
26 of applicable law and is consistent with the city's Comprehensive Plan and zoning
regulations. Except as modified in this Recommendation, all Findings contained in the
Staff Report are incorporated herein by reference as Findings of the undersigned-hearing
examiner.

20 20. Any factual matters set forth in the foregoing or following sections of this
21 Recommendation are hereby adopted by the Hearing Examiner as findings of fact, and
22 incorporated into this section as such.

23
24 **FINDINGS OF FACT, CONCLUSIONS AND**
25 **RECOMMENDATION RE: LUTHER SENIOR**
26 **CENTER'S REZONE APPLICATION TO CHANGE**
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VI. CONCLUSIONS.

Based upon the record, and the Findings set forth above, the Examiner issues the following Conclusions:

1. The applicant has met its burden to demonstrate that the requested rezone conforms to, and in fact implements objectives of, the City's Comprehensive Plan. *Findings; Staff Report, at pages 3-4.*

2. The applicant has met its burden to demonstrate that the requested rezone bears a substantial relationship to the public health, safety, or welfare.

3. The Staff Report and testimony on the record demonstrate that the proposed rezone will not require new public facilities and that there is capacity within the transportation network, the utility system, and other public services, to accommodate the relatively small, and limited number (four) additional housing units such as that envisioned for the rezone site. The rezoned property can provide for an appropriate level of affordable, duplex, residential development in a manner that is compatible with the character of the existing uses and zoning districts surrounding the property.

4. The rezoned site will not be materially detrimental to uses or property in the immediate vicinity of the subject property

5. The rezone supports Richland's commitment to encourage small lot development that contributes to production of affordable housing and duplex dwellings, consistent with the purpose of the R-2S zoning district

6. As in all dynamic urban areas, circumstances in the area of the rezone site have, and will continue to change, from those in existence when the original R-2 zoning was adopted for the site. The rezone will accommodate the changed circumstance where current demand for affordable senior housing options warrants small-lot infill development projects that can provide small residential units, that can be built at lower cost, and offered for rent at more affordable rates in a R-2S zone than could be achieved with larger lots and more restrictive dimensional standards imposed by the current R-2 zone.

7. While the pending rezone application is categorically exempt from formal SEPA review, the record demonstrates that the potential for adverse impacts is very unlikely. And, despite the ample public notice issued for the application, no one spoke or submitted any written comments opposing the pending rezone request.

FINDINGS OF FACT, CONCLUSIONS AND
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1 8. As required by RMC 19.50.010(C), the record includes staff assurances that the
2 transportation system is sufficient to accommodate the type of development envisioned
3 with the proposed rezone. The site visit to the area confirms that the road and sidewalk
4 network is fully functional, and no transportation concurrency problems should arise as a
result of the four, relatively small one-bedroom residential units, that the proposed property
use and development agreement will facilitate.

5 9. Based on the record, the applicant demonstrated its rezone application merits
6 approval, meeting its burden of proof imposed by RMC 19.60.060.

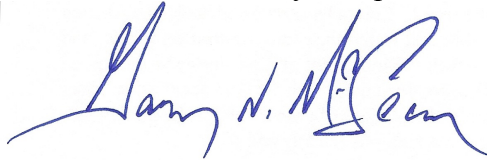
7 10. Approval of this rezone will not and does not constitute, nor does it imply any
8 expectation of, approval of any permit or subsequent reviews that may be required for
development or other regulated activities on the site of the subject rezone.

9 11. Any finding or other statement contained in this Recommendation that is deemed to
10 be a Conclusion is hereby adopted as such and incorporated by reference.

11 **VII. RECOMMENDATION.**

12
13 Based upon the preceding Findings and Conclusions, the Hearing Examiner
14 recommends that Luther Senior Center's application to rezone its vacant .32-acre site
15 located at 1925 Luther Place from R-2 to R-2S, should be **APPROVED**, subject to the
terms and conditions set forth in the proposed Property Use and Development Agreement
included in the Record as Exhibit 5.

16
17 ISSUED this 6th Day of April, 2016

18
19 

20
21 _____
Gary N. McLean
Hearing Examiner

22
23
24 FINDINGS OF FACT, CONCLUSIONS AND
25 RECOMMENDATION RE: LUTHER SENIOR
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**CITY OF RICHLAND DEVELOPMENT SERVICES DIVISION
STAFF REPORT TO THE HEARING EXAMINER**

GENERAL INFORMATION:

PROPOSAL NAME: Luther Senior Center Rezone

LOCATION: 1925 Luther Place

APPLICANT: Luther Senior Center

FILE NO.: Z2016-100

DESCRIPTION: Request to change zoning on .32 acres from R-2 Medium Density Residential to R2-S Medium Density Residential Small Lot

PROJECT TYPE: Type 3 Site-specific rezone

HEARING DATE: March 24, 2016

REPORT BY: Rick Simon, Development Services Manager

RECOMMENDED
ACTION: Approval, with conditions.



Figure 1 - Vicinity Map

(site outlined in red)

DESCRIPTION OF PROPOSAL

The applicants, the Luther Senior Center, are the owners of the subject property, and have filed a rezone request to change the zoning on a .32 acre site from R-2 Medium Density Residential to R-2S Medium Density Residential Small Lot. The applicants have indicated that they intend to subdivide the property into two 7,000 square foot lots and construct small duplexes on each of the lots. Refer to the attached application and site plan.

SITE DESCRIPTION & ADJACENT LAND USES

The site is flat, vacant land, measuring approximately 104 feet by 135 feet.

The site is part of the larger Luther Senior Center ownership, which includes the adjoining properties to the north, west and south west. All of these properties are developed with multi-family units and are managed as low income senior housing. Adjacent property to the south and property across Luther Place to the east are developed with duplexes on individual lots. There are no single family residences located on Luther Place.

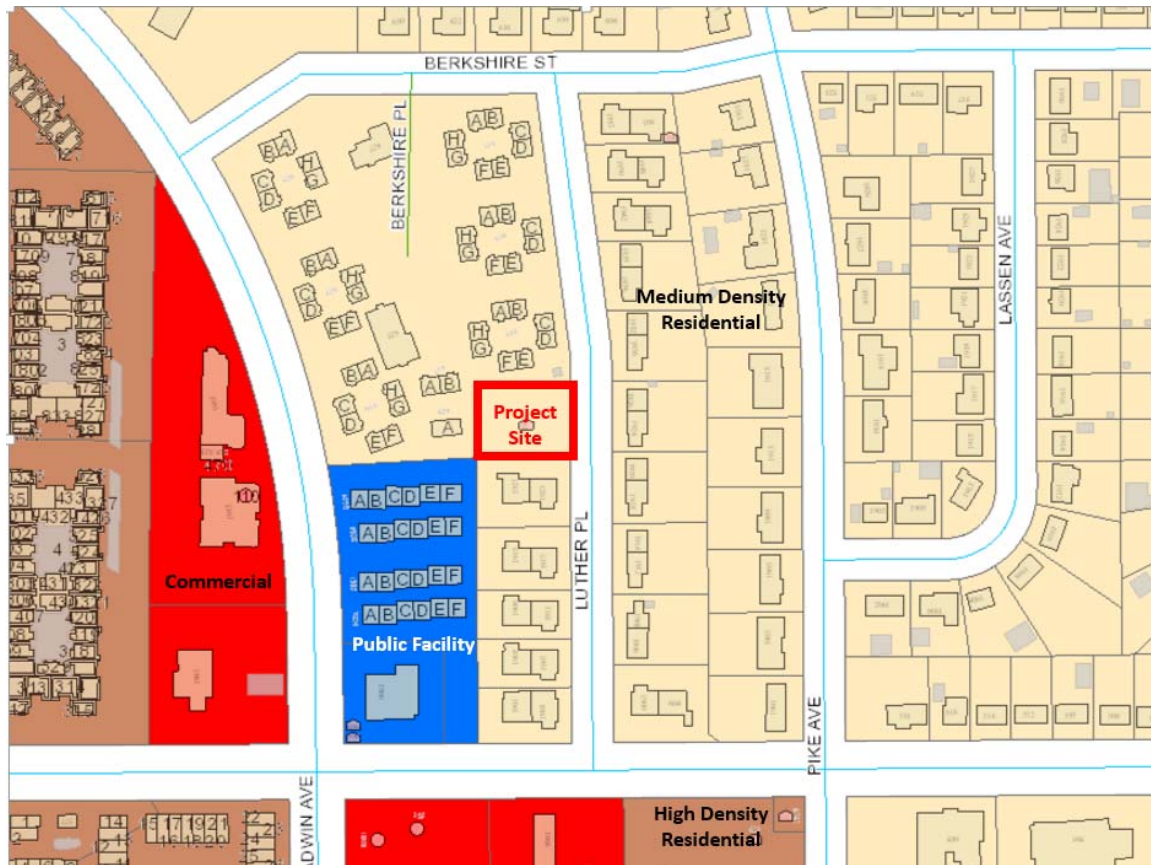


Figure 2 – Comprehensive Plan Map

COMPREHENSIVE PLAN

The City's comprehensive plan designates the site as suitable for medium density land uses, at densities ranging from 5 to 10 units per acre. Land use goal #4 states: *"The City will establish a broad range of residential land use designations to accommodate a variety of lifestyles and housing opportunities."*

Policies within this goal are as follows:

Policy 1 – the City will provide a balanced distribution of residential uses and densities throughout the urban growth area.

Policy 2 – The City will encourage residential densification through its land use regulations.

Policy 3 – The City will encourage innovated and non-traditional residential development through expanded use of planned unit developments, density bonuses and multi-use developments.

Under the City's Housing element of the comprehensive plan, Goal #2 states: *"Provide a range of housing types for all economic segments of the Richland Community."*

Policies within that goal state:

Policy 1 - Through the comprehensive plan, zoning code, and subdivision code, allow for a variety of housing types and lot configurations including multi-family housing, mixed use development, cluster development, live/work housing, accessory dwelling units, single room occupancy units, zero lot line and similar subdivisions, planned unit development, and non-traditional housing forms such as group homes as alternative means of accommodating residential growth and providing affordable housing options.

a - Allow for a variety of lot sizes in low density residential districts.

b - Allow and encourage a range of housing choices for seniors and special needs households, such as independent living, various degrees of assisted living, and skilled nursing care facilities. Strive to locate new housing along transit routes and near retail and professional service areas.

Policy 2 - Promote higher density and infill housing located near transportation links.

Policy 3 - Allow the use of modular housing, conforming to the standards of the State of Washington building and energy codes, and manufactured housing, built to standards established by the United States Department of Housing and Urban Development. Modular and manufactured houses shall be permitted on individual lots in any land use zone where residential uses are permitted.

Policy 4 - Promote and foster, where appropriate, innovative and non-traditional housing types.

EXISTING ZONING

Properties adjacent to the project site and along Luther Place are zoned R-2 Medium Density Residential. Properties to the southwest are zoned C-LB Commercial Limited Business. The C-LB zone is primarily intended for multi-family housing and office uses.



Figure 3 – Zoning Map

The stated purposes of the R-2 and R2-S zones (as set forth in RMC 23.18.010) are as follows:

The medium-density residential (R-2) is a residential zone classification permitting a higher density of population including the establishment of duplex dwellings and providing for these single- and two-family residences a high degree of protection from hazards, objectionable influences, building congestion and lack of light, air and privacy. Certain essential and compatible public service facilities and institutions are permitted in this district. This zoning classification is intended to be applied to some portions of the city that are designated medium-density residential (5.1 to 10 dwellings per acre) under the city of Richland comprehensive plan.

The medium-density residential small lot (R-2S) is a residential zone classification permitting a higher density of population, encouraging small lot development conducive to energy conservation and to other factors contributing to the production of affordable housing, and including the establishment of duplex dwellings and providing for these one- and two-family residences a high degree of protection from hazards,

objectionable influences, building congestion and lack of light, air and privacy. Certain essential and compatible public service facilities and institutions are permitted in this district. This zoning classification is intended to be applied to some portions of the city that are designated medium-density residential (5.1 to 10 dwellings per acre) under the city of Richland comprehensive plan.

The two zones are similar in terms of the types of uses that are permitted, as both allow for single family and duplex dwellings. However, there are some differences in the dimensional requirements associated with the existing and proposed zone, as shown in the following table:

Zoning	Proposed R2-S	Existing R-2
STANDARD	REQUIRED/ALLOWED	REQUIRED/ALLOWED
Min. Lot Area – Single Family	4,000 square feet	6,000 square feet
Min. Lot Area – Duplex	7,000 square feet	10,000 square feet
Max. Lot Coverage	50%	40%
Building Setbacks		
Front	15/18 ft.*	20 ft.
Side(s)	6 ft.	6 ft.
Rear	20 ft.	25 ft.
Building Height	30 ft.	30 ft.

*Not less than 15 feet in front of living areas and not less than 18 feet in front of all other areas

Table 1 – Comparison of R-2 & R-2S Dimensional Standards

PUBLIC NOTICE

Application Date:	February 10, 2016
Notice of Application & Hearing Mailed:	February 25, 2016
Notice of Application & Hearing Published:	February 27, 2016
Notice of Application & Hearing Posted:	March 9, 2016
Public Hearing:	March 24, 2016

Notice of application and notice of hearing was provided through posting of the property, mailing of notice to property owners within 300 feet of the site and publication in the *Tri-City Herald* newspaper. Copies of the notices and affidavits are included in Exhibit 4. As of the date of this report, no comments were received from the public.

UTILITY AVAILABILITY

Sewer and water mains are located within the Luther Place right-of-way located adjacent to the subject property. There is an existing fire hydrant adjacent to the site. Electrical service lines currently run along the western property boundary. All utility services are adequate to serve the proposed level of development.

TRANSPORTATION

Luther Place is classified as a local street in the City's Transportation Plan. It is a fully completed street, with curbs, gutters and sidewalks.

SEPA

No environmental review was conducted as part of this rezone application, based on the categorical exemption in WAC 197-11-800(6) (c) which provides for exemptions under the following circumstances:

Where an exempt project requires a rezone, the rezone is exempt only if:

- (i) The project is in an urban growth area in a city or county planning under RCW 36.70A.040;*
- (ii) The proposed rezone is consistent with and does not require an amendment to the comprehensive plan; and*
- (iii) The applicable comprehensive plan was previously subjected to environmental review and analysis through an EIS under the requirements of this chapter prior to adoption; and the EIS adequately addressed the environmental impacts of the rezone.*

In this case, the proposed project is located with the City and within Richland's urban growth area; the proposed action is consistent with the City's comprehensive plan; and the City's comprehensive plan was analyzed through the preparation of an environmental impact statement at the time of the plan's initial adoption in 1997.

ANALYSIS

The subject site is designated as medium density residential under the comprehensive plan. The City zoning code includes two zoning districts which would be consistent with the medium density residential comprehensive plan designation including both the existing R-2 zone and the proposed R-2S zone.

The R-2S zone allows smaller lot sizes, a duplex lot in the R-2S zone requires only 7,000 square feet, as opposed to the 10,000 square feet required in the R-2 zone. The applicants have indicated an intention to divide the subject site into two 7,000 square foot lots and build one-bedroom duplex units on each of the lots for low income seniors.

While the proposed rezone would provide for additional dwellings units above what is allowed under the current zoning, the relative small size of the units would tend to limit the impacts of this additional development. Additionally, the subject site is located in an area where numerous duplexes and multi-family, low income senior housing already exists. If approved, the applicants would be able to construct two additional units of low income senior housing. This would be consistent with policies in the comprehensive plan which speak to providing for a variety of lot sizes; encouraging a range of housing choices for seniors and special needs households and providing a range of housing for all economic segments of the community.

FINDINGS AND CONCLUSIONS

Staff has completed its review of the request for a change in zoning (Z2016-100) and recommends approval of the request subject to a property use and development agreement that would limit future development of the site to low income senior housing. This recommendation is based on the following:

1. The City of Richland Comprehensive Plan designates the subject site as suitable for medium density residential land uses;
2. Medium density residential development of the site, whether zoned R-2 Medium Density Residential or R-2S Medium Density Residential Small Lot is consistent with the intent of the comprehensive plan;
3. City water and sewer mains are immediately adjacent to the site and have adequate capacity to serve future development of the site;
4. The local street system that serves the project site has capacity to support the limited future development of the site that would be possible if the requested rezone were approved;
5. The applicant has signaled an intent to divide the property into two lots and then to construct two duplexes on the site for low income senior housing;
6. The subject property is immediately adjacent to an existing low income senior housing multi-family property and is also located on Luther Place, a local street that is developed with duplex dwellings;

7. A property use and development agreement entered into between the City and the applicant would restrict the future development of the subject site to low income senior housing and in so doing would advance housing goal #2 of the comprehensive plan by providing additional affordable housing for seniors;
8. The project is exempt from the provisions of the State Environmental Policy Act, as identified in WAC 197-11-800(6) (c); and
9. Based on the above findings and conclusions, approval of the zone change request would be in the best interest of the community of Richland.

EXHIBIT LIST

1. Application Form
2. Site Plan
3. Site Photos
4. Public Notices
5. Proposed Property Use and Development Agreement

Planning & Development Services Division • Current Planning Section
840 Northgate Drive • Richland, WA 99352
General Information: 509/942-7794 • Fax: 509/942-7764

Petition for Change of Zoning District Classification

Application is hereby made to the City of Richland for a change of zone, pursuant to Section 23.82.190 of the City of Richland Municipal Code.

The following required information must be typed or printed legibly in the appropriate spaces.

SECTION I – APPLICANT INFORMATION			
Applicant's Name: <u>Luther Senior Center</u>			
Address: <u>625 Berkshire Place</u>			
City: <u>Richland</u>	State: <u>WA</u>	Zip: <u>99352</u>	
Phone: <u>509-979-6028 Sherylene Rogers</u>	Fax:	Other and/or e-mail address: <u>Srogers@grb.com</u>	
Please check under what capacity you are filing:			
☒ Recorded owner of the property as of		☐ Purchasing under contract as of	
☐ The lessee as of		☐ The authorized agent of any of the foregoing, duly authorized in writing (written authorization must be attached to application).	
SECTION II – PROPERTY LOCATION AND GENERAL DESCRIPTION			
Street address(es) of property for which the zone change is requested, if applicable:			
<u>Vacant land facing Luther Place, part of 625 Berkshire</u>			
Relationship to adjacent streets (i.e., west of Main Street between 1 st Avenue and 2 nd Avenue):			
<u>.. ..</u>			
General description of development status (i.e., vacant, agricultural, buildings, or miscellaneous improvement):			
<u>Vacant – lawn</u>			
Size of petition area	acres and	square feet	
		<u>14,000</u>	
SECTION III - CHANGE OF ZONE REQUEST			
A change of zone from <u>R2</u>		To <u>R2S</u>	
is requested for the property described in Section II of this application.			
SECTION IV – JUSTIFICATION			
State the reason(s) for the requested change of zone:			
<u>Luther Senior Center is spinning it off, to develop two new</u>			
<u>duplexes (4 units) to serve very-low-income seniors.</u>			
<u>Must be separate from newly mortgaged existing units</u>			

[Continued

I DECLARE UNDER PENALTY OF THE PERJURY LAWS THAT THE INFORMATION I HAVE PROVIDED ON THIS FORM/APPLICATION IS TRUE, CORRECT AND COMPLETE.

DATED THIS 10 DAY OF FEB, 2016

[Signature]
Applicant's Signature

Luther Senior Center
625 Berkshire Pl

Address

Richland, WA 99354

City, State, Zip

509-979-6028

Phone

Agent - Sheryl Renee Rogers

Applicant's Signature

Address

City, State, Zip

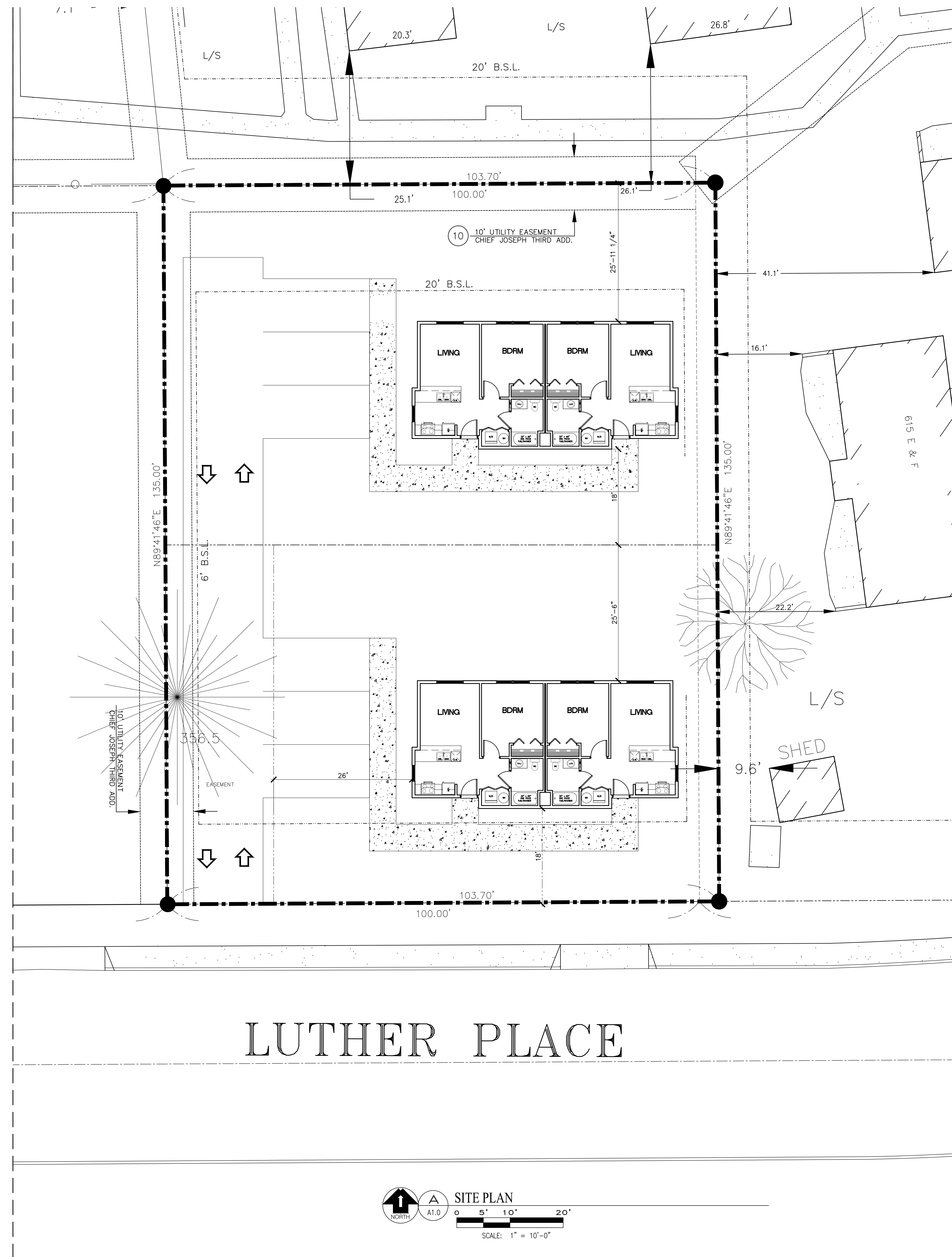
Phone

FOR OFFICE USE ONLY

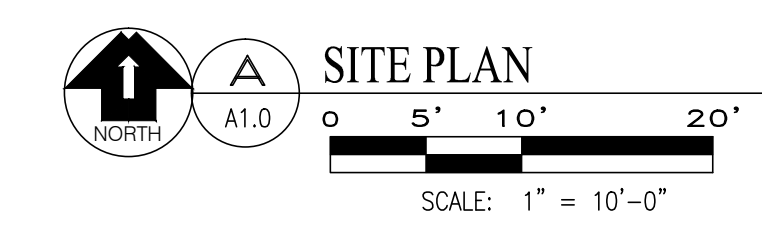
Date accepted for filing _____

Items enclosed: Filing fee and Title Insurance
Company Ownership Report showing all property
Owners of Record within 300-feet.

City Official's Signature



LUTHER PLACE



REVISIONS

PROPOSED DUPLEX SITE FOR:
LUTHER SENIOR CENTER
LUTHER PLACE, RICHLAND, WA

**WYATT ARCHITECTS
AND ASSOCIATES**

Project Manager:
L. J. S. Zenburg
PO Box 141713
Spokane Valley, WA 99214
ljs@wyattarchitects.com

SHEET TITLE:
SITE PLAN

DRAWN BY:
LJS

PROJECT:
15.29

DATE:
2/10/2016

SHEET NO.
A1.0

Z2016-100 – LUTHER SENIOR CENTER REZONE



Photo Taken from Luther Place Looking Northwest

Source: Google Maps

Z2016-100 LUTHER SENIOR CENTER REZONE



Photo Taken from Luther Place Looking West

Source: Google Maps

Z2016-100 LUTHER SENIOR CENTER REZONE



Photo Taken from Luther Place Looking South

Source: Google Maps

Z2016-100 LUTHER SENIOR CENTER REZONE

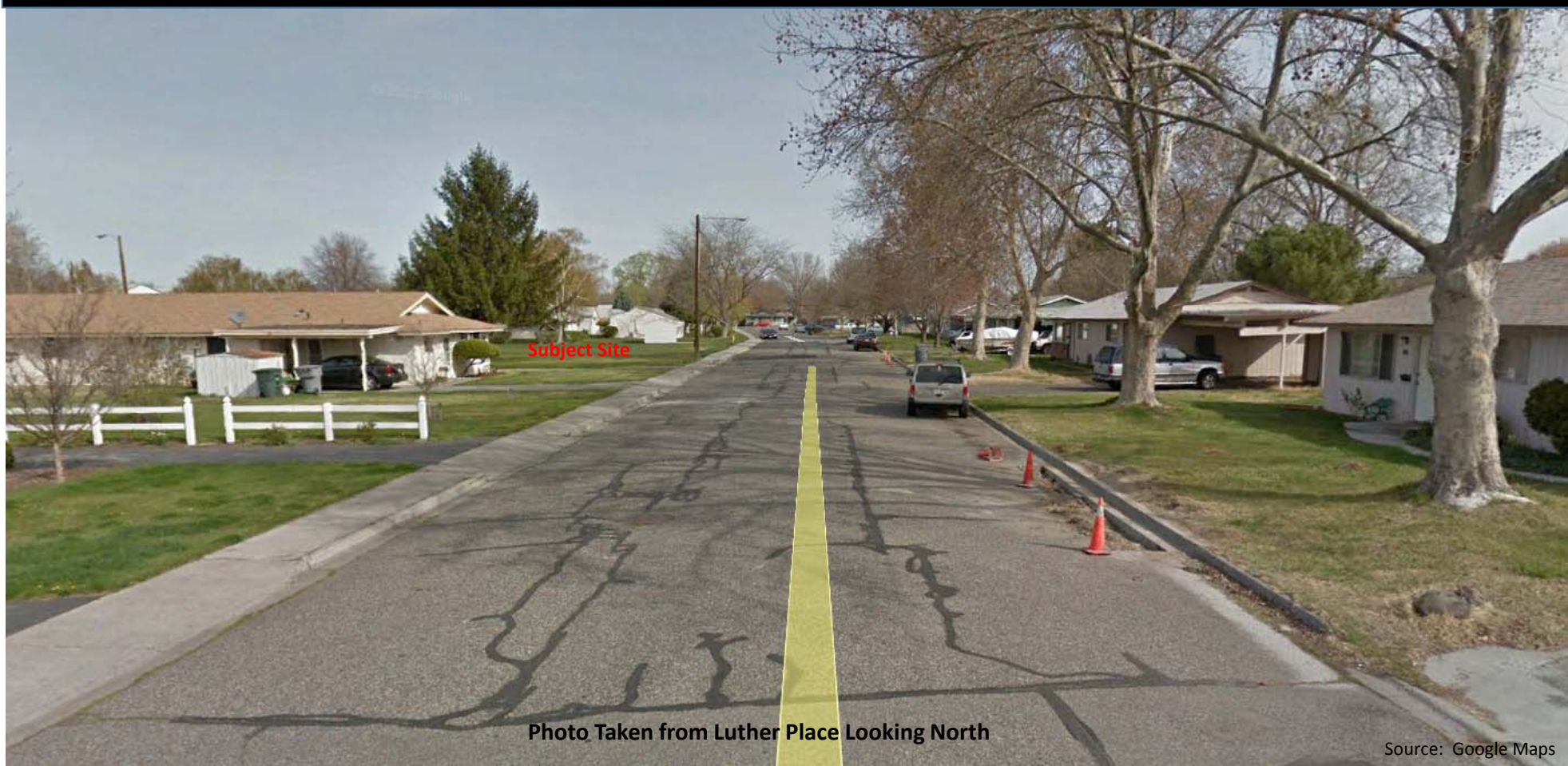


Photo Taken from Luther Place Looking North

Source: Google Maps





LEGAL PROOF OF PUBLICATION

Account #	Ad Number	Identification	PO	Amount	Cols	Lines
450543	0002296849	City of Richland Notice of Public Hearing The		\$46.96	1	19

Attention: MARCIA HOPKINS

RICHLAND CITY OF/LEGALS
PO BOX 190, MS #11
RICHLAND, WA 99352

City of Richland
Notice of Public Hearing

The Richland Hearing Examiner will conduct a public hearing on Thursday, March 24, 2016 at 8:00 p.m. in the Council Chambers, Richland City Hall, 505 Swift Boulevard to consider the following: File No: ZC2016-100. Luther Senior Center has applied to change the zoning on .32 acres from R2 Medium Density Residential to R-25 Medium Density Residential Small Lot in order to construct 2 duplexes located at 1925 Luther Place. Contact: Rick Simon, Development Services Manager, PO Box 190, MS-35, Richland, WA 99352, simon@ci.richland.wa.us #2296849 02/27/2016

001301 0074 558600
4401

AFFIDAVIT OF PUBLICATION

COUNTY OF BENTON)

SS

STATE OF WASHINGTON)

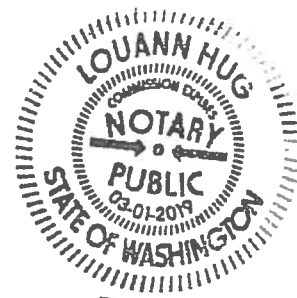
Elizabeth Salinas, being duly sworn, deposes and says, I am the Legals Clerk of The Tri-City Herald, a daily newspaper. That said newspaper is a local newspaper and has been approved as a legal newspaper by order of the superior court in the county in which it is published and it is now and has been for more than six months prior to the date of the publications hereinafter referred to, published continually as a daily newspaper in Benton County, Washington. That the attached is a true copy as it was printed in the regular and entire issue of the Tri-City Herald and not in a supplement thereof, ran 1 time(s) commencing on 02/27/2016, and ending on 02/27/2016, and that said newspaper was regularly distributed to its subscribers during all of this period.

Elizabeth Salinas
(Signature of Legals Clerk)

SUBSCRIBED AND SWORN BEFORE ME
THIS 29th DAY OF February, 2016

Louann Hug
Notary Public in and for the State of Washington
residing in Benton County

COMMISSION EXPIRES: 3/1/2019



AFFIDAVIT OF POSTING

STATE OF WASHINGTON)
) ss.
COUNTY OF BENTON)

COMES NOW, **Shane O'Neill**, who, being first duly sworn upon oath deposes and says:

1. I am an employee in the Planning & Development Department for the City of Richland.

2. On the 7 th day of March, 2016, I posted the attached NOTICE OF PUBLIC HEARING, File Number Z2016-100 on the property at:

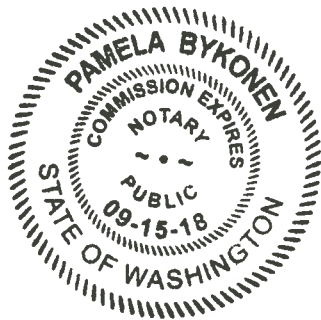
625 BERKSHIRE PLACE

PIN #1-35083060003001



Print Name: Shane O'Neill

SIGNED AND SWORN to before me this 15TH day of MARCH, 2016 by SHANE O'NEILL.




Notary Public in and for the State of Washington,
Residing at PASCO, WA
My appointment expires: 9-15-18

AFFIDAVIT OF MAILING

STATE OF WASHINGTON)
) ss.
COUNTY OF BENTON)

COMES NOW, Rick Simon, who, being first duly sworn upon oath deposes and says:

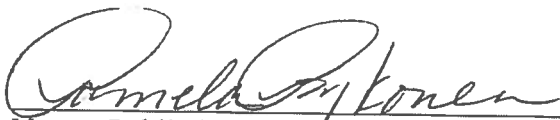
1. I am an employee in the Planning & Development Department for the City of Richland.
2. On the 25th day of February, 2016, I mailed a copy of the attached NOTICE OF APPLICATION and PUBLIC HEARING, File No. ZC2016-100, to the attached list of individuals via REGULAR US mail on the date indicated above.



Print Name: RICK SIMON

SIGNED AND SWORN to before me this 25th day of February, 20 16 by RICK SIMON.




Notary Public in and for the State of Washington,
Residing at Pasco, WA 99301
My appointment expires: 9-15-18

CITY OF RICHLAND

NOTICE OF APPLICATION

AND PUBLIC HEARING (ZC2016-100)

Notice is hereby given that the Luther Senior Center, on February 10, 2016 filed application to change zoning on a .32 acre property from R-2 Medium Density Residential to R-2S Medium Density Residential Small Lot, with the intention of building two duplexes on the site, which is located at 1925 Luther Place.

Any person desiring to express his views or to be notified of any decisions pertaining to this application should notify Rick Simon, Development Services Manager, 840 Northgate Avenue, P.O. Box 190, Richland, WA 99352. Comments may also be faxed to (509) 942-7764 or e-mailed to rsimon@ci.richland.wa.us.

The Richland Hearing Examiner, on Thursday, March 24, 2015, will conduct a public hearing and review of the application at 6:00 p.m. in the Council Chamber at the Richland City Hall, 505 Swift Boulevard. All interested parties are invited to attend and give testimony at the public hearing.

The proposed application will be reviewed in accordance with the regulations in RMC Title 19 Development Regulation Administration and RMC Title 23 Zoning. Appeal procedures of decisions related to the above referenced application are set forth in RMC Chapter 19.70. Contact the Richland Development Services Division at the above referenced address with questions related to the available appeal process.

Rick Simon,
Development Services Manager



VARIANCE REPORT
Issued by
CHICAGO TITLE INSURANCE COMPANY
6416 W. Okanogan Ave.
Kennewick, WA 99336
Phone # (509)783-7833
Fax # (509)735-6297

To: Goodale & Barbieri Company

Attention: Sheryldene Rogers

Refer to: LUTHER SENIOR CENTER

Dated: January 20, 2016 at 08:00 AM

The following are the owners within a 300 foot radius of the following described property:

Lot 7, Block 3, Chief Joseph Third Addition, according to the plat thereof recorded in Volume 8 of Plats, Page 99, records of Benton County, Washington.

Owner:

Luther Senior Center Inc., a Washington Corporation
818 W. Riverside Ave Ste 300, Spokane, WA 99201

Tax Parcel No. 1-3508-306-0003-007

SURROUNDING PROPERTIES:

1. Owner: Jadwin Professional Building, LLC
Parcel No.: 1-3508-302-0901-006
Address: 1933 Jadwin Ave, Richland, WA 99354
2. Owner: Everett A. Weakley and Eileen K. Weakley
Parcel No.: 1-3508-305-0002-002
Address: 1903 Pike Ave, Richland, WA 99354
3. Owner: Georgia D. Dean
Parcel No.: 1-3508-305-0002-003
Address: 1905 Pike Ave, Richland, WA 99354
4. Owner: Carol B. Roberts
Parcel No.: 1-3508-305-0002-004
Address: 1909 Pike Ave, Richland, WA 99354
5. Owner: James B. Miller
Parcel No.: 1-3508-305-0002-005
Address: 1913 Pike Ave, Richland, WA 99354
6. Owner: Buddy D. Kelser and Cherylyn Kelser
Parcel No.: 1-3508-305-0002-006
Address: 1915 Pike Ave, Richland, WA 99354
7. Owner: Michael J Nordsten and Kathie A. Nordsten
Parcel No.: 1-3508-305-0002-007
Address: 1919 Pike Ave, Richland, WA 99354

VARIANCE REPORT

(Continued)

8. Owner: Walter E. Remsen and Faunell R. Remsen
Parcel No.: 1-3508-305-0002-008
Address: 1923 Pike Ave, Richland, WA 99354
9. Owner: Davor Kohler and Dzemila Kohler
Parcel No.: 1-3508-305-0002-009
Address: 1927 Pike Ave, Richland, WA 99354
10. Owner: David Stanley Hall and Kandice Hall
Parcel No.: 1-3508-306-0001-002
Address: 1906 Luther Place, Richland, WA 99354
11. Owner: Brian W. Pratt and Stacie R. Pratt
Parcel No.: 1-3508-306-0001-003
Address: 1912 Luther Place, Richland, WA 99354
12. Owner: Leroy M. Anderson and Marilyn Anderson
Parcel No.: 1-3508-306-0001-004
Address: 1918 Luther Place, Richland, WA 99354
13. Owner: Mujo Pilav and Sanela Pilav
Parcel No.: 1-3508-306-0001-005
Address: 1924 Luther Place, Richland, WA, 99354
14. Owner: Kevin A. Betita
Parcel No.: 1-3508-306-0001-006
Address: 1930 Luther Place, Richland, WA 99354
15. Owner: Linda C. King
Parcel No.: 1-3508-306-0001-007
Address: 1936 Luther Place, Richland, WA 99354
16. Owner: Richard D. Williams
Parcel No.: 1-13508-306-0001-008
Address: 1942 Luther Place, Richland, WA 99354
17. Owner: Rodolfo Cartagena
Parcel No.: 1-3508-306-0001-010
Address: 1948 Luther Place, Richland, WA 99354
18. Owner: Luther Senior Center
Parcel No.: 1-3508-306-0003-001
Address: 625 Berkshire Street, Richland, WA 99354
19. Owner: Shalom Ecumenical Center
Parcel No.: 1-3508-306-0003-004
Address: 1905 Luther Place, Richland, WA 99354
20. Owner: Bruce K. Simanton and Lorina M> Simanton
Parcel No.: 1-3508-306-0003-005
Address: 1909 Luther Place, Richland, WA 99354
21. Owner: Dale W. Ragain and Opal R. Ragain, Trustees
Parcel No.: 1-3508-306-0003-006
Address: 1921 Luther Place, Richland, WA 99354

VARIANCE REPORT
(Continued)

- 22. Owner: Donald C. Smith and Sandra J. Smith
Parcel No.: 1-3508-306-0003-008
Address: 1915 Luther Place, Richland, WA 99354
- 23. Owner: City of Richland
Parcel No.: 1-3508-306-0003-009
Address: 1900 Jadwin Ave, Richland, WA 99354
- 24. Owner: Luther Senior Center
Parcel No.: 1-3508-306-0003-009
Address: 818 W. Riverside Ave Ste 300, Spokane, WA 99201

PROPERTY USE AND DEVELOPMENT AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 2016,
by and between the CITY OF RICHLAND and Luther Senior Center (Petitioner).

W-I-T-N-E-S-S-E-T-H:

WHEREAS, the City of Richland is currently entertaining an application by the Luther Senior Center, (hereinafter "Petitioner") for a change of zone covering a .32 acre site located at 625 Luther Place (hereinafter "Property") and more particularly described in Ordinance No. _____.

NOW, THEREFORE, it is agreed that if the subject Property is rezoned from R2 – Medium Density Residential to R2-S - Single Family Residential Small Lot. Petitioner for himself and for and on behalf of his heirs, successors and assigns, covenants and agrees as follows:

1. Development of the subject property shall consist of two duplexes designed for low income seniors. Each of the duplex units shall contain only one bedroom.
2. For the purpose of this agreement, 'low income' refers to individuals who are at 80% or less of the area median income.
3. For the purposes of this agreement, 'senior' refers to individuals who are 55 years of age or older.
4. This agreement obligates the Petitioner for the construction of duplexes designed for low income seniors. The agreement shall be fulfilled at the time that construction of the duplexes is complete. There is no obligation on the part of the Petitioner and no obligation on the part of the City to monitor the income and/or age of the individuals residing within the duplexes over time.

This agreement shall be placed of record and the terms and conditions thereof shall be a covenant running with the land and included in each deed and real estate contract executed by Petitioners with respect to the subject Property or any part thereof,

until such time as the terms of the agreement are fulfilled. The City of Richland shall be deemed a beneficiary of this covenant without regard to whether it owns any land or interest therein in the locality of the subject Property and shall have the right to enforce this covenant in any court of competent jurisdiction.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

CITY OF RICHLAND

Cindy Reents
City Manager

Gary A. Wubb
Petitioner

APPROVED AS TO FORM:

Heather Kintzley
City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Ordinances - Second Reading/Passage

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Ordinance No. 16-16, Proposed Increase in Appropriation of the General Fund From Acceptance of the WASPC Traffic Safety Equipment Grant

Department:

Police Services

Ordinance/Resolution Number:

16-16

Document Type:

Ordinance

Recommended Motion:

Give second reading and pass Ordinance No. 16-16, authorizing additional appropriations from Washington Association of Sheriffs and Police Chiefs Traffic Safety Grant for the purpose of purchasing traffic Lidar units.

Summary:

Richland Police Department was given authority to apply for the Washington Association of Sheriffs and Police Chiefs Traffic Safety Equipment Grant in December 2015.

WASPC awarded the Richland Police Department \$15,114 to be used toward the purchase of six (6) SpeedLaser S ruggedized traffic Lidar units.

Ordinance No. 16-16 is necessary in order to increase the general fund to reflect receipt of the grant award. First reading of Ordinance No. 16-16 occurred at the April 5, 2016 Council meeting.

Fiscal Impact:

Appropriations will increase by \$15,114 in the General Funds. The increase in appropriations will be offset by additional revenue from the WASPC Traffic Safety Equipment Grant.

Attachments:

1. WASPC Grant Letter
2. Ordinance No. 16-16

WASHINGTON ASSOCIATION OF SHERIFFS & POLICE CHIEFS

3060 Willamette Drive NE Lacey, WA 98516 ~ Phone: (360) 486-2380 ~ Fax: (360) 486-2381 ~ Website: www.waspc.org

Serving the Law Enforcement Community and the Citizens of Washington

January 29, 2016

Chief Chris Skinner
Richland Police Department
871 George Washington Way
Richland, WA 99352



RECEIVED FEB - 2 2016

Dear Chief Skinner,

Thank you for applying for a WASPC Traffic Safety Equipment Grant. We are pleased to inform you that your agency has been approved to receive \$15,114 to purchase the following equipment: (6) Lidar at \$2,519 per unit.

The Federal Identification number for this grant is **CFDA# 20.600**. Invoices must be submitted to WASPC no later than May 2, 2016. Any invoices not received by the deadline will not be reimbursed and the award money will be forfeited. ***Please note: WASPC is responsible for the amount of your grant award only. Any expense in excess of the grant award must be paid by your agency.***

A report is required for the Traffic Safety Equipment Grant funds awarded to your department. The 2015-2016 Traffic Safety Equipment Grant reports are due by October 15, 2016. **Failure to report will result in denial of 2016 – 2017 grant funds.** Your agency is responsible for subscribing to the following commitments:

- Support statewide/national traffic safety initiatives, projects, and programs
- Report grant results to WASPC in a timely manner
- Subscribe and commit to aggressive traffic enforcement

Report forms and A-19 reimbursement forms can be found at www.waspc.org/traffic-safety.

Thank you for your dedication to traffic safety in the State of Washington. If you have any questions please contact Nancy Morris at (360) 486-2387. If you would like more information regarding state or federal traffic safety grant funding, please contact the Washington Traffic Safety Commission at (360) 725-9896.

Sincerely,

Mitch Barker
Executive Director

President
CASEY SALISBURY
Sheriff—Mason County

President Elect
KEN HOHENBERG
Chief—Kennewick

Vice President
BRIAN BURNETT
Sheriff—Chelan County

Past President
ED HOLMES
Chief—Mercer Island

Treasurer
KEN THOMAS
Chief—Kent

DUSTY PIERPOINT
Chief—Lacey

BONNIE BOWERS
Chief—Anacortes

Executive Board
STEVE STRACHAN
Chief—Bremerton

MARK NELSON
Sheriff—Cowlitz County

JOHN TURNER
Sheriff—Walla Walla County

JOHN SNAZA
Sheriff—Thurston County

MARK COUEY
Director—OIC
Special Investigations Unit

JOHN BATISTE
Chief—WA State Patrol

FRANK MONTROYA, JR.
SAC—FBI, Seattle

MITCH BARKER
Executive Director

ORDINANCE NO. 16-16

AN ORDINANCE of the City of Richland amending the 2016 Budget for additional appropriations in the General Fund.

WHEREAS, on November 17, 2015, the Richland City Council passed Ordinance No. 74-15 approving the 2016 Budget; and

WHEREAS, December 1, 2015, the Richland City Council passed Resolution No. 217-15 authorizing a designee of the Richland Police Department to make formal application to the Washington Association of Sheriffs and Police Chiefs Traffic Safety Equipment grant; and

WHEREAS, the Richland Police Department was awarded \$15,114 for the purchase of six (6) SpeedLaser S ruggedized traffic Lidar units.

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

Section 1. Amendment of the 2016 Budget. The 2016 Budget is hereby amended to provide additional appropriations in the General Fund from new grant revenue as follows:

General Fund

Current Appropriation: \$ 50,037,520

Increase in Appropriation: \$ 15,114

Amended Appropriation: \$ 50,052,664

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

PASSED by the City Council of the City of Richland, at a regular meeting on the _____ day of _____ 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney

Date Published: _____



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Key 2 - Infrastructure & Facilities

Subject:

Resolution No. 14-16, Authorizing an Agreement with UtiliWorks Consulting, LLC for Phase 2 Advanced Metering Infrastructure Planning

Department:

Energy Services

Ordinance/Resolution Number:

14-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 14-16, authorizing the City Manager to sign and execute an agreement with UtiliWorks Consulting, LLC for Phase 2 of Advanced Metering Infrastructure planning.

Summary:

The Energy Services Department (RES) has been leading an effort to evaluate the business effectiveness for a Smart Grid system. An initial baseline Smart Grid assessment and plan design was completed by Utiliworks Consulting, LLC on May 23, 2014. The deliverable was presented to Council on June 24, 2014, with a positive business case for proceeding with an electric, water, or combined electric/water Smart Grid system.

An update on the Smart Grid effort was presented to the Utility Advisory Committee on January 12, 2016, with support for proceeding to a detail design, requirements identification, integration plan, and Advanced Metering Infrastructure (AMI) Request for Proposal (RFP) development.

Additionally, an internal multi-departmental Smart Grid team with representation from Public Works, Information Technology, Administrative Services and RES has reviewed the assessment and supports proceeding with the Phase 2 scope of work for a combined electric /water AMI project planning and RFP development.

Staff recommends Council approve Resolution No. 14-16.

Fiscal Impact:

The contract costs is \$211,044 with travel costs not to exceed an additional \$18,000. This expense has been approved in the Energy Services' 2016 budget for expert services.

Attachments:

1. Proposed Resolution No. 14-16
2. Proposed Contract No. 32-16
3. Contract No. 101-13 for Reference

RESOLUTION NO. 14-16

A RESOLUTION of the City of Richland authorizing execution of an agreement with UtiliWorks Consulting, LLC for Phase 2 Advanced Metering Infrastructure (AMI) project planning.

WHEREAS, the City of Richland selected UtiliWorks Consulting, LLC (UtiliWorks) in 2013 as the best qualified to provide the Smart Grid assessment and consulting services based upon submittal as part of an RFP selection process; and

WHEREAS, UtiliWorks has used a phased approach for Smart Grid assistance from assessment through implementation; and

WHEREAS, UtiliWorks, in Phase 1, provided an initial baseline Smart Grid assessment and plan design with a deliverable received on May 23, 2014, and presented the assessment to Council on June 24, 2014; and

WHEREAS, the Utility Advisory Committee was presented a Smart Grid update on January 12, 2016 and concurs with proceeding to a detail design and requirements identification, integration plan and AMI RFP development; and

WHEREAS, an internal multi-departmental Smart Grid team has reviewed and concurs with proceeding with the Phase 2 Scope of Work: AMI project planning and Request for Proposal (RFP) development.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland, the City Manager is authorized to execute and administer a consulting agreement with UtiliWorks for Advanced Metering Infrastructure (AMI) Project Planning and Request for Proposal Development and fund this capital improvement plan effort approved in the City's 2016 Budget.

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

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney



AGREEMENT BETWEEN CITY AND CONSULTANT

THIS AGREEMENT, entered into this _____ day of April , 2016 by and between the City of Richland, 505 Swift Ave., Richland, Washington, (hereinafter referred to as the "City"), and UtiliWorks Consulting, LLC, 2351 Energy Drive, Suite 1010, Baton Rouge, LA (hereinafter referred to as the "Consultant").

WITNESSETH:

1) SCOPE OF WORK

- a) The Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work as designated in this Agreement. The Consultant shall provide Advanced Metering Infrastructure (AMI) project planning and Request for Proposals (RFP) development services for the Phase 2 Smart Grid AMI/MDMS RFP Development.
- b) The following exhibit(s) are attached hereto and made a part of this Agreement:
 - (i) Exhibit A - Scope of Work
 - (ii) Exhibit B – 2013 Master Scope of SmartGrid Project
- c) This Agreement consists of this Agreement, the above referenced Exhibit(s) 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:
 - (i) City of Richland Agreement No. 32-16
 - (ii) Exhibit A: Scope of Work
 - (iii) Contract No. 101-13 dated September 9, 2013
 - (iv) Request for Proposal No.13-18 dated May 6, 2013

2) GENERAL REQUIREMENTS

- a) The Consultant shall attend status, progress, and coordination meetings with the designated City of Richland representatives, or such federal, community, state, city or county officials, groups or individuals as may be requested by the City. If additional meetings are requested, the City will provide the Consultant sufficient notice prior to those meetings requiring Consultant participation.
- b) The Consultant shall prepare a monthly progress report if requested, in a form approved by the City, that will outline in written and/or graphical form the various phases and the order of performance of the work in sufficient details so that the progress of the work can easily be evaluated.

3) TIME FOR BEGINNING AND COMPLETION

The 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 May 31, 2017.

4) PAYMENT

- a) For services rendered under this Agreement, the City shall pay the Consultant an amount not to exceed two hundred eleven thousand forty-four dollars (\$211,044) with travel expenses not to exceed and additional eighteen thousand (\$18,000). Payment shall be made on a "time and materials" basis. Payment as identified in this section shall be full compensation for all work performed or services rendered, and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in Exhibit A: Scope of Work.
- b) 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 the 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 at the government rate, 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.
- 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) The Consultant will allow access to the City, the State of Washington, the Federal Grantor Agency, the 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 the specific contract for the purpose of making audit, examination, excerpts, and transcriptions. Unless otherwise provided, said records must be retained for three 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 contract 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

The Consultant, and any and all employees of the Consultant or other persons engaged in the performance of any work or services required of the 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 the 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 the Consultant.

6) OWNERSHIP OF DOCUMENTS

All designs, drawings, specifications, documents, reports and other work products prepared pursuant to this Agreement shall become the property of the City upon payment to the Consultant of the fees set forth in this Agreement. The City acknowledges the Consultant's plans and specifications, including all documents on electronic media, as instruments of professional services. The plans and specifications prepared under this Agreement shall become the property of the City upon completion of the services and payment in full of all payment due to the Consultant. The City may make or permit to be made any modifications to the plans and specifications without the prior written authorization of the Consultant. The City agrees to waive any claim against the Consultant arising from any unauthorized reuse of the plans and specifications, and to indemnify and hold the Consultant harmless from any claim, liability or cost arising out of any reuse of the plans and specifications by the City or its agent not authorized by the 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 the Consultant, the City shall be entitled to reimbursement of costs occasioned by such termination by the Consultant. In the event the City terminates this Agreement, the City shall pay the 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 the Consultant.
- b) If any work covered by this Agreement shall be suspended or abandoned by the City before the Consultant has completed the assigned work, the 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 the 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 30 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 20 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 its 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 the 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 the Consultant not resolved by negotiation between the parties may be arbitrated only by mutual agreement of the City and the Consultant. If not mutually agreed to resolve the claim by arbitration, the claim will be resolved by legal action.

10) DEBARMENT CERTIFICATION

The Consultant certifies that neither the 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, the 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

<http://www.lni.wa.gov/TradesLicensing/PrevWage/AwardingAgencies/default.asp>

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. The 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

The 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 the 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 the 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. If necessary, the policy shall be endorsed to provide contractual liability coverage.
 2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. 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.
 3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
 4. Professional Liability insurance appropriate to the Consultant's profession.
- 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 \$1,000,000 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. The Consultant's insurance coverage shall be primary insurance with respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the 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 evidencing the insurance requirements of the Consultant before commencement of the work, including, but not limited, to the additional insured endorsement.
- g) Notice of Cancellation. The 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 the 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 the 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 the Consultant from the City.

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 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 parties to the Agreement.

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
2700 Duportail Street, Bldg. 200
PO Box 190, M/S #11
Richland, WA 99352
Email: purchasing@ci.richland.wa.us
Phone: (509) 942-7710
Fax: (509) 942-7397

Contact Name:	Dale Pennington
Name of Firm:	UtiliWorks Consulting, LLC
Address:	2351 Energy Drive
Address:	Suite 1200
Address:	Baton Rouge, LA 70808
Email:	dpennington@UtiliWorks.com
Phone Number:	(225) 372-7654
Fax Number:	(504) 285-6611

18) EQUAL OPPORTUNITY AGREEMENT

The Consultant agrees that s/he 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) PARTIAL INVALIDITY

Any provision of this Agreement which is found to be invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability, and the invalidity or unenforceability of such provision shall not affect the validity or enforceability of the remaining provisions hereof.

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) 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) 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, the 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 the 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, the 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 22, Extra Work.

24) EXTRA WORK

The City may desire to have the 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.

(Signature page to follow)

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

CITY OF RICHLAND, WASHINGTON

UTILIWORKS, LLC

CYNTHIA D. REENTS, ICMA-CM
City Manager


Signature

ATTEST:

Dale Pennington, Managing Director
Print Name and Title
2351 Energy Drive, Suite 1010
Baton Rouge, LA 70808
Office Phone: 225-766-4188
Cell Phone: 631-807-4063
Fax: 225-612-6404
Email:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER D. KINTZLEY
City Attorney

EXHIBIT A

Phase 2 AMI Project Planning / Request for Proposals (RFP) Development Scope of Work Outline

Proposed Date Range: March 2016 – May 2017

Project Mobilization

- 1.1. Project Initiation
- 1.2. Project Kickoff Meeting
- 1.3. Onsite AMI Q&A with each Department – Public Works, Admin Services, Energy Services
- 1.4. Planning and Coordination with ERP Consultant
- 1.5. May 10, 2016 Onsite UAC Presentation (Cost, Scope, Schedule)
- 1.6. June 2016 Onsite with Stakeholders (Directors, UAC or Council)

-----JULY 2016 HOLD - DECISION POINT (Parallel ERP and AMI or delay AMI?)-----

Workshops/Education

- 2.1. AMI System Workshop
Disconnect/ Reconnect
On Demand Reads
Meter Asset Management
Street Light Programs (integrated with AMI Network)
- 2.2. Meter Data Management (MDM) Workshop
- 2.3. Prepay Workshop
- 2.4. Distribution Automation / Outage Management

Smart Grid Business Impacts Development

- 3.1. Business Impacts
 - 3.1.1. Staffing and Organization
 - 3.1.2. Policies
 - 3.1.3. Systems and Security
 - 3.1.4. Customers

- 3.2. Core Business Process Flows – Current State
 - 3.2.1. Meter Change Out
 - 3.2.2. Billing
 - 3.2.3. Demand Billing
 - 3.2.4. Customer Inquiry and Response
 - 3.2.5. Non-Pay Disconnect/Reconnect/Rereads
 - 3.2.6. Move in/out

Detailed Requirements Development

- 4.1. AMI / MDMS
 - 4.1.1. AMI
 - 4.1.2. MDMS
 - 4.1.3. Customer Portal
 - 4.1.4. Meter and Meter Configuration
 - 4.1.5. Systems Integration
 - 4.1.6. Installation
 - 4.1.7. Communications Backhaul
 - 4.1.8. IT Systems and Information Security

RFP Development and Vendor Evaluation

- 5.1. Draft AMI/MDMS RFP
- 5.2. November 9, 2016 Onsite Presentation

-----DECEMBER 2016 HOLD - DECISION POINT-----

- 5.3. RFP Administration
- 5.4. Proposal Evaluation & Cost Normalization
- 5.5. Vendor Shortlist Presentation & Evaluation

----- HOLD - DECISION POINT (after Shortlist Evaluation deliverable/presentation and before progressing to next task order/Award PO/Implementation) -----

Proposed Implementation Plan / Project Schedule

- 6.1. Project Management and Coordination for all above Tasks

Project Management

- 7.1. Project Management and Coordination for all above Tasks

Ad Hoc Services

8.1. Ad Hoc Services

Deliverables

Project Charter (Word Doc)

Project Kickoff Meeting (Slide Deck)

Onsite Workshops/Education Materials (Various)

Business Impacts Analysis Results (Word Doc)

Core Business Process Flows (Excel Workbook / Visio Diagrams)

Detailed AMI/MDMS Requirements (Excel Workbook)

RFP Draft Document (Word Doc)

Vendor Evaluation / Cost Normalization (Memo / Excel Workbook)

Shortlist Vendor Evaluation (Memo)

Proposed Project Schedule (Microsoft Project)

EXHIBIT B

Exhibit B is the original *Master Scope of SmartGrid Project* approved September 9, 2013, was Exhibit B of the original Contract No. 101-13, and is shown on the next pages.



Task Order Approval Worksheet

Task Order Number	Approval Date	Reference Contract
1.0	September <u>9</u> , 2013	UWC Richland MSA
Work Package Name	Work Package Description	WBS Reference
Smart Grid Assessment	Baseline Smart Grid Assessment & Plan Design	1.0
Task Cost	Expected Start Date	Expected Close Date
\$80,625 + Travel	October 1, 2013	February 15, 2014

Package Includes:

 UtiliWorks Services ☒ Owner Requirements ☐ Service Fee Applied ☐

 Subcontract ☐ Material Purchase ☐ Special Conditions ☐

Resources Assigned	Interdependencies	
TB - Todd Barlow ☒ CB - Carter Boling ☐ KF - Kalin Fuller ☒ TG - Tom Grim ☐ TH - Tisha Hayes ☒ EM - Ed Miller ☒ NN - Nicole Naassan ☒ DP - Dale Pennington ☒ NP - Nicole Pennington ☒ KS - Kody Salem ☒	<i>Before</i> N.A.	<i>After</i> Task 2.0: Procurement

Task Scope Summary:

 UtiliWorks will provide the following services associated with **Task Order 1** – Smart Grid Assessment and Plan Design:

Task Name
Task 1 – Project Kickoff and Data Gathering
Task 2 – Goals & Objectives Development
Task 3 – Current State Definition
Task 4 – Requirements Definition
Task 5 – Operational Impacts Analysis
Task 6 – Conceptual Migration Plan
HOLD POINT FOR PLAN DESIGN REVIEW AND UAC PRESENTATION
Task 7 – Final Smart Grid Plan Development
Project Management

Each of the above tasks is described in more detail in the attached Scope of Work.

Final Deliverables

- *Strategic Utility Smart Grid Assessment and Migration Plan Report and onsite presentation*

Schedule of Values:

The cost for the Smart Grid Assessment is a fixed fee of \$80,625 plus travel expenses estimated at \$15,000 (\$1,500/trip, 10 trips). Assuming an October 1, 2013 start, UtiliWorks will invoice Richland monthly per the following table of values:

Bill Period	Price
Oct 2013	\$ 20,000.00
Nov 2013	\$ 20,000.00
Dec 2013	\$ 20,000.00
Jan 2014	\$ 20,625.00

Travel expenses will be billed monthly at cost.

Delivered by TAB Barlow
UtiliWorks Consulting LLC TODD A Barlow

Date 8-12-2013

Approved by C. Gamm
City of Richland, Washington HOK

Date 9/2/13

Task Order 1 – Smart Grid Assessment and Plan Design

Scope of Work

Phase 1: Smart Grid Assessment and Plan Design

This Scope of Work (SOW) is to document the services UtiliWorks (UWC) will provide the City of Richland (City or Richland) underlying the Smart Grid Assessment and Plan Development phase of this project.

Assumptions

- The City project team members will be required to provide subject matter expertise for his or her respective functions and actively participate in the project. The project team will consist of resources appointed by the City.
- The City agrees to provide the UWC project team with online, interactive access capability as well as workspace for consultants while on-site
- Work will be performed by UWC resources either on-site or off-site in the completion of task order deliverables
- The City agrees to provide, and UWC will have access to personnel within the utility with understanding of the City's data, billing system and other current software application knowledge

Task 1 – Project Kick Off and Data Gathering

UtiliWorks will hold an on-site kickoff meeting with the stakeholders and project team members to review the project scope, timeline, communications plan and housekeeping items. UtiliWorks will work with Richland prior to the kickoff to compile Richland's project team organization chart which will facilitate effective communications.

UtiliWorks will engage in an extensive discovery effort in order to compile the necessary data and information to assess the current state of utility operations. This information will be used to develop our analysis and recommendations. Specifically, UWC will provide Richland with a comprehensive list of data and information requests including, but not limited to: financial reports, labor costs, meter information, asset value, and losses. We request a single point of contact at Richland to facilitate this activity. UWC will also work with Richland's project manager to identify/schedule the necessary working sessions.

UWC will also run *UtiliWorks Insight*, our utility-focused business intelligence software tool to facilitate a deeper understanding of Richland's utility operation. This methodology delivers the capability to efficiently gather critical business intelligence from individuals involved in key processes. Because the information is gathered via a unique web based assessment methodology, variation introduced in face to face interviews is eliminated, providing highly accurate and reliable results. This methodology asks questions, anonymously, to a targeted staff population.

Task 2 – Goals & Objectives Development

UWC forms a solid foundation for success by conducting the Goals and Objectives workshop with executives, stakeholders and key users in order to establish a common understanding of Richland's project goals, drivers, success factors and risks. At this workshop, we shall discuss and agree upon our approach to key project variables such as: technology, deployment preferences (e.g. self-installation, vendor installation, and project length), contract structure (Turn-key versus Component-based contract(s), project funding (debt financing, lease, etc.).

Task 3 – Current State Definition

UtiliWorks will examine Richland's current business processes, practices, and personnel to establish a baseline for assessing Smart Grid readiness. UtiliWorks will identify and schedule the necessary working sessions with Richland to assess the following processes/functions:

- Billing
- Customer Service
- Meter Services
- Meter Reading
- Utility Operations
- Application / Communications Systems and Physical Infrastructure

Intermediate Deliverable: High-level Current State Definition information that ultimately rolls up into the Final Report

Task 4 – Requirements Definition

The Requirements Definition task goes another level deeper into Richland's business and system requirements related to a Smart Grid related technology project. In addition, this phase provides the framework and inputs necessary to initiate a potential Procurement Phase. The requirements that are developed with the City are detailed out in the Final Report and are the basis for the requirements section of potential RFPs in the Phase 2 – Procurement and Construction Management. The details are designed to document Richland's specific system(s) needs and provide the vendor community with the necessary information to prepare a robust response to a potential future RFI/RFP.

Intermediate Deliverable: Microsoft Excel workbook listing Richland's Smart Grid related requirements

Task 5 – Operational Impacts Analysis

The purpose of the Operational Impacts Analysis is to identify and analyze the key significant operational areas that would be impacted by Smart Grid related technology and thus requires planning and organizational change with the implementation of AMI and associated technology. Smart Grid systems have the potential to touch the entire organization in some fashion. This task will include analysis of the following:

- Staffing
- Business Process
- Hardware / Equipment
- Software
- Systems Integration
- Reporting

- Cyber Security

Intermediate Deliverable: Business Impact Summary to include high level cost/benefit analysis that ultimately rolls up into the Final Report

Task 6 – Conceptual Migration Plan

The Conceptual Migration Plan will be developed after the final recommendations are formulated. The development of a migration plan involves further development of a high level plan and strategy. The Plan/Strategy will include capital budgets, ideal project phasing, and sequencing. The Plan/Strategy will consider as inputs:

- Available future capital budgets
- Business Case ROI results
- Overall Utility Goals and Objectives
- State of market with respect to Vendor solutions and pricing

A best case strategy will then be reviewed and discussed with Richland’s project team. Once an agreed upon strategy is complete, UtiliWorks will build out a detailed project plan to be used as the basis for Phase 2 work.

Intermediate Deliverable: Microsoft Project Plan Schedule and Word document narrative of the formulated the Smart Grid Plan/Strategy

Hold Point for Plan Design Review and Modification as necessary

Task 7 - Final Smart Grid Plan Development

Prior to completing the final Smart Grid Assessment and Plan, UWC will facilitate discussions, meetings and review sessions to review the work produced. This is the purpose of the “Hold Point”. One of the review sessions will include a presentation by UWC of the draft assessment with the City Utility Advisory Committee on January 14, 2014. At the end of these deliberations, final adjustments, additions, etc. will be made to the Assessment and Plan in accordance to the hold point meetings and outcomes.

Final Deliverable: Strategic Utility Smart Grid Assessment and Plan Report and onsite presentation detailing all the above described activities. This document and other supporting information will be made available via email and on the UtiliWorks SharePoint website for the City of Richland

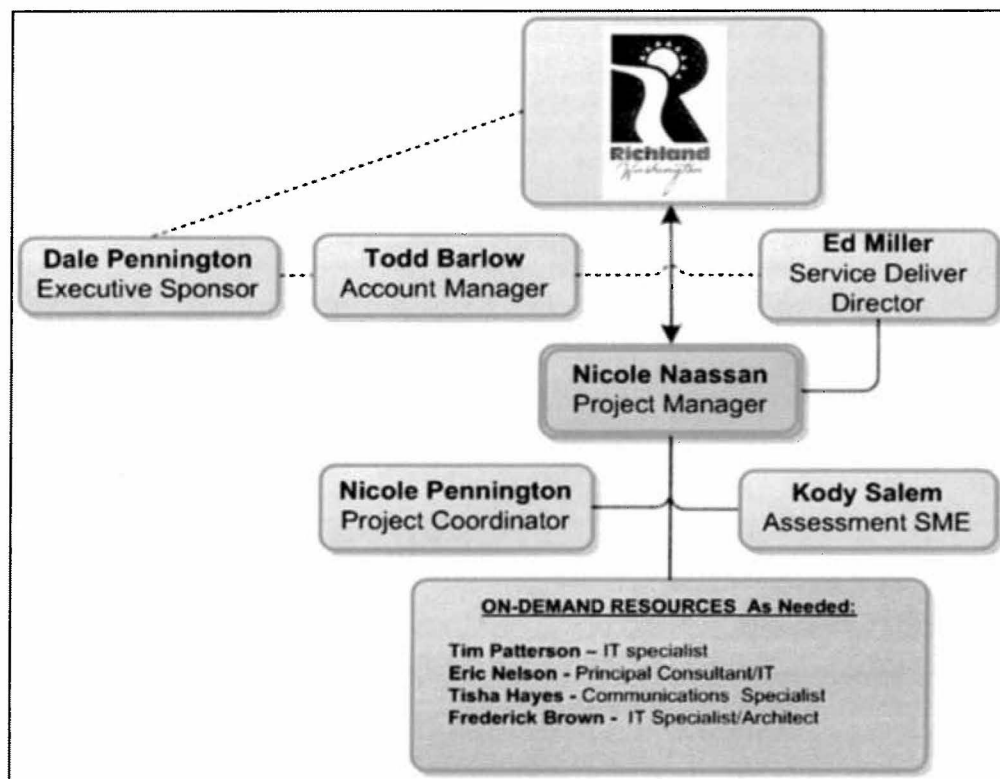
Project Management

UWC will provide structured project management to ensure that all project components are executed in a timely, organized fashion and completed to the project definition and expectations. As communication is a critical success factor, the UWC Project Manager will work to make sure that all designated Richland team members are aware of project status and issues.

Project Management activities include: maintaining the overall project schedule; work with all project participants to monitor progress and adjust the work plan as needed to stay on schedule; facilitate regular project progress and other meetings; create project status reports as required with input from Richland; and, track project budgets. UWC will also track this task order to ensure UWC work stays within scope.

Project Team

The organizational chart below represents the core team that will serve Richland in this task. Beyond the Smart Grid Assessment and Plan design it is anticipated that multiple SME's will cycle in and out of the project depending on the Smart Grid elements the City decides to pursue.



Project Schedule

Task	Task Name	Start	Finish	Duration	2013			2014	
					Oct	Nov	Dec	Jan	Feb
1	Project Kickoff and Data Gathering	10/1/2013	10/21/2013	15 days	■				
2	Goals and Objectives Development	10/7/2013	10/11/2013	5 days	■				
3	Current State Definition	10/18/2013	11/7/2013	16 days	■	■			
4	Requirements Definition (hi level)	11/7/2013	11/22/2013	12 days		■			
5	Operational Impacts Analysis	11/22/2013	12/9/2013	10 days			■		
6	Conceptual Migration Plan	11/22/2013	1/3/2014	20 days			■	■	
7	Final Smart Grid Plan Development	1/20/2014	2/7/2014	15 days					■

Out of Scope

Any work requested by Richland that is not expressly and directly a part of the scope set forth above is considered "Out of Scope" and may require the execution of a Change Order or a new Scope of Work.

EXHIBIT B

Anticipated project phases to commence upon completion of Phase 1 are discussed below. UtiliWorks will employ a sequential phase progression for this project including design hold points as required. Progression to Phase 2 and beyond will not occur until the Phase 1 Plan Design meets Richland's goals and objectives. These subsequent phases will be outlined in more detail at the conclusion of Phase 1 if Richland elects to proceed.

Phase 2 – Procurement

The Procurement phase takes the deliverables from the Assessment phase as the basis to prepare the RFP documents that are published to solicit proposals from equipment, systems, integration, and/or professional services vendors. Selection criteria are developed to ensure an objective evaluation of all proposals submitted. UWC conducts the necessary due diligence in order to arrive at a recommended "short list". The short-listed vendors are invited to the Client site to present their solution. The presentations are again scored, and final vendors are selected.

UtiliWorks will guide and support contract negotiations between Richland and the selected vendor(s). We will review and provide feedback for the proposed contract and determine whether it is in compliance with Richland's technical requirements and, to the extent possible, negotiate terms more favorable to the City. As part of this task, UWC will review and provide the necessary input into the cost proposal for acquisition and the ongoing cost of ownership of the vendor(s) proposed systems. UWC will also review and provide the necessary input into the vendor(s) technical scope of project work. We will facilitate the development of the payment schedule of values for the selected vendor(s). Tasks to include:

- Procurement Strategy
- Detailed Requirements Development
- RFP Development
- Vendor Evaluation and Selection
- Vendor Contracting

Phase 3 – Construction, Deployment, & Integration

Phase 3 is where the planning begins to take form and actual deployment of systems, business process changes, and the integration of existing systems are conducted. Given a thorough approach to Phases 1 & 2, Phase 3 will essentially follow the plans laid during those previous phases. In this Phase emphasis is placed on what is delivered and deployed versus the previous developed plans, requirements, contracts, and schedules. There is a critical need for program Quality Control activities in this Phase. Tasks to include:

- Master Construction Schedule
- Hardware Deployment
- Software Deployment
- Systems Integration
- Business Process Change / Deployment

- Public Awareness Campaign
- Documentation and Training
- Post Deployment Monitoring, Testing, and Debugging

Phase 4 – Project Acceptance & Contracts Closure

UtiliWorks will provide monitoring of the installed system statistics during testing. Performance of the system will be reported during project status meetings. Items may include: need for additional system training; verification of data backup; commentary on system health tests; recommendations on software and hardware modifications, etc. UWC will develop a punch-list of activities for final acceptance and closure of each project.

UtiliWorks will provide measurement and verification services which will provide evidence of whether Richland is realizing the anticipated savings, benefits, and results as described in the Smart Grid Assessment and Plan. Performance measurements used in the verification of benefits can be obtained from a combination of leading and lagging Key Performance Indicators (KPIs) and either direct or indirect in nature. A common issue is that delineated benefits may be immeasurable or inaccurate. UWC can mitigate common problems with a well-designed and implemented Performance Measurement System (PMS) executed by trained and experienced personnel.

Lastly our team will ensure all vendor contracts are completed with any appropriate documentation and signatures. Tasks to include:

- Punch List Resolution/Disposition
- Final Systems Acceptance Testing
- Benefits Verification
- Documentation and Contracts Signoff

AGREEMENT BETWEEN CITY AND CONSULTANT

THIS AGREEMENT, entered into this 10TH day of September, 2013 by and between the City of Richland, 505 Swift Ave., Richland, Washington, (hereinafter called the "City"), and UtiliWorks Consulting, LLC, 2351 Energy Drive, Suite 400, Baton Rouge, Louisiana (hereinafter called the "Consultant").

WITNESSETH:

1) SCOPE OF WORK

- a) The Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work as designated in this Agreement. The Consultant shall provide services in support of the City's Smart Grid initiative. .
- b) The following Exhibits are attached hereto and made a part of this agreement:
 - (i) Exhibit "A": Services to be provided are detailed in the attached Task Order 1 and underlying Scope of Work.
 - (ii) Exhibit "B": General scope of services proposed to be provided by additional task orders beyond the completion and acceptance of the Smart Grid Assessment and Plan. Task Orders will be executed from time to time by both parties to this Agreement. Each Task Order shall be consecutively numbered. Services shall be provided in accordance with the provisions of this Agreement and the applicable task order. Certain task orders may contain supplemental terms and conditions, in addition to those set forth in this Agreement. In the event of a conflict between the terms and conditions of this Agreement and of any particular task order, the terms and conditions of the particular task order shall take precedence. Further, by mutual written consent of the parties, any task order may be changed, amended or modified, without in any way impacting the validity of the task order.

2) GENERAL REQUIREMENTS

- a) The Consultant shall attend coordination meetings, progress and presentation meetings with the City or such Federal, community, State, City, or County officials, groups or individuals as may be requested by the City. The City will provide the Consultant sufficient notice prior to meetings requiring Consultant participation.
- b) The Consultant shall prepare a monthly progress report if requested, in a form approved by the City, that will outline in written and graphical form the various phases and the order of performance of the work in sufficient details so that the progress of the work can easily be evaluated.

3) TIME FOR BEGINNING AND COMPLETION

The 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 February 28, 2014.

4) PAYMENT

- a) The Consultant shall be paid as detailed in the respective Task Order/schedule of values (attached as Exhibit "A"), by the City to complete the services rendered under this Agreement. Such payment shall be full compensation for all work performed or services rendered, and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in Section 1, Scope of Work.

- b) 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 the 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 include only coach airfare, ground transportation (taxi, shuttle, and car rental), and hotel at the government rate. Personal or company auto at the then current federal mileage rate. Meals at the current federal per-diem meal allowance or up to the current federal per-diem with detailed receipts, no alcohol and 20% maximum gratuity.
- e) Reimbursement for reproduction services, phone, postage etc. will not be allowed.
- f) The Consultant will allow access to the City, the State of Washington, the Federal Grantor Agency, the 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 the specific contract for the purpose of making audit, examination, excerpts, and transcriptions. Unless otherwise provided, said records must be retained for three 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 contract 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

Any and all employees of the Consultant or other persons while engaged in the performance of any work or services required of the Consultant under this Agreement are independent contractors and shall not be considered employees of the City. Any and all claims that may or might arise 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 the Consultant's employees or other persons while so engaged on any of the work or services provided to be rendered herein, shall be the sole obligation and responsibility of the Consultant.

6) OWNERSHIP OF DOCUMENTS

All designs, drawings, specifications, documents, reports and other work products prepared pursuant to this Agreement, will become the property of the City upon payment to the Consultant of his fees as set forth in this Agreement. The City acknowledges the Consultant's plans and specifications, including all documents on electronic media, as instruments of professional services. The plans and specifications prepared under this Agreement shall become the property of the City upon completion of the services and payment in full of all payment due to the Consultant. The City may make or permit to be made any modifications to the plans and specifications without the prior written authorization of the Consultant. The City agrees to waive any claim against the Consultant arising from any unauthorized reuse of the plans and specifications and to indemnify and hold the 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 the Consultant.

7) TERMINATION

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

8) DISPUTE RESOLUTION

- a) The City and the 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 the Consultant not resolved by negotiation between the parties may be arbitrated only by mutual agreement of the City and the Consultant. If not mutually agreed to resolve the claim by arbitration, the claim will be resolved by legal action.

9) DEBARMENT CERTIFICATION

The Consultant certifies that neither the 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, the Consultant agrees not to enter into any arrangements or contracts related to this proposal 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

<http://www.lni.wa.gov/TradesLicensing/PrevWage/AwardingAgencies/default.asp>

10) VENUE, APPLICABLE LAW AND PERSONAL JURISDICTION

In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this Agreement, the parties hereto agree that any such action shall be initiated in the Superior Court of the State of Washington, situated in Benton County. The parties hereto 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. The Consultant hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, situated in Benton County.

11) ATTORNEY'S FEES

Attorney's fees which are reasonable and costs, including those on appeal, if appeal is taken, shall be allowed to the prevailing party by any court hearing a dispute under this Agreement.

12) INSURANCE

- a) The 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 the Consultant, its agents, representatives, or employees.

- b) Consultant's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

Minimum Scope of Insurance

- c) Consultant shall obtain insurance of the types described below:
 - (i) Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
 - (ii) Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. 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.
 - (iii) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
 - (iv) Professional Liability insurance appropriate to the Consultant's profession

Minimum Amounts of Insurance

- d) Consultant shall maintain the following insurance limits:
 - (i) Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
 - (ii) Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
 - (iii) Professional Liability Insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit

Other Insurance Provisions

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

Acceptability of Insurers

- f) Insurance is to be placed with insurers with a current A.M. best rating of not less than A:VII.

Verification of Coverage

- g) 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 the Consultant before commencement of the work.

Notice of Cancellation

- h) The Consultant shall provide the City with written notice of any policy cancellation, within two

business days of their receipt of such notice.

Failure to Maintain Insurance

- i) Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to the 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 the Consultant from the City.

13) 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 acts, errors or omissions of the Consultant 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, hereunder 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.

14) 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. The Consultant makes no warranties express or implied, under this Agreement or otherwise, in connection with the Consultant's services.

15) 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 parties to the Agreement.

16) EQUAL OPPORTUNITY AGREEMENT

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

17) PARTIAL INVALIDITY

Any provision of this Agreement which is found to be invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability, and the invalidity or unenforceability of such provision shall not affect the validity or enforceability of the remaining provisions hereof.

18) AMENDMENT CLAUSE

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

19) CHANGE IN LAW

The parties hereto agree that in the event that 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 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) 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 in light of the Adverse Change in Law. If, despite good faith attempts, the parties cannot reach agreement upon an amendment within sixty (60) 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.

20) CONFIDENTIALITY

In the course of performing under this Agreement, City 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 or proprietary data in any form, whether written or oral, or contained in any computer database or computer readable form. City i) shall not disclose 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 their employees, agents, and representatives of their obligations to keep such Confidential Information.

21) CHANGES OF WORK

- a) The 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 the Consultant is responsible for preparing or furnishing under this Agreement, when required to do so by the City, without additional compensation thereof.
- b) Should the City find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the 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 22, Extra Work.

22) EXTRA WORK

The City may desire to have the Consultant perform work or render additional services such as staff augmentation to assist the City in technical review, project management, etc. while staying 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.

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

CITY OF RICHLAND, WASHINGTON

Cjaun
CYNTHIA D. JOHNSON
City Manager

ATTEST:

Marcia Hopkins
MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

Heather Kintzley
HEATHER KINTZLEY
City Attorney

CONSULTANT

T A Barlow
Signature

TODD A BARLOW
VP/Operations

Printed Name & Title

2351 Energy Drive
Baton Rouge, LA 70808
Address

Phone: 225.766.4188

Email: tbarlow@utiliworks.com

Fax: 225.612.6404

EXHIBIT A

Task Order Approval Worksheet

Task Order Number	Approval Date	Reference Contract
1.0	September __, 2013	UWC Richland MSA
Work Package Name	Work Package Description	WBS Reference
Smart Grid Assessment	Baseline Smart Grid Assessment & Plan Design	1.0
Task Cost	Expected Start Date	Expected Close Date
\$80,625 + Travel	October 1, 2013	February 15, 2014

Package Includes:

UtiliWorks Services ☒ Owner Requirements ☐ Service Fee Applied ☐

Subcontract ☐ Material Purchase ☐ Special Conditions ☐

Resources Assigned	Interdependencies	
TB - Todd Barlow ☒ CB - Carter Boling ☐ KF - Kalin Fuller ☒ TG - Tom Grim ☐ TH - Tisha Hayes ☒ EM - Ed Miller ☒ NN - Nicole Naassan ☒ DP - Dale Pennington ☒ NP - Nicole Pennington ☒ KS - Kody Salem ☒	<i>Before</i>	<i>After</i>
	N.A.	Task 2.0: Procurement

Task Scope Summary:

UtiliWorks will provide the following services associated with **Task Order 1** – Smart Grid Assessment and Plan Design:

Task Name
Task 1 – Project Kickoff and Data Gathering
Task 2 – Goals & Objectives Development
Task 3 – Current State Definition
Task 4 – Requirements Definition
Task 5 – Operational Impacts Analysis
Task 6 – Conceptual Migration Plan
HOLD POINT FOR PLAN DESIGN REVIEW AND UAC PRESENTATION
Task 7 – Final Smart Grid Plan Development
Project Management

Each of the above tasks is described in more detail in the attached Scope of Work.

Final Deliverables

- *Strategic Utility Smart Grid Assessment and Migration Plan Report and onsite presentation*

Schedule of Values:

The cost for the Smart Grid Assessment is a fixed fee of \$80,625 plus travel expenses estimated at \$15,000 (\$1,500/trip, 10 trips). Assuming an October 1, 2013 start, UtiliWorks will invoice Richland monthly per the following table of values:

Bill Period	Price
Oct 2013	\$ 20,000.00
Nov 2013	\$ 20,000.00
Dec 2013	\$ 20,000.00
Jan 2014	\$ 20,625.00

Travel expenses will be billed monthly at cost.

Delivered by TAB Barlow
UtiliWorks Consulting LLC *TODD A Barlow*

Date 8-12-2013

Approved by C. Gamm
City of Richland, Washington *HOK*

Date 9/2/13

Task Order 1 – Smart Grid Assessment and Plan Design

Scope of Work

Phase 1: Smart Grid Assessment and Plan Design

This Scope of Work (SOW) is to document the services UtiliWorks (UWC) will provide the City of Richland (City or Richland) underlying the Smart Grid Assessment and Plan Development phase of this project.

Assumptions

- The City project team members will be required to provide subject matter expertise for his or her respective functions and actively participate in the project. The project team will consist of resources appointed by the City.
- The City agrees to provide the UWC project team with online, interactive access capability as well as workspace for consultants while on-site
- Work will be performed by UWC resources either on-site or off-site in the completion of task order deliverables
- The City agrees to provide, and UWC will have access to personnel within the utility with understanding of the City's data, billing system and other current software application knowledge

Task 1 – Project Kick Off and Data Gathering

UtiliWorks will hold an on-site kickoff meeting with the stakeholders and project team members to review the project scope, timeline, communications plan and housekeeping items. UtiliWorks will work with Richland prior to the kickoff to compile Richland's project team organization chart which will facilitate effective communications.

UtiliWorks will engage in an extensive discovery effort in order to compile the necessary data and information to assess the current state of utility operations. This information will be used to develop our analysis and recommendations. Specifically, UWC will provide Richland with a comprehensive list of data and information requests including, but not limited to: financial reports, labor costs, meter information, asset value, and losses. We request a single point of contact at Richland to facilitate this activity. UWC will also work with Richland's project manager to identify/schedule the necessary working sessions.

UWC will also run *UtiliWorks Insight*, our utility-focused business intelligence software tool to facilitate a deeper understanding of Richland's utility operation. This methodology delivers the capability to efficiently gather critical business intelligence from individuals involved in key processes. Because the information is gathered via a unique web based assessment methodology, variation introduced in face to face interviews is eliminated, providing highly accurate and reliable results. This methodology asks questions, anonymously, to a targeted staff population.

Task 2 – Goals & Objectives Development

UWC forms a solid foundation for success by conducting the Goals and Objectives workshop with executives, stakeholders and key users in order to establish a common understanding of Richland's project goals, drivers, success factors and risks. At this workshop, we shall discuss and agree upon our approach to key project variables such as: technology, deployment preferences (e.g. self-installation, vendor installation, and project length), contract structure (Turn-key versus Component-based contract(s), project funding (debt financing, lease, etc.).

Task 3 – Current State Definition

UtiliWorks will examine Richland's current business processes, practices, and personnel to establish a baseline for assessing Smart Grid readiness. UtiliWorks will identify and schedule the necessary working sessions with Richland to assess the following processes/functions:

- Billing
- Customer Service
- Meter Services
- Meter Reading
- Utility Operations
- Application / Communications Systems and Physical Infrastructure

Intermediate Deliverable: High-level Current State Definition information that ultimately rolls up into the Final Report

Task 4 – Requirements Definition

The Requirements Definition task goes another level deeper into Richland's business and system requirements related to a Smart Grid related technology project. In addition, this phase provides the framework and inputs necessary to initiate a potential Procurement Phase. The requirements that are developed with the City are detailed out in the Final Report and are the basis for the requirements section of potential RFPs in the Phase 2 – Procurement and Construction Management. The details are designed to document Richland's specific system(s) needs and provide the vendor community with the necessary information to prepare a robust response to a potential future RFI/RFP.

Intermediate Deliverable: Microsoft Excel workbook listing Richland's Smart Grid related requirements

Task 5 – Operational Impacts Analysis

The purpose of the Operational Impacts Analysis is to identify and analyze the key significant operational areas that would be impacted by Smart Grid related technology and thus requires planning and organizational change with the implementation of AMI and associated technology. Smart Grid systems have the potential to touch the entire organization in some fashion. This task will include analysis of the following:

- Staffing
- Business Process
- Hardware / Equipment
- Software
- Systems Integration
- Reporting

- Cyber Security

Intermediate Deliverable: Business Impact Summary to include high level cost/benefit analysis that ultimately rolls up into the Final Report

Task 6 – Conceptual Migration Plan

The Conceptual Migration Plan will be developed after the final recommendations are formulated. The development of a migration plan involves further development of a high level plan and strategy. The Plan/Strategy will include capital budgets, ideal project phasing, and sequencing. The Plan/Strategy will consider as inputs:

- Available future capital budgets
- Business Case ROI results
- Overall Utility Goals and Objectives
- State of market with respect to Vendor solutions and pricing

A best case strategy will then be reviewed and discussed with Richland’s project team. Once an agreed upon strategy is complete, UtiliWorks will build out a detailed project plan to be used as the basis for Phase 2 work.

Intermediate Deliverable: Microsoft Project Plan Schedule and Word document narrative of the formulated the Smart Grid Plan/Strategy

Hold Point for Plan Design Review and Modification as necessary

Task 7 - Final Smart Grid Plan Development

Prior to completing the final Smart Grid Assessment and Plan, UWC will facilitate discussions, meetings and review sessions to review the work produced. This is the purpose of the “Hold Point”. One of the review sessions will include a presentation by UWC of the draft assessment with the City Utility Advisory Committee on January 14, 2014. At the end of these deliberations, final adjustments, additions, etc. will be made to the Assessment and Plan in accordance to the hold point meetings and outcomes.

Final Deliverable: Strategic Utility Smart Grid Assessment and Plan Report and onsite presentation detailing all the above described activities. This document and other supporting information will be made available via email and on the UtiliWorks SharePoint website for the City of Richland

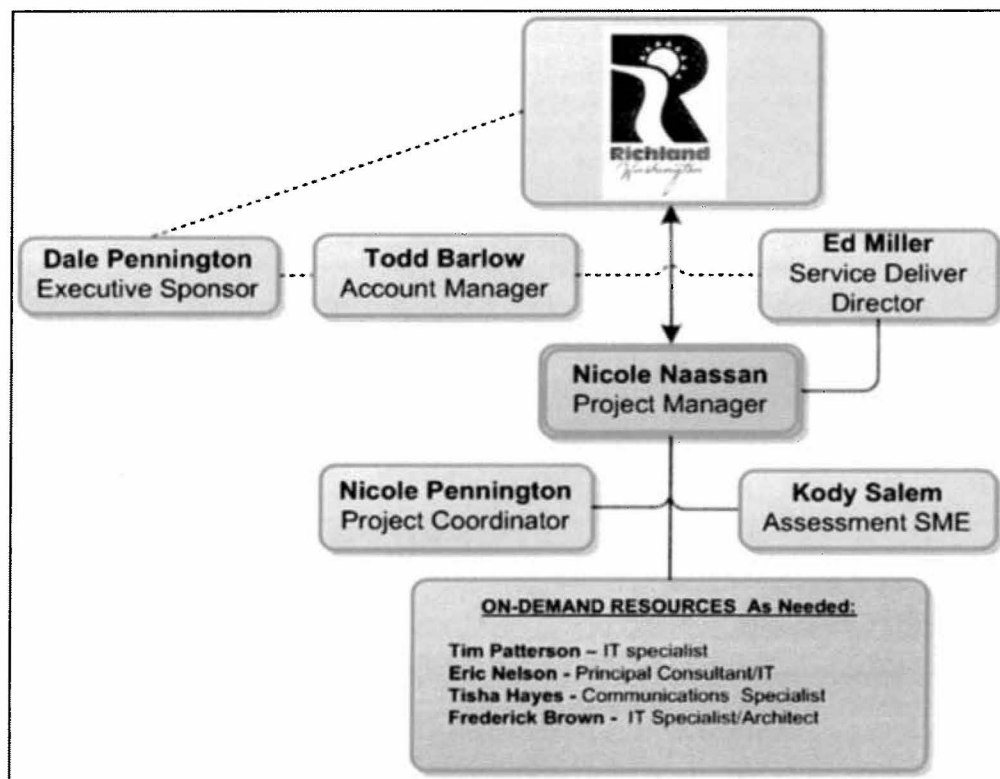
Project Management

UWC will provide structured project management to ensure that all project components are executed in a timely, organized fashion and completed to the project definition and expectations. As communication is a critical success factor, the UWC Project Manager will work to make sure that all designated Richland team members are aware of project status and issues.

Project Management activities include: maintaining the overall project schedule; work with all project participants to monitor progress and adjust the work plan as needed to stay on schedule; facilitate regular project progress and other meetings; create project status reports as required with input from Richland; and, track project budgets. UWC will also track this task order to ensure UWC work stays within scope.

Project Team

The organizational chart below represents the core team that will serve Richland in this task. Beyond the Smart Grid Assessment and Plan design it is anticipated that multiple SME's will cycle in and out of the project depending on the Smart Grid elements the City decides to pursue.



Project Schedule

Task	Task Name	Start	Finish	Duration	2013			2014	
					Oct	Nov	Dec	Jan	Feb
1	Project Kickoff and Data Gathering	10/1/2013	10/21/2013	15 days	■				
2	Goals and Objectives Development	10/7/2013	10/11/2013	5 days	●				
3	Current State Definition	10/18/2013	11/7/2013	16 days	■	■			
4	Requirements Definition (hi level)	11/7/2013	11/22/2013	12 days		■	■		
5	Operational Impacts Analysis	11/22/2013	12/9/2013	10 days			■	■	
6	Conceptual Migration Plan	11/22/2013	1/3/2014	20 days			■	■	■
7	Final Smart Grid Plan Development	1/20/2014	2/7/2014	15 days					■

Out of Scope

Any work requested by Richland that is not expressly and directly a part of the scope set forth above is considered "Out of Scope" and may require the execution of a Change Order or a new Scope of Work.

EXHIBIT B

Anticipated project phases to commence upon completion of Phase 1 are discussed below. UtiliWorks will employ a sequential phase progression for this project including design hold points as required. Progression to Phase 2 and beyond will not occur until the Phase 1 Plan Design meets Richland's goals and objectives. These subsequent phases will be outlined in more detail at the conclusion of Phase 1 if Richland elects to proceed.

Phase 2 – Procurement

The Procurement phase takes the deliverables from the Assessment phase as the basis to prepare the RFP documents that are published to solicit proposals from equipment, systems, integration, and/or professional services vendors. Selection criteria are developed to ensure an objective evaluation of all proposals submitted. UWC conducts the necessary due diligence in order to arrive at a recommended "short list". The short-listed vendors are invited to the Client site to present their solution. The presentations are again scored, and final vendors are selected.

UtiliWorks will guide and support contract negotiations between Richland and the selected vendor(s). We will review and provide feedback for the proposed contract and determine whether it is in compliance with Richland's technical requirements and, to the extent possible, negotiate terms more favorable to the City. As part of this task, UWC will review and provide the necessary input into the cost proposal for acquisition and the ongoing cost of ownership of the vendor(s) proposed systems. UWC will also review and provide the necessary input into the vendor(s) technical scope of project work. We will facilitate the development of the payment schedule of values for the selected vendor(s). Tasks to include:

- Procurement Strategy
- Detailed Requirements Development
- RFP Development
- Vendor Evaluation and Selection
- Vendor Contracting

Phase 3 – Construction, Deployment, & Integration

Phase 3 is where the planning begins to take form and actual deployment of systems, business process changes, and the integration of existing systems are conducted. Given a thorough approach to Phases 1 & 2, Phase 3 will essentially follow the plans laid during those previous phases. In this Phase emphasis is placed on what is delivered and deployed versus the previous developed plans, requirements, contracts, and schedules. There is a critical need for program Quality Control activities in this Phase. Tasks to include:

- Master Construction Schedule
- Hardware Deployment
- Software Deployment
- Systems Integration
- Business Process Change / Deployment

- Public Awareness Campaign
- Documentation and Training
- Post Deployment Monitoring, Testing, and Debugging

Phase 4 – Project Acceptance & Contracts Closure

UtiliWorks will provide monitoring of the installed system statistics during testing. Performance of the system will be reported during project status meetings. Items may include: need for additional system training; verification of data backup; commentary on system health tests; recommendations on software and hardware modifications, etc. UWC will develop a punch-list of activities for final acceptance and closure of each project.

UtiliWorks will provide measurement and verification services which will provide evidence of whether Richland is realizing the anticipated savings, benefits, and results as described in the Smart Grid Assessment and Plan. Performance measurements used in the verification of benefits can be obtained from a combination of leading and lagging Key Performance Indicators (KPIs) and either direct or indirect in nature. A common issue is that delineated benefits may be immeasurable or inaccurate. UWC can mitigate common problems with a well-designed and implemented Performance Measurement System (PMS) executed by trained and experienced personnel.

Lastly our team will ensure all vendor contracts are completed with any appropriate documentation and signatures. Tasks to include:

- Punch List Resolution/Disposition
- Final Systems Acceptance Testing
- Benefits Verification
- Documentation and Contracts Signoff



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key 2 - Infrastructure & Facilities

Subject:

Resolution No. 82-16, Authorizing Agreement Modification with ARES Corporation for Snyder Substation Expansion and Electrical Distribution System Project Management and Staff Augmentation

Department:

Energy Services

Ordinance/Resolution Number:

82-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 82-16, authorizing the City Manager to sign and execute an agreement modification with ARES Corporation to provide staff augmentation and project management services through October 31, 2016.

Summary:

The Richland Energy Services (RES) Capital Improvement Plan (CIP) includes expanding the Snyder Substation by purchasing a substation power transformer and associated equipment in 2016 and incorporating them into the substation in 2017. RES needs to accelerate the project timeframe to energize the new transformer by June 2017 in order to serve increased electrical load associated with existing customer expansion projects. Because RES will be unable to meet the June 2017 deadline with current staffing levels, RES contracted with ARES Corporation on April 12, 2016, to provide project management services. There are many critical path activities associated with this project, including, but not limited to, design and procurement of the new transformer and associated equipment; design and construction of the expansion of the existing substation; negotiations with and securing approvals from the Bonneville Power Administration (BPA) to connect the new power transformer to the BPA electrical grid and to secure BPA transmission service associated with the increased electrical load; securing permits and easements and/or rights-of-way associated with serving the increased electrical load; and designing and constructing the line extension infrastructure necessary to serve the increased electrical load. ARES, with staff input, will establish the project plan and monitor and control the numerous activities to meet the June 2017 milestone to energize the new transformer.

RES consulted with ARES Corporation on project management and project controls in 2014 for RES CIP projects, and ARES staff augmentation work under the current agreement will provide continuity with the systems ARES previously developed for RES.

The proposed contract modification will extend the term to October 31, 2016, and increase the value of the contract not to exceed \$147,106.53. Staff recommends approval.

Fiscal Impact:

Funding for this agreement exists as part of the Council-approved 2016 budget.

Attachments:

1. Proposed Resolution No. 82-16
2. Proposed Contract No. 73-16 Modification I
3. Original Contract No. 73-16

RESOLUTION NO. 82-16

A RESOLUTION of the City of Richland authorizing execution of an agreement modification with ARES Corporation for Snyder Substation Expansion and Electrical Distribution System Project Management and Staff Augmentation.

WHEREAS, the Richland Energy Services Department (RES) Capital Improvement Plan (CIP) includes purchasing a substation power transformer and associated equipment in 2016 and incorporating that power transformer and associated equipment through an expansion of the existing RES Snyder Substation in 2017; and

WHEREAS, RES originally planned to complete the Snyder Substation expansion project and energize the new power transformer no sooner than December 2017; and

WHEREAS, RES will need to accelerate the project to energize the new transformer by June 2017 in order to serve increased electrical load associated with existing customer expansion projects; and

WHEREAS, there are many critical path activities associated with this project including but not limited to: design and procurement of the new transformer and associated equipment; design and construction of the expansion of the existing substation; negotiations with and securing approvals from the Bonneville Power Administration (BPA) to connect the new power transformer to the BPA electrical grid, and to secure BPA transmission service associated with the increased electrical load; securing permits and easements and/or rights of way associated with serving the increased electrical load; designing and constructing the line extension infrastructure necessary to serve the increased electrical load; and

WHEREAS, RES is unable to meet the June 2017 deadline for the Snyder Substation expansion project with current staffing levels and wishes to augment current RES staff with consulting services; and

WHEREAS, RES consulted with ARES Corporation on project management and project controls in 2014 for RES CIP projects and ARES staff augmentation work under the current agreement will provide continuity with the systems ARES previously developed for RES; and

WHEREAS, RES entered into an agreement with ARES Corporation on April 4, 2016, in an amount not to exceed \$49,968.39 to provide staff augmentation for project baseline set-up, project management, and project controls for the Snyder Substation expansion project; and

WHEREAS, RES and ARES Corporation wish to modify the agreement for a total amount not to exceed \$147,106.53 and to extend the contract completion date to October 31, 2016.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland, that City Council authorizes the City Manager to execute and administer an agreement modification with ARES Corporation for the Snyder Substation expansion and electrical distribution system project management and staff augmentation.

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

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney



**CITY OF RICHLAND
AGREEMENT WITH ARES CORPORATION
CONTRACT NO. 73-16**

AMENDMENT NO. 1

I. RECITALS

This is an amendment to the professional services agreement related to Snyder Substation Expansion Project between the contracting parties, the City of Richland, Washington (hereinafter "City") and ARES Corporation (hereinafter the "Consultant")

There is now in full force and effect between the parties an Agreement, City Contract No. 73-16 Executed by the City on April 4, 2016.

The parties to this contract desire to modify said Agreement as follows;

II. AGREEMENTS

1. The Consultant shall provide services described in the attached revised Exhibit A Scope of Work to include WBS 1.3 Project Management and are made part of this Agreement. Fees for the services of WBS 1.1, WBS 1.2 and WBS 1.3, collectively, shall not exceed \$147,106.53.
2. Contract period completion date shall be extended to October 31, 2016.
3. It is understood and agreed that all other terms and conditions of the Agreement shall be and remain the same.

III. SIGNATURES

CITY:

By: _____
Cynthia D. Reents, ICMA-CM, City Manager

Date: _____

APPROVED AS TO FORM:

By: _____
Heather D. Kintzley, City Attorney

ARES CORPORATION:

By:  For
Thomas B. Salzano, P.E.

Title: Vice President
Energy Services Division

Date: April 12, 2016



VIA E-MAIL – sedgemon@ci.richland.wa.us

16RL03204

March 31, 2016

Mrs. Sandi Edgemon
Business Services Manager
City of Richland, Energy Services
840 Northgate Drive
Richland, WA 99352

**SUBJECT: CITY OF RICHLAND, ENERGY SERVICES DEPARTMENT –
TRANSMITTAL OF REVISED STATEMENT OF WORK AND
ESTIMATED COST – PROJECT MANAGEMENT STAFF
AUGMENTATION SERVICES FOR SNYDER SUBSTATION EXPANSION
PROJECT**

Dear Ms. Edgemon:

References: 1) e-mail, Sandi Edgemon to Denis DeVine, *Staff Augmentation Scope of Work for City of Richland Energy Services*, dated March 25, 2016.

2) Meeting, Sandi Edgemon, Bill Talmage, Denis DeVine; City of Richland offices, 840 Northgate, discussion of Snyder Substation Expansion scope, March 28, 2015.

3) Telecom, Sandi Edgemon and Denis DeVine, Revise ARES proposal to provide support to 10/31/16, dated March 31, 2016.

ARES Corporation is pleased to provide our revised response to your request for proposal to provide Project Management Staff Augmentation services associated with the Snyder Substation Expansion Project. Attached please find our Statement of Work (SOW) (Attachment 1) as well as our time and materials cost estimate (Attachment 2).

Thank you for allowing us the opportunity to provide this response. If you have any questions, please feel free to contact Mr. Denis DeVine or me at 946-3300.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Salzano".

Thomas B. Salzano, P.E.,
Vice President, Energy Services Division

/dpd/jam

Attachment – as stated



**CITY OF RICHLAND
ENERGY SERVICES DEPARTMENT
PROJECT MANAGEMENT STAFF AUGMENTATION SERVICES
SNYDER SUBSTATION EXPANSION PROJECT**

Statement of Work

1.0 INTRODUCTION

The City of Richland Energy Services Department (RES) has been tasked to a major electrical distributions system expansion project that will energize the existing customer in June 2017. In order to reach this date, RES will require an accelerated schedule to expand the Snyder Substation, procure and install the transformer, interconnect to BPA's transmission system, and design and construct the new distribution system.

The RES has requested that ARES provide a project manager and a project controls engineer to augment RES staff for the duration of the expansion project.

2.0 SCOPE

Through discussion with RES, it was established that ARES would provide staff augmentation personnel for the Snyder Substation Expansion Project, which is a major electrical distribution system expansion that is to be completed by June 2017.

In order to fully understand the scope of this effort, ARES personnel will directly work the RES, obtaining information and meeting with appropriate personnel to acquire all the information necessary to set up cost and schedule baselines so the project can be appropriately managed.

Initially, the tasks that ARES will perform will be as follows:

- Information gathering from RES engineering and operations staff.
- Obtain budget information from RES (CIP, existing Work Plan information, etc.).
- Develop a work breakdown structure (WBS).
- Develop a critical path schedule.
- Create simple cost estimating spreadsheets for RES engineering support activities.
- Assemble all cost information into one database (spreadsheet or ARES estimating software), and document appropriate estimate basis and associated assumptions.



- Assemble all cost, schedule, and technical baseline information into a simple Work Plan document. Input cost and schedule baseline into performance measurement system.
- Perform project management activities throughout course of project – including design coordination, procurement coordination, construction coordination, contract coordination, RES electrical design coordination, etc – as directed by RES management.
- Apply appropriate change control to manage the project baseline – internal RES scope as well as contracted scope.
- Conduct weekly project meetings, issue meeting minutes, and develop and maintain an action item list.
- Progress and maintain project schedule.
- Issue monthly report to RES management.
- Consult with and coach the RES staff to educate staff with regard to using appropriate project management techniques.

3.0 SCHEDULE

Work will be initiated upon contract award. It is expected a limited Notice to Proceed will be issued April 4, 2016, and the duration of support required will be through October 31, 2016.

4.0 COST

Please see Attachment 2 for a time-and-materials cost estimate to perform project management support services for the Snyder Substation Expansion Project. It is expected the following effort will be required:

Information Gathering/Set-up Baseline (4/4/16 – 4/22/16)

- | | |
|------------------------------|--------|
| • Project Manager (DeVine) | 40 mh |
| • Project Manager (McDaniel) | 56 mh |
| • Project Controls (Carter) | 120 mh |
| • Project Controls (Cuello) | 16 mh |
| • Project Controls (Jones) | 16 mh |

Manage Project (4/25/16 – 5/13/16)

- | | |
|-----------------------------------|-------------------------|
| • Project Manager (McDaniel) | 18 mh/wk x 3 wk = 54 mh |
| • Project Controls (Cuello/Jones) | 9 mh/wk x 3 wk = 27 mh |

Manage Project (5/16/16 – 10/31/16)

- | | |
|-----------------------------------|---------------------------|
| • Project Manager (McDaniel) | 20 mh/wk x 24 wk = 480 mh |
| • Project Controls (Cuello/Jones) | 10 mh/wk x 24 wk = 240 mh |



5.0 QUALIFICATIONS

Please see Attachment 3 for resumes of key personnel that will be supporting this project.

6.0 ASSUMPTIONS

Assumptions associated with performing this staff augmentation work are as follows:

- ARES will not prepare any design or construction cost estimates. ARES can do so if requested, but estimating personnel are not contained in the proposal.
- Administrative support is not contained in the proposal.
- Appropriate work stations will be provided for ARES personnel at City of Richland offices.
- In order to fully scope the project and develop schedules, ARES will be relying heavily on the ability to gather information from RES personnel.



**CITY OF RICHLAND
ENERGY SERVICES DEPARTMENT
PROJECT MANAGEMENT STAFF AUGMENTATION SERVICES
SNYDER SUBSTATION EXPANSION PROJECT**

Attachment 2

Cost Estimate

ARES Corporation Proposal
City of Richland, Project Management Snyder Substation Project
Mar-16

Category	2016 Rates**	WBS 1.1 Info Gathering / Set-up Baseline		WBS 1.2 Project Management (4/25/16 - 5/13/16)		WBS 1.3 Project Management (5/16/16 - 10/31/16)		FY 16 TOTAL	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Project Manager	\$190.07	40	\$7,602.80		\$0.00		\$0.00	40	\$7,602.80
Consultant	\$159.56	176	\$28,082.56	54	\$8,616.24	480	\$76,588.80	710	\$113,287.60
Project Controls/Scheduler	\$82.64	32	\$2,644.48	27	\$2,231.28	240	\$19,833.60	299	\$24,709.36
Clerical/Admin	\$77.49	4	\$309.96	3	\$232.47	3	\$232.47	10	\$774.90
Subtotal		252	\$38,639.80	84	\$11,079.99	723	\$96,654.87	1059	\$146,374.66
* Directs	0.5%		\$193.20		\$55.40		\$483.27		\$731.87
TASK TOTAL								\$147,106.53	

Notes:

*Directs include outside reproduction, travel to requested meetings, miscellaneous expenses and incidentals and will be

** Rates are inclusive WA B&O tax



**CITY OF RICHLAND
ENERGY SERVICES DEPARTMENT
PROJECT MANAGEMENT STAFF AUGMENTATION SERVICES
SNYDER SUBSTATION EXPANSION PROJECT**

Attachment 3

Resumes

RESUME OF LARRY B. McDANIEL

EDUCATION

B.S., Computer Engineering, Portland State University

PROFESSIONAL REGISTRATIONS

1994, Project Management Professional (PMP), Project Management Institute
40 Hour Hazardous Waste Operations Training, OSHA 29 CFR 1910.1

PROFESSIONAL BACKGROUND

Mr. McDaniel has over 29 years of engineering and project management experience with 25 of those years involved with estimating, planning, organizing, and leading the design and construction for nuclear facilities. The majority of the work that he has been involved with over this time are associated with Department of Energy environmental projects and Department of Defense specialty equipment development. He has a thorough knowledge of all essential elements of project management and has been involved in all aspects of a project, including engineering, procurement, construction, field engineering, cost estimating, scheduling, project controls, QA, and contract administration.

ARES Corporation, Engineering Consultant, Richland, Washington (October 2007 – present)

Mr. McDaniel provides project management for a broad range of projects, both in regards to Hanford Site activities and commercial work. Hanford projects are generally associated with decontamination and decommissioning along with new installations that are set in hazardous environments. The commercial work he has been involved with ranges from local building upgrades (and new construction) in the community to utility district upgrades. Mr. McDaniel is responsible for all activities associated with design, estimating, scheduling, procedure development, and other project management efforts. His work involves preparing engineering studies and reports, preparing estimates and schedules, coordinating the completion of conceptual design reports, managing design efforts, and managing construction activities – in the fabrication shop as well as in the field. He is responsible for all of the planning, organization, scheduling, budgeting, and coordination tasks as required.

Mid Columbia Engineering, Inc., Senior Project Manager, Richland, Washington, (December 1998 – October 2007)

Mr. McDaniel provided project management of the Spent Nuclear Fuel 100 K Area deactivation which included sludge removal, and debris removal from the fuel storage basins. He was responsible for planning, establishing and maintaining cost and schedule



baselines, and overseeing the development of deactivation endpoints necessary to complete the cleanup and turnover of the 100K Area facilities to the Environmental Restoration Contractor. He was also involved in the design, fabrication, and installation of a remotely operated high pressure water scarifier for removing contaminated concrete from the walls and floor of the fuel storage basin.

Mr. McDaniel was the project manager for the design and construction of a full scale cold test facility for demonstrating and evaluating retrieval technologies for removing radioactive waste from 500,000 gallon underground single-shell storage tanks (SSTs). He was responsible for ensuring that clients project objectives were accomplished within budget and schedule.

Numatec Hanford Company, Project Manager, Richland, Washington (October 1996 – December 1998)

Mr. McDaniel led and managed the effort to demonstrate new technologies to clean out radioactive waste from a 500,000 gallon SST. He oversaw the development and execution of project objectives. He was responsible for ensuring work was accomplished within cost and schedule baseline, which included developing requirements, acquisition strategy, overseeing the design, and managing the interfaces between tank farms operations.

Mr. McDaniel supported the development of a new retrieval program baseline for retrieving and closing the SSTs. This program laid out a new integrated risk-based approach for the remediation of the tank farms that included the tank waste, vadose zone and final closure.

Westinghouse Hanford Company, Team Leader, Richland, Washington (January 1995 – October 1996)

Mr. McDaniel provided leadership for the Acquire Commercial Technology for Retrieval program. He developed and managed a test and demonstration program to identify commercial technologies that could be applied to retrieving waste from underground SSTs. He also solicited industry, reviewed proposals, developed test plans and procedures, performed proof of principle tests, and made recommendations for programmatic decisions.

Westinghouse Hanford Company, Project Manager, Richland, Washington (February 1990 – January 1995)

Mr. McDaniel was responsible for planning, organizing, and leading the design and construction of Tank Farm and retrieval projects. He was the overall project management authority coordinating the development, execution, and maintenance of



project management plans, scope, budgets, and schedules. He managed projects with total estimated costs of \$115 million. He was also the point of contact between Westinghouse Hanford Company and U.S. Department of Energy for all project activities.

**Computer Sciences Corporation, Project Manager, Edwards Air Force Base, California
(June 1988 – February 1990)**

Mr. McDaniel provided project management for the U.S. Air Force on the Low Altitude Navigation and Targeting Infrared for Night (LANTIRN) flight test program. He led the development of the test program for weapon sensor systems. He was responsible for the development and implementation of flight tests, data acquisition and analysis, conducting technical review boards, safety review boards, mission briefs, and providing a final technical evaluation report.

United States Air Force, Commissioned Officer, (September 1981 – June 1988)

Mr. McDaniel was responsible for the effective deployment of a military weapons system. He performed operational test and evaluation of airborne radar systems, electronic countermeasure systems, and air-to-air weapons systems. He also performed flight data analysis of weapons systems performance for development of tactics for weapons employment.



RESUME OF DWIGHT A. CARTER

EDUCATION

Graduate Studies toward Masters in Business Administration, Eastern Washington University, Cheney, WA

B.A., Business Administration, Eastern Washington University, Cheney, WA

PROFESSIONAL BACKGROUND

More than 20 years' experience in the field of Project Controls providing cost and schedule control for construction projects in Management, Team Leader, Consultant, Scheduler, and Budget Analyst positions. Provided Project Controls leadership to projects funded by the Department of Energy (DOE), Department of Defense (DOD), National Science Foundation (NSF), and commercial ventures. Implemented and received a DOE-HQ validation for a successful Earned Value Performance Measurement System. Personal attributes include:

- Communications, innovation and initiation of cost reduction programs.
- Streamlining systems and productivity enhancement requiring diverse administrative, technical writing, presentation, and interpersonal skills.

ARES Corporation, Project Controls Consultant, Richland, WA (2005 - 2015)

- NuScale Power, Corvallis, Oregon (2014 – 2015): Provided P6 Scheduling support to Project Managers with revisions, updates, and preparation of Baseline Change Proposals (BCPs) and contributed to BCP process improvements. Assisted Managers in ongoing efforts to Rebaseline the Project. NuScale Power is designing modular reactors with a total project cost of \$550M.
- City of Richland Energy Services (RES) Department (2014): Developed Work Plans and schedules for twenty 25 electrical projects totaling in excess of \$5M. As a Consultant, Mr. Carter interviewed RES staff and prepared Work Plans and Cash Flow Projections and procedures. Provided training on Work Plan and Cash Flow Projection procedures to RES staff.
- California Institute of Technology (2005 – 2014): Supported the Advanced LIGO Project by getting the estimate finalized, and prepared the schedule using the Primavera P6 software. Served the Project as a Consultant, Scheduler and Budget Analyst. Prepared the Change Control procedure, and maintained a Project web site. Prepared estimates at completion, including tracking procurements, pending commitments and staffing. Performed critical path analysis, and prepared stake holder reports. This project upgrades an existing facility funded by the NSF, and operated by Caltech and MIT. The ultimate goal of the facility is to detect gravity waves that would come from collisions in outer space. The total project cost is \$205M.



ARES Corporation, Sr. Budget Analyst, Golden, CO (2004)

- Odyssey Project: Supported the completion of the Project's Final Design estimate. Implemented and trained staff on an Earned Value Performance Measurement System using PRISM software. This project upgraded an existing oil refinery so diesel fuel would meet the lower sulfur emission requirements. This was funded by Suncor Energy with a total project cost of \$271M.

ARES Corporation, Sr. Budget Analyst, Herndon, VA (2003)

- Command, Communication, Survivability Program: Implemented and trained staff on an Earned Value Performance Measurement System using PRISM software. This program included several DOD funded project upgrades to the Pentagon and select facilities following the September 11, 2001 attack. The total project cost was \$258M.

ARES Corporation, Sr. Budget Analyst, Cocoa Beach, FL (2003)

- Patrick Air Force Base Launch Operations: Assisted with proposal preparation for launch operations at the base. Wrote the change control procedure, and supported preparation of the proposal implementation schedule using Microsoft Project.

Numatec Hanford Company, Scheduler and Sr. Project Controls Analyst, Richland, WA (1996 – 2003)

- Tank Farm Projects: Develop, maintain and update project fieldwork and budget baseline schedules with Primavera P3 on Projects with a combined total estimated cost of \$389M. Perform critical path schedule analysis, and recommend corrective actions. Supported the completion of Performance Agreements earning the company \$2.6M in fee. Teamed up to initiate and implement cost savings totaling \$5.7M. Provide process improvement recommendations to improve the quality of cost estimates and accuracy in claiming performance measurement.
- Tank Farm Projects: Responsible for 3 environmental cleanup construction projects. Responsibilities included reporting, spending forecasts, and use of the Earned Value Performance Measurement System on projects with a combined total estimated cost of \$354M.

Westinghouse Hanford Company, Project Controls Manager, Team Leader and Sr. Budget Analyst, Richland, WA (1987 – 1996)

- C-106 Sluicing Project: Responsible for cost and schedule control on a \$59M project. Managed a staff of 6 to accomplish project planning, reporting, scheduling, change control, and cost tracking.
- Tank Farm Projects: Integrated several projects funding, budget, staffing, reporting, spending forecasts and multi-year budget planning, and reporting. Contributed to the development of Budget Analyst training program.



- Hanford Waste Vitrification Plant: Served the \$1,210M project in the areas of funding, staffing, reporting, spending forecasts, multi-year budget planning and change control.

Rockwell Hanford Company, Senior Budget/Cost Analyst, Richland, WA (1981 - 1987)

- Chemical Processing Projects: Supported Projects with budget/cost tracking, reporting, yearly and multi-year budgets, and served as a lead in the implementation of a validated performance measurement system. Instrumental in the development of specialized computer programs that reduced work volume and increased management visibility on cost/schedule.





AGREEMENT BETWEEN CITY AND CONSULTANT

THIS AGREEMENT, entered into this 4th day of April , 2016 by and between the City of Richland, 505 Swift Ave., Richland, Washington, (hereinafter referred to as the "City"), and **ARES Corporation**, 1100 Jadwin Avenue, Suite 400, Richland, Washington (hereinafter referred to as the "Consultant").

WITNESSETH:

1) SCOPE OF WORK

- a) The Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work as designated in this Agreement. The Consultant shall provide project management and project controls services and augment staff for the Snyder Substation Expansion Project.
- b) The following exhibit(s) are attached hereto and made a part of this Agreement:
 - (i) Exhibit A: Statement of Work
- c) This Agreement consists of this Agreement, the above referenced Attachments 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:
 - (i) City of Richland Agreement No. 73-16
 - (ii) Exhibit A: Statement of Work – 16RL03204
 - (iii) March 25, 2016 Email Request for Proposal – S. Edgemon to D. Devine

2) GENERAL REQUIREMENTS

- a) The Consultant shall attend status, progress, and coordination meetings with the designated City of Richland representatives, or such federal, community, state, city or county officials, groups or individuals as may be requested by the City. If additional meetings are requested, the City will provide the Consultant sufficient notice prior to those meetings requiring Consultant participation.
- b) The Consultant shall prepare a monthly progress report if requested, in a form approved by the City, that will outline in written and/or graphical form the various phases and the order of performance of the work in sufficient details so that the progress of the work can easily be evaluated.

3) TIME FOR BEGINNING AND COMPLETION

The 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 **May 31, 2017**.

4) PAYMENT

- a) For services rendered under this Agreement, the City shall pay the Consultant an amount not to exceed **forty-nine thousand nine hundred sixty-eight and 39 cents (\$49,968.39)**. Payment shall be made on a "time and materials" basis. Payment as identified in this section shall be full compensation for all work performed or services rendered, and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in Exhibit A: Statement of Work – Attachment 2 Task WBS 1.1 and WBS 1.2.
- b) 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 the 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 at the government rate, 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.
- 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) The Consultant will allow access to the City, the State of Washington, the Federal Grantor Agency, the 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 the specific contract for the purpose of making audit, examination, excerpts, and transcriptions. Unless otherwise provided, said records must be retained for three 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 contract 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

The Consultant, and any and all employees of the Consultant or other persons engaged in the performance of any work or services required of the 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 the 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 the Consultant.

6) OWNERSHIP OF DOCUMENTS

All designs, drawings, specifications, documents, reports and other work products prepared pursuant to this Agreement shall become the property of the City upon payment to the

Consultant of the fees set forth in this Agreement. The City acknowledges the Consultant's plans and specifications, including all documents on electronic media, as instruments of professional services. The plans and specifications prepared under this Agreement shall become the property of the City upon completion of the services and payment in full of all payment due to the Consultant. The City may make or permit to be made any modifications to the plans and specifications without the prior written authorization of the Consultant. The City agrees to waive any claim against the Consultant arising from any unauthorized reuse of the plans and specifications, and to indemnify and hold the Consultant harmless from any claim, liability or cost arising out of any reuse of the plans and specifications by the City or its agent not authorized by the 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 the Consultant, the City shall be entitled to reimbursement of costs occasioned by such termination by the Consultant. In the event the City terminates this Agreement, the City shall pay the 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 the Consultant.
- b) If any work covered by this Agreement shall be suspended or abandoned by the City before the Consultant has completed the assigned work, the 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 the 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 30 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 20 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 its 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 the 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 the Consultant not resolved by negotiation between the parties may be arbitrated only by mutual agreement of the City and the Consultant. If not mutually agreed to resolve the claim by arbitration, the claim will be resolved by legal action.

10) DEBARMENT CERTIFICATION

The Consultant certifies that neither the 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, the 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

<http://www.lni.wa.gov/TradesLicensing/PrevWage/AwardingAgencies/default.asp>

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. The 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

The 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 the 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 the 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. If necessary, the policy shall be endorsed to provide contractual liability coverage.
 2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. 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.
 3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
 4. Professional Liability insurance appropriate to the Consultant's profession.
- 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 \$1,000,000 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. The Consultant's insurance coverage shall be primary insurance with respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the 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 evidencing the insurance requirements of the Consultant before commencement of the work, including, but not limited, to the additional insured endorsement.
- g) Notice of Cancellation. The 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 the 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 the 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 the Consultant from the City.

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 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 parties to the Agreement.

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.

Cathy Robinson
Purchasing Manager
City of Richland
2700 Duportail Street, Bldg. 200
PO Box 190, M/S #11
Richland, WA 99352
Email: purchasing@ci.richland.wa.us
Phone: (509) 942-7710
Fax: (509) 942-7397

Contact Name:	Thomas B. Salzano
	Vice President Energy Services Division
Name of Firm:	ARES Corporation
Address:	1100 Jadwin Avenue
Address:	Suite 400
Email:	TSalzano@AresCorporation.com
Phone Number:	(509) 946-3300
Fax Number:	(509) 946-6006

18) EQUAL OPPORTUNITY AGREEMENT

The Consultant agrees that s/he 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) PARTIAL INVALIDITY

Any provision of this Agreement which is found to be invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability, and the invalidity or unenforceability of such provision shall not affect the validity or enforceability of the remaining provisions hereof.

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) 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) 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, the 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 the 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, the 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 22, Extra Work.

24) EXTRA WORK

The City may desire to have the 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.

(Signature page to follow)

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

CITY OF RICHLAND, WASHINGTON



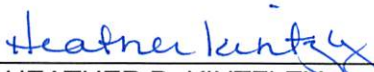
CYNTHIA D. REENTS, ICMA-CM
City Manager

ATTEST:



MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:



HEATHER D. KINTZLEY
City Attorney

CONSULTANT



Signature

Thomas B. Salzano, P.E.
Vice President Energy Services Division

1100 Jadwin Avenue, Suite 400
Richland, WA 99352
Phone: (509) 946-3300
Fax: (509) 946-6006
Email: TSalzano@AresCorporation.com



VIA E-MAIL – sedgemon@ci.richland.wa.us

16RL03204

March 31, 2016

Mrs. Sandi Edgemon
Business Services Manager
City of Richland, Energy Services
840 Northgate Drive
Richland, WA 99352

**SUBJECT: CITY OF RICHLAND, ENERGY SERVICES DEPARTMENT –
TRANSMITTAL OF REVISED STATEMENT OF WORK AND
ESTIMATED COST – PROJECT MANAGEMENT STAFF
AUGMENTATION SERVICES FOR SNYDER SUBSTATION EXPANSION
PROJECT**

Dear Ms. Edgemon:

References: 1) e-mail, Sandi Edgemon to Denis DeVine, *Staff Augmentation Scope of Work for City of Richland Energy Services*, dated March 25, 2016.

2) Meeting, Sandi Edgemon, Bill Talmage, Denis DeVine; City of Richland offices, 840 Northgate, discussion of Snyder Substation Expansion scope, March 28, 2015.

3) Telecom, Sandi Edgemon and Denis DeVine, Revise ARES proposal to provide support to 10/31/16, dated March 31, 2016.

ARES Corporation is pleased to provide our revised response to your request for proposal to provide Project Management Staff Augmentation services associated with the Snyder Substation Expansion Project. Attached please find our Statement of Work (SOW) (Attachment 1) as well as our time and materials cost estimate (Attachment 2).

Thank you for allowing us the opportunity to provide this response. If you have any questions, please feel free to contact Mr. Denis DeVine or me at 946-3300.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Salzano".

Thomas B. Salzano, P.E.,
Vice President, Energy Services Division

/dpd/jam

Attachment – as stated



**CITY OF RICHLAND
ENERGY SERVICES DEPARTMENT
PROJECT MANAGEMENT STAFF AUGMENTATION SERVICES
SNYDER SUBSTATION EXPANSION PROJECT**

Statement of Work

1.0 INTRODUCTION

The City of Richland Energy Services Department (RES) has been tasked to a major electrical distributions system expansion project that will energize the existing customer in June 2017. In order to reach this date, RES will require an accelerated schedule to expand the Snyder Substation, procure and install the transformer, interconnect to BPA's transmission system, and design and construct the new distribution system.

The RES has requested that ARES provide a project manager and a project controls engineer to augment RES staff for the duration of the expansion project.

2.0 SCOPE

Through discussion with RES, it was established that ARES would provide staff augmentation personnel for the Snyder Substation Expansion Project, which is a major electrical distribution system expansion that is to be completed by June 2017.

In order to fully understand the scope of this effort, ARES personnel will directly work the RES, obtaining information and meeting with appropriate personnel to acquire all the information necessary to set up cost and schedule baselines so the project can be appropriately managed.

Initially, the tasks that ARES will perform will be as follows:

- Information gathering from RES engineering and operations staff.
- Obtain budget information from RES (CIP, existing Work Plan information, etc.).
- Develop a work breakdown structure (WBS).
- Develop a critical path schedule.
- Create simple cost estimating spreadsheets for RES engineering support activities.
- Assemble all cost information into one database (spreadsheet or ARES estimating software), and document appropriate estimate basis and associated assumptions.



- Assemble all cost, schedule, and technical baseline information into a simple Work Plan document. Input cost and schedule baseline into performance measurement system.
- Perform project management activities throughout course of project – including design coordination, procurement coordination, construction coordination, contract coordination, RES electrical design coordination, etc – as directed by RES management.
- Apply appropriate change control to manage the project baseline – internal RES scope as well as contracted scope.
- Conduct weekly project meetings, issue meeting minutes, and develop and maintain an action item list.
- Progress and maintain project schedule.
- Issue monthly report to RES management.
- Consult with and coach the RES staff to educate staff with regard to using appropriate project management techniques.

3.0 SCHEDULE

Work will be initiated upon contract award. It is expected a limited Notice to Proceed will be issued April 4, 2016, and the duration of support required will be through October 31, 2016.

4.0 COST

Please see Attachment 2 for a time-and-materials cost estimate to perform project management support services for the Snyder Substation Expansion Project. It is expected the following effort will be required:

Information Gathering/Set-up Baseline (4/4/16 – 4/22/16)

- | | |
|------------------------------|--------|
| • Project Manager (DeVine) | 40 mh |
| • Project Manager (McDaniel) | 56 mh |
| • Project Controls (Carter) | 120 mh |
| • Project Controls (Cuello) | 16 mh |
| • Project Controls (Jones) | 16 mh |

Manage Project (4/25/16 – 5/13/16)

- | | |
|-----------------------------------|-------------------------|
| • Project Manager (McDaniel) | 18 mh/wk x 3 wk = 54 mh |
| • Project Controls (Cuello/Jones) | 9 mh/wk x 3 wk = 27 mh |

Manage Project (5/16/16 – 10/31/16)

- | | |
|-----------------------------------|---------------------------|
| • Project Manager (McDaniel) | 20 mh/wk x 24 wk = 480 mh |
| • Project Controls (Cuello/Jones) | 10 mh/wk x 24 wk = 240 mh |



5.0 QUALIFICATIONS

Please see Attachment 3 for resumes of key personnel that will be supporting this project.

6.0 ASSUMPTIONS

Assumptions associated with performing this staff augmentation work are as follows:

- ARES will not prepare any design or construction cost estimates. ARES can do so if requested, but estimating personnel are not contained in the proposal.
- Administrative support is not contained in the proposal.
- Appropriate work stations will be provided for ARES personnel at City of Richland offices.
- In order to fully scope the project and develop schedules, ARES will be relying heavily on the ability to gather information from RES personnel.



**CITY OF RICHLAND
ENERGY SERVICES DEPARTMENT
PROJECT MANAGEMENT STAFF AUGMENTATION SERVICES
SNYDER SUBSTATION EXPANSION PROJECT**

Attachment 2

Cost Estimate

ARES Corporation Proposal
City of Richland, Project Management Snyder Substation Project
Mar-16

Category	2016 Rates**	WBS 1.1 Info Gathering / Set-up Baseline		WBS 1.2 Project Management (4/25/16 - 5/13/16)		WBS 1.3 Project Management (5/16/16 - 10/31/16)		FY16 TOTAL	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Project Manager	\$190.07	40	\$7,602.80		\$0.00		\$0.00	40	\$7,602.80
Consultant	\$159.56	176	\$28,082.56	54	\$8,616.24	480	\$76,588.80	710	\$113,287.60
Project Controls/Scheduler	\$82.64	32	\$2,644.48	27	\$2,231.28	240	\$19,833.60	299	\$24,709.36
Clerical/Admin	\$77.49	4	\$309.96	3	\$232.47	3	\$232.47	10	\$774.90
Subtotal		252	\$38,639.80	84	\$11,079.99	723	\$96,654.87	1059	\$146,374.66
* Directs	0.5%		\$193.20		\$55.40		\$483.27		\$731.87
TASK TOTAL								\$147,106.53	

Notes:

*Directs include outside reproduction, travel to requested meetings, miscellaneous expenses and incidentals and will be

** Rates are inclusive WA B&O tax



**CITY OF RICHLAND
ENERGY SERVICES DEPARTMENT
PROJECT MANAGEMENT STAFF AUGMENTATION SERVICES
SNYDER SUBSTATION EXPANSION PROJECT**

Attachment 3

Resumes

RESUME OF LARRY B. McDANIEL

EDUCATION

B.S., Computer Engineering, Portland State University

PROFESSIONAL REGISTRATIONS

1994, Project Management Professional (PMP), Project Management Institute
40 Hour Hazardous Waste Operations Training, OSHA 29 CFR 1910.1

PROFESSIONAL BACKGROUND

Mr. McDaniel has over 29 years of engineering and project management experience with 25 of those years involved with estimating, planning, organizing, and leading the design and construction for nuclear facilities. The majority of the work that he has been involved with over this time are associated with Department of Energy environmental projects and Department of Defense specialty equipment development. He has a thorough knowledge of all essential elements of project management and has been involved in all aspects of a project, including engineering, procurement, construction, field engineering, cost estimating, scheduling, project controls, QA, and contract administration.

ARES Corporation, Engineering Consultant, Richland, Washington (October 2007 – present)

Mr. McDaniel provides project management for a broad range of projects, both in regards to Hanford Site activities and commercial work. Hanford projects are generally associated with decontamination and decommissioning along with new installations that are set in hazardous environments. The commercial work he has been involved with ranges from local building upgrades (and new construction) in the community to utility district upgrades. Mr. McDaniel is responsible for all activities associated with design, estimating, scheduling, procedure development, and other project management efforts. His work involves preparing engineering studies and reports, preparing estimates and schedules, coordinating the completion of conceptual design reports, managing design efforts, and managing construction activities – in the fabrication shop as well as in the field. He is responsible for all of the planning, organization, scheduling, budgeting, and coordination tasks as required.

Mid Columbia Engineering, Inc., Senior Project Manager, Richland, Washington, (December 1998 – October 2007)

Mr. McDaniel provided project management of the Spent Nuclear Fuel 100 K Area deactivation which included sludge removal, and debris removal from the fuel storage basins. He was responsible for planning, establishing and maintaining cost and schedule



Mr. Larry B. McDaniel

Page 2

baselines, and overseeing the development of deactivation endpoints necessary to complete the cleanup and turnover of the 100K Area facilities to the Environmental Restoration Contractor. He was also involved in the design, fabrication, and installation of a remotely operated high pressure water scarifier for removing contaminated concrete from the walls and floor of the fuel storage basin.

Mr. McDaniel was the project manager for the design and construction of a full scale cold test facility for demonstrating and evaluating retrieval technologies for removing radioactive waste from 500,000 gallon underground single-shell storage tanks (SSTs). He was responsible for ensuring that clients project objectives were accomplished within budget and schedule.

Numatec Hanford Company, Project Manager, Richland, Washington (October 1996 – December 1998)

Mr. McDaniel led and managed the effort to demonstrate new technologies to clean out radioactive waste from a 500,000 gallon SST. He oversaw the development and execution of project objectives. He was responsible for ensuring work was accomplished within cost and schedule baseline, which included developing requirements, acquisition strategy, overseeing the design, and managing the interfaces between tank farms operations.

Mr. McDaniel supported the development of a new retrieval program baseline for retrieving and closing the SSTs. This program laid out a new integrated risk-based approach for the remediation of the tank farms that included the tank waste, vadose zone and final closure.

Westinghouse Hanford Company, Team Leader, Richland, Washington (January 1995 – October 1996)

Mr. McDaniel provided leadership for the Acquire Commercial Technology for Retrieval program. He developed and managed a test and demonstration program to identify commercial technologies that could be applied to retrieving waste from underground SSTs. He also solicited industry, reviewed proposals, developed test plans and procedures, performed proof of principle tests, and made recommendations for programmatic decisions.

Westinghouse Hanford Company, Project Manager, Richland, Washington (February 1990 – January 1995)

Mr. McDaniel was responsible for planning, organizing, and leading the design and construction of Tank Farm and retrieval projects. He was the overall project management authority coordinating the development, execution, and maintenance of



Mr. Larry B. McDaniel

Page 3

project management plans, scope, budgets, and schedules. He managed projects with total estimated costs of \$115 million. He was also the point of contact between Westinghouse Hanford Company and U.S. Department of Energy for all project activities.

**Computer Sciences Corporation, Project Manager, Edwards Air Force Base, California
(June 1988 – February 1990)**

Mr. McDaniel provided project management for the U.S. Air Force on the Low Altitude Navigation and Targeting Infrared for Night (LANTIRN) flight test program. He led the development of the test program for weapon sensor systems. He was responsible for the development and implementation of flight tests, data acquisition and analysis, conducting technical review boards, safety review boards, mission briefs, and providing a final technical evaluation report.

United States Air Force, Commissioned Officer, (September 1981 – June 1988)

Mr. McDaniel was responsible for the effective deployment of a military weapons system. He performed operational test and evaluation of airborne radar systems, electronic countermeasure systems, and air-to-air weapons systems. He also performed flight data analysis of weapons systems performance for development of tactics for weapons employment.



RESUME OF DWIGHT A. CARTER

EDUCATION

Graduate Studies toward Masters in Business Administration, Eastern Washington University, Cheney, WA

B.A., Business Administration, Eastern Washington University, Cheney, WA

PROFESSIONAL BACKGROUND

More than 20 years' experience in the field of Project Controls providing cost and schedule control for construction projects in Management, Team Leader, Consultant, Scheduler, and Budget Analyst positions. Provided Project Controls leadership to projects funded by the Department of Energy (DOE), Department of Defense (DOD), National Science Foundation (NSF), and commercial ventures. Implemented and received a DOE-HQ validation for a successful Earned Value Performance Measurement System. Personal attributes include:

- Communications, innovation and initiation of cost reduction programs.
- Streamlining systems and productivity enhancement requiring diverse administrative, technical writing, presentation, and interpersonal skills.

ARES Corporation, Project Controls Consultant, Richland, WA (2005 - 2015)

- NuScale Power, Corvallis, Oregon (2014 – 2015): Provided P6 Scheduling support to Project Managers with revisions, updates, and preparation of Baseline Change Proposals (BCPs) and contributed to BCP process improvements. Assisted Managers in ongoing efforts to Rebaseline the Project. NuScale Power is designing modular reactors with a total project cost of \$550M.
- City of Richland Energy Services (RES) Department (2014): Developed Work Plans and schedules for twenty 25 electrical projects totaling in excess of \$5M. As a Consultant, Mr. Carter interviewed RES staff and prepared Work Plans and Cash Flow Projections and procedures. Provided training on Work Plan and Cash Flow Projection procedures to RES staff.
- California Institute of Technology (2005 – 2014): Supported the Advanced LIGO Project by getting the estimate finalized, and prepared the schedule using the Primavera P6 software. Served the Project as a Consultant, Scheduler and Budget Analyst. Prepared the Change Control procedure, and maintained a Project web site. Prepared estimates at completion, including tracking procurements, pending commitments and staffing. Performed critical path analysis, and prepared stake holder reports. This project upgrades an existing facility funded by the NSF, and operated by Caltech and MIT. The ultimate goal of the facility is to detect gravity waves that would come from collisions in outer space. The total project cost is \$205M.



ARES Corporation, Sr. Budget Analyst, Golden, CO (2004)

- Odyssey Project: Supported the completion of the Project's Final Design estimate. Implemented and trained staff on an Earned Value Performance Measurement System using PRISM software. This project upgraded an existing oil refinery so diesel fuel would meet the lower sulfur emission requirements. This was funded by Suncor Energy with a total project cost of \$271M.

ARES Corporation, Sr. Budget Analyst, Herndon, VA (2003)

- Command, Communication, Survivability Program: Implemented and trained staff on an Earned Value Performance Measurement System using PRISM software. This program included several DOD funded project upgrades to the Pentagon and select facilities following the September 11, 2001 attack. The total project cost was \$258M.

ARES Corporation, Sr. Budget Analyst, Cocoa Beach, FL (2003)

- Patrick Air Force Base Launch Operations: Assisted with proposal preparation for launch operations at the base. Wrote the change control procedure, and supported preparation of the proposal implementation schedule using Microsoft Project.

Numatec Hanford Company, Scheduler and Sr. Project Controls Analyst, Richland, WA (1996 – 2003)

- Tank Farm Projects: Develop, maintain and update project fieldwork and budget baseline schedules with Primavera P3 on Projects with a combined total estimated cost of \$389M. Perform critical path schedule analysis, and recommend corrective actions. Supported the completion of Performance Agreements earning the company \$2.6M in fee. Teamed up to initiate and implement cost savings totaling \$5.7M. Provide process improvement recommendations to improve the quality of cost estimates and accuracy in claiming performance measurement.
- Tank Farm Projects: Responsible for 3 environmental cleanup construction projects. Responsibilities included reporting, spending forecasts, and use of the Earned Value Performance Measurement System on projects with a combined total estimated cost of \$354M.

Westinghouse Hanford Company, Project Controls Manager, Team Leader and Sr. Budget Analyst, Richland, WA (1987 – 1996)

- C-106 Sluicing Project: Responsible for cost and schedule control on a \$59M project. Managed a staff of 6 to accomplish project planning, reporting, scheduling, change control, and cost tracking.
- Tank Farm Projects: Integrated several projects funding, budget, staffing, reporting, spending forecasts and multi-year budget planning, and reporting. Contributed to the development of Budget Analyst training program.



- Hanford Waste Vitrification Plant: Served the \$1,210M project in the areas of funding, staffing, reporting, spending forecasts, multi-year budget planning and change control.

Rockwell Hanford Company, Senior Budget/Cost Analyst, Richland, WA (1981 - 1987)

- Chemical Processing Projects: Supported Projects with budget/cost tracking, reporting, yearly and multi-year budgets, and served as a lead in the implementation of a validated performance measurement system. Instrumental in the development of specialized computer programs that reduced work volume and increased management visibility on cost/schedule.





COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key 1 - Financial Stability & Operational Effectiveness
Key 7 - Neighborhoods and Community Safety

Subject:

Resolution No. 87-16, Authorizing Interlocal Agreement for Automatic Aid Response

Department:

Fire & Emergency Services

Ordinance/Resolution Number:

87-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 87-16, authorizing execution of an Interlocal Agreement for Automatic Aid Response.

Summary:

This Interlocal Agreement for Automatic Aid Response is an update to Agreement CI 19-07, and supersedes the version passed by Council Resolution 30-16 on February 2, 2016. Adoption of this proposed Resolution 87-16 updates the Agreement to the most recent revision dated October 19, 2015.

The previous Agreement (CI 19-07) only included the Cities of Kennewick and Richland, and three Benton County Fire Districts (SECOMM agencies). This latest update to the Automatic Aid Agreement adds Pasco Fire Department, Franklin County Fire District #3, Walla Walla County Fire District #5, West Benton RFA (formerly Benton County Fire District #3) and Benton County Fire Districts #5 and #6 as signatories to the existing agreement.

Mutual aid agreements allow for one agency to request aid from another agency when needed. However, under an automatic aid agreement, agencies can build dispatch run cards that pre-plan for the dispatching and response of multiple agencies, depending on the type and complexity of an emergency.

All other parties have executed the updated Interlocal Agreement for Automatic Aid. Staff recommends approval.

Fiscal Impact:

No

None.

Attachments:

1. Automatic Aid Interlocal Agreement (Oct 19, 2015 revision)
2. Resolution 87-16 Authorizing Execution of Interlocal Agreement

INTERLOCAL AGREEMENT FOR AUTOMATIC AID RESPONSE
BETWEEN
THE CITY OF KENNEWICK, WASHINGTON
THE CITY OF PASCO, WASHINGTON
THE CITY OF RICHLAND, WASHINGTON
WEST BENTON REGIONAL FIRE AUTHORITY, WASHINGTON
Benton County Public Hospital District No. 1, Washington
BENTON COUNTY FIRE PROTECTION DISTRICT 1, WASHINGTON
BENTON COUNTY FIRE PROTECTION DISTRICT 2, WASHINGTON
BENTON COUNTY FIRE PROTECTION DISTRICT 4, WASHINGTON
BENTON COUNTY FIRE PROTECTION DISTRICT 5, WASHINGTON
BENTON COUNTY FIRE PROTECTION DISTRICT 6, WASHINGTON
FRANKLIN COUNTY FIRE PROTECTION DISTRICT 3, WASHINGTON
AND
WALLA WALLA COUNTY FIRE PROTECTION DISTRICT 5, WASHINGTON

THIS AGREEMENT is made and entered into this _____ day of _____, 2015, by and between the City of Kennewick, Washington, the City of Richland, Washington, and the City of Pasco, Washington, hereafter referred to as the "Cities", West Benton Regional Fire Authority (RFA), Benton County Public Hospital District #1, Benton County Fire Protection District #1, Benton County Fire Protection District #2, Benton County Fire Protection District #4, Benton County Fire Protection District #5 Benton County Fire Protection District #6, Franklin County Fire Protection District #3 and Walla Walla County Fire Protection District #5, hereinafter referred to as the "Districts" and collectively referred to as the "Agencies." This Agreement is entered into under the provisions of RCW 39.34, the Interlocal Cooperation Act.

I. Recitals

WHEREAS, the Cities of Kennewick, Pasco and Richland maintain organized and equipped fire departments and the Districts are organized and equipped, for the benefit of the citizens of their respective jurisdictions; and

WHEREAS, it is the purpose of the Interlocal Cooperation Act and this Agreement to permit local governmental organizations to make the most efficient use of their resources by enabling them to cooperate with other government agencies on the basis of mutual advantage; thereby providing services and organizing facilities in a manner, pursuant to appropriate forms of governmental organization, which best fits with geographic, economic, population, and other factors that influence the needs and development of local communities; and

WHEREAS, it has been determined by each of the parties hereto that it would be in the best interests of the citizens of the respective jurisdictions, and of mutual benefit to the delivery of emergency services if, in some circumstances, the services of one agency be extended outside corporate limits of that city or district into another; and

WHEREAS, the parties hereto desire to enter into an Automatic Aid Response Agreement, wherein under some circumstances an agency will respond automatically to an emergency incident within the corporate limits of another; and

WHEREAS, the parties hereto desire to set forth their rights, duties, and responsibilities with respect to said Automatic Aid Response obligations as allowed by State law; NOW, THEREFORE,

For and in consideration of the covenants contained herein, performed, and to be performed, the parties hereto agree as follows:

II. Terms and Conditions

Section 1. The Districts and the Cities, respectively, shall each provide and maintain suitable commercial general liability and auto liability insurance policies to protect it from casualty losses by reason of the activities contemplated by this Agreement. The limits of liability for each coverage shall be at least \$5,000,000 each occurrence. Each City and District shall provide the other with a Certificate of Liability Insurance.

LIABILITY:

Each agency shall be responsible for the wrongful or negligent actions of its employees while performing or arising out of the performance of this agreement as their respective liability shall appear under the laws of the State of Washington and/or Federal Law and this agreement is not intended to diminish or expand such liability.

1. To that end, each agency promises to hold harmless and release all the other participating agencies from any loss, claim or liability arising from or out of the negligent tortious actions or inactions of its employees, officers and officials. Such liability shall be apportioned among the parties or the other at fault persons or entities in accordance with the laws of the State of Washington.
2. Nothing herein shall be interpreted to:
 - 2.2 Waive any defense arising out of RCW Title 51.
 - 2.3 Limit the ability of a participant to exercise any right, defense, or remedy which a party may have with respect to third parties or the officer(s) whose action or inaction give rise to loss, claim or liability

including but not limited to an assertion that the employee(s) was acting beyond the scope of his or her employment.

- 2.4 Cover or require indemnification or payment of any judgment against any individual, agency for intentionally wrongful conduct outside the scope of employment of any individual or for any judgment for punitive damages against any individual agency. Payment of punitive damage awards, fines or sanctions shall be the sole responsibility of the individual against whom said judgment is rendered and/or his or her municipal or county district employer, should that employer elect to make said payment voluntarily. This agreement does not require indemnification of any punitive damage awards or for any order imposing fines or sanctions.

Section 2. The Districts and Cities hereunder shall maintain suitable workmen's compensation coverage for its own employees without cost to the other parties to this Agreement, and the Districts and Cities shall pay their own personnel, without cost to the other party.

Section 3. Each of the parties hereto shall be fully responsible for all repairs, maintenance, and upkeep of all equipment in use pursuant to this Agreement, while said equipment is used outside of its geographical boundaries, said repair, upkeep and maintenance to include gas, oil, lubrication, parts replacement, and repair of casualty damage.

Section 4. It is understood and agreed by and between the parties hereto that every effort should be made to become familiar with each other's equipment and only use and operate equipment that they have been trained on.

Section 5. It is further understood and agreed by and between the parties hereto that the deployment of agency resources will be done following a pre-determined and agreed method utilizing the most current Computer Aided Dispatch (CAD) methodology.

Section 6. It is further understood and agreed by and between the parties hereto that the service mutually agreed to be rendered pursuant to this Agreement shall be Fire, Rescue, and Emergency Medical Services.

Section 7. The availability of resources is dependent on many factors and this Agreement will not bind any party to provide services to another in a manner that causes undue risk to the safety of the citizens of the Cities or the Districts, or the employees of the Agencies. The intent of this Agreement is to increase the overall

safety to the citizens of the Cities and the Districts, and the employees of the Agencies, through the pre-planned and coordinated sharing of available resources.

Section 8. It is further understood and agreed by and between the parties hereto that, for the purposes of liaison and the administration of this Agreement, there is hereby delegated the authority to the fire chiefs or other representatives appointed by the controlling board of each of the parties to jointly form an administrative board for carrying out this Agreement. It is also understood and agreed that responsibility may be delegated to agents or employees of the respective Agencies to develop and implement deployment plans that meet the intent of this Agreement. Each party to this Agreement shall appoint members to this deployment planning group who are familiar with the process of Computer Aided Dispatch and that each party shall furnish the administrative board, in writing, the names and rank of all participating members.

Section 9. It is further understood and agreed that the most senior officer of the first arriving unit will assume command of the incident until relieved by an officer from the jurisdiction having authority. It is recognized that in some situations an agency may be confronted with an incident for which a more qualified incident commander is available from another party to this Agreement. In those situations the senior officer from the host jurisdiction may delegate authority to a more qualified individual to command the incident. However, the host agency will retain responsibility for the incident.

Section 10. It is understood and agreed by and between the parties hereto that this Agreement is made with the understanding that no charges will be assessed directly to any of the other parties to this Agreement for services in their primary service area.

Section 11. It is also understood that parties to this Agreement provide services to areas within or adjacent to the jurisdiction in which fees for services are charged (example; federal jurisdiction lands). When other parties to this Agreement provide services to those areas, the party responsible for serving those areas agrees to reimburse the other agencies for their services after receiving reimbursement from the agency having jurisdiction.

Section 12. Refusal to provide services to areas under separate contracts or agreements by a party to this Agreement will not void this Agreement for other areas.

Section 13. Safe and successful implementation of this Agreement is dependent on training and familiarization between the parties to this Agreement. To facilitate these needs, the administrative board will delegate responsibility to a training and equipment officer group comprised of members from each of the participating agencies.

Section 14. This Agreement shall become effective thirty (30) days after being signed and shall remain in full force and effect for one year from the first date indicated above and shall be automatically renewed from year-to-year by the parties hereto, after an annual review, unless terminated. This Agreement may be terminated by any of the parties after giving notice in writing of its intention to terminate not less than ninety (90) days from or after the date of said notice.

Section 15. It is not the intention that a separate legal entity be established to conduct the cooperative undertaking nor is the acquiring, holding or disposing of real or personal property anticipated. The administrators of this Agreement shall be the fire chiefs or other representatives appointed by the controlling board of the Agencies.

Section 16. Severability. If any provision of this Agreement or its application is held invalid, the remainder of the Agreement or the applications of the remainder of the Agreement shall not be affected.

Section 17. Copies of this Agreement shall be filed with the appropriate County Auditor's Office or posted on the websites of the Agencies.

Section 18. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties have hereunto placed their hands and seals on the day and year first indicated.

CITY OF KENNEWICK

Approved as to Form:

By: _____
MARIE MOSLEY, City Manager

LISA BEATON, City Attorney

Date: _____

CITY OF PASCO

Approved as to Form:

By: _____
DAVE ZABELL, City Manager

LELAND KERR, City Attorney

Date: _____

CITY OF RICHLAND

Approved as to Form:

By: _____
CYNTHIA JOHNSON, City Manager

HEATHER KINTZLEY,
City Attorney

Date: _____

WEST BENTON RFA

Approved as to Form:

By: _____
MORGAN EVERETT, Chair
Board of Commissioners

Attorney for West Benton RFA

Date: _____

**BENTON COUNTY PUBLIC HOSPITAL
DISTRICT #1**

Approved as to Form:

By: _____
Title: _____
Board of Commissioners

Attorney for Hospital District #1

Date: _____

BENTON COUNTY FIRE DISTRICT #1

Approved as to Form:

By: _____
JERRY MORRIS, Chair
Board of Fire Commissioners

Attorney for Fire District #1

Date: _____

BENTON COUNTY FIRE DISTRICT #2

Approved as to Form:

By: _____
BARRY ORTH, Chair
Board of Fire Commissioners

Attorney for Fire District #2

Date: _____

BENTON COUNTY FIRE DISTRICT #4

Approved as to Form:

By: _____
ANDREW J. HILL, Chair
Board of Fire Commissioners

Attorney for Fire District #4

Date: _____

BENTON COUNTY FIRE DISTRICT #5

Approved as to Form:

By: _____
DAN SCHMITT, Chair
Board of Fire Commissioners

Attorney for Fire District #5

Date: _____

BENTON COUNTY FIRE DISTRICT #6

Approved as to Form:

By: _____
HAROLD JUERGENS, Chair
Board of Fire Commissioners

Attorney for Fire District #6

Date: _____

FRANKLIN COUNTY FIRE DISTRICT #3

Approved as to Form:

By: _____
RON SHUCK, Chair
Board of Fire Commissioners

Attorney for Fire District #3

Date: _____

WALLA WALLA COUNTY FIRE DISTRICT #5 Approved as to Form:

By: _____
BRAD LANGDELL, Chair
Board of Fire Commissioners

Attorney for Fire District #5

Date: _____

RESOLUTION NO. 87-16

A RESOLUTION of the City of Richland authorizing execution of an Interlocal Agreement for Automatic Aid Response Between the Cities of Richland, Kennewick and Pasco, West Benton Regional Fire Authority, Benton County Public Hospital District No. 1, Benton County Fire Protection Districts 1, 2, 4, 5, 6, Franklin County Fire Protection District 3, and Walla Walla Fire Protection District 5.

WHEREAS, it is the purpose of the Interlocal Cooperation Act to permit local governmental organizations to make the most efficient use of their resources by enabling them to cooperate with other government agencies on the basis of mutual advantage; thereby providing services and organizing facilities in a manner pursuant to appropriate forms of governmental organization, which best fits with geographic, economic, population, and other factors that influence the needs and development of local communities; and

WHEREAS, it has been determined by each of the parties hereto that it would be in the best interests of the citizens of the respective jurisdictions, and of mutual benefit to the delivery of emergency services if, in some circumstances, the services of one fire agency be extended outside corporate limits of that city or district into another; and

WHEREAS, the parties hereto desire to enter into an Automatic Aid Response Agreement, wherein under some circumstances an agency will respond automatically to an emergency incident within the corporate limits of another.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Richland authorizes the City Manager to sign and execute an Interlocal Agreement for Automatic Aid Response Between the Cities of Richland, Kennewick and Pasco, West Benton Regional Fire Authority, Benton County Public Hospital District No. 1, Benton County Fire Protection Districts 1, 2, 4, 5, 6, Franklin County Fire Protection District 3, and Walla Walla Fire Protection District 5.

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

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key 2 - Infrastructure & Facilities
Key 3 - Economic Vitality
Key 5 - Natural Resources Management
Key 6 - Community Amenities

Subject:

Resolution 88-16, Authorizing Four Grant Applications to the Washington State Recreation and Conservation Office (RCO)

Department:

Parks & Public Facilities

Ordinance/Resolution Number:

88-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution 88-16, Authorizing the City Manager to submit four grant applications to the Washington State Recreation and Conservation Office.

Summary:

Washington State Recreation and Conservation Office (RCO) grants are offered biannually.

Staff reviewed the RCO programs with the Parks and Recreation Commission and identified the following four applications as best meeting the objectives of RCO and the priorities of the City:

1) Add lights to the new 5th softball field at Columbia Playfield, total project cost: \$250,000, required match of \$125,000. Anticipated match funding source: Lodging Taxes.

2) Replace certain docks at Columbia Point Marina, total project cost: \$150,000, required match \$37,500. Anticipated match funding source: 2017 REET.

3) Howard Amon Park Riverfront Trail Improvements, total project cost: \$216,000, required match \$108,000. Anticipated funding source: Business License Reserve and Lodging Taxes.

4) Riverfront Vegetation Enhancement and Back Stabilization, total project cost for 2017: \$60,000, required match \$30,000. Anticipated funding source: Undesignated Park Reserve funds.

Each of the four grant applications will benefit the City's waterfront district.

Fiscal Impact:

Funding for the City's match for each grant application will be requested via the 2017 Capital Improvement Plan.

Attachments:

I. Resolution No. 88-16

RESOLUTION NO. 88-16

A RESOLUTION of the City of Richland authorizing the preparation and submittal of four (4) grant funding applications to the Washington State Recreation and Conservation Office as provided in Chapter 79A.15 RCW for Columbia Playfield, Columbia Point Marina Park, Howard Amon Park and the Columbia River Shoreline area between the Shilo Inn and the condominiums.

WHEREAS, the City of Richland has approved a comprehensive parks and recreation plan or habitat conservation plan that include the projects described below; and

WHEREAS, under the provisions of the Washington Wildlife and Recreation Program (WWRP), state grant assistance is requested to aid in financing the cost of improvements to: 1) Columbia Playfield to add lights to field ; 2) Columbia Point Marina Park to replace docks; 3) Howard Amon Park for reconstruction of a section of the Riverfront Trail south of Lee Blvd. and 4) the waterfront area between the Shilo Inn, south to the condominiums, to provide bank stabilization and vegetation enhancement; and

WHEREAS, the City of Richland considers it in the best public interest to complete these projects.

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

Section 1. The City Manager is authorized to make formal application to the Recreation and Conservation Office for grant assistance.

Section 2. Any grant assistance received will be used for direct costs associated with implementation of the projects referenced above.

Section 3. The City hereby certifies that its matching share of project funding will be derived from Hotel/Motel, Business License Reserve, Undesignated Park Reserve Fund, and Real Estate Excise Tax funds and that it is responsible for supporting all non-cash commitments to this project should they not materialize.

Section 4. The City acknowledges that the grant assistance, if approved, will be paid on a reimbursement basis, meaning the City will only request payment from the Recreation and Conservation Office after eligible and allowable costs have been incurred and payment remitted to the City's vendors, and that the Recreation and Conservation Office will hold retainage until the project is deemed complete.

Section 5. The City acknowledges that any facility developed through grant assistance from the Recreation and Conservation Funding Board must be reasonably maintained and made available to the general public at reasonable hours and times of the year according to the type of area or facility unless other restrictions have been agreed to

by the Recreation and Conservation Office Director or the Recreation and Conservation Funding Board.

Section 6. The City acknowledges that any facility developed with grant assistance from the Recreation and Conservation Funding Board must be dedicated for public outdoor recreation purposes, and be retained and maintained for such use for perpetuity unless otherwise provided and agreed to by our organization and the Recreation and Conservation Funding Board.

Section 7. This resolution becomes part of a formal application to the Recreation and Conservation Office for grant assistance.

Section 8. The City provided appropriate opportunity for public comment on this application at the April 19, 2016 City Council Meeting.

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

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key 2 - Infrastructure & Facilities

Subject:

Resolution No. 89-16, Authorizing Submittal of Transportation Investment Generating Economic Recovery (TIGER) Grant Application for Duportail Bridge Project

Department:
Public Works

Ordinance/Resolution Number:
89-16

Document Type:
Resolution

Recommended Motion:

Adopt Resolution No. 89-16, authorizing the submittal of a Transportation Investment Generating Economic Recovery (TIGER) grant application for the Duportail Bridge Project.

Summary:

The Duportail Bridge is the City's highest priority transportation system improvement. With action taken by the 2015 Washington State Legislature, project construction is now partially funded. The State's Connecting Washington Account will provide \$20 million to the project beginning in July, 2017. Staff estimates that \$16,940,000 is needed to complete project funding and assure that construction can be completed.

The federal government has authorized the eighth edition of the Transportation Investment Generating Economic Recovery (TIGER) grant program. The program will distribute \$500 million to eligible projects across the United States. The Duportail Bridge project is an eligible project under the TIGER program and appears to match the TIGER program criteria and goals well. The history of the TIGER program awards suggests that a TIGER grant is part of a larger and multi-party funding package.

The City selected the FCS Group as a consultant to prepare the technical submittal requirements of the TIGER program and to advise the City on its approach to the grant application. FCS Group has completed preliminary preparations for the grant application and has indicated that a \$9,000,000 request positions the City best for this very competitive program. This request is similar to the approach discussed with Council at its March 22 workshop. Staff recommends Council approval of this grant submittal approach.

The application will be finalized and submitted prior to the April 29 deadline. Staff anticipates receiving the United States Department of Transportation's decision on the application by the end of the third quarter of 2016.

Fiscal Impact: Yes	Submitting the TIGER grant application carries no direct costs. The consulting services of the FCS Group will cost the City \$28,720. These expenses were budgeted in the 2016 - 2030 Capital Improvement Plan, which contains \$50,000 in Real Estate Excise Tax funding to support the grant application. If the City receives the requested \$9,000,000 grant the remaining funding need for the Duportail Bridge would be \$7,940,000.
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Attachments:

- I. Resolution No. 89-16, Authorizing TIGER Grant Application

RESOLUTION NO. 89-16

A RESOLUTION of the City of Richland authorizing the preparation and submission of a grant application for the Duportail Bridge project to the federal Transportation Investment Generating Economic Recovery program.

WHEREAS, Richland City Council's Strategic Leadership Plan prioritizes completion of the Duportail / Stevens Corridor Improvements from Queensgate Drive to Lee Boulevard as a high priority contribution to the City's transportation system; and

WHEREAS, one of the three street segment improvements between SR240 and Lee Boulevard, the Stevens Drive South Extension, was completed in 2015; and

WHEREAS, the two remaining street segment improvements between SR240 and Lee Boulevard, the Duportail Street Reconstruction and Duportail Street Extension, are fully funded and scheduled to begin construction in 2016; and

WHEREAS, the City has secured partial construction funding for the Duportail Bridge project, between Queensgate Drive and SR240, from the Washington State Connecting Washington program; and

WHEREAS, the City has established a target bid advertisement date of fall 2017, based on the availability of the Connecting Washington funds and the remaining project development work; and

WHEREAS, it is currently estimated that \$16,940,000 is needed to fully fund completion of the Duportail Bridge project; and

WHEREAS, the Duportail Bridge project is eligible for the federal Transportation Investment Generating Economic Recovery (TIGER) grant program; and

WHEREAS, City staff and the FCS Group, the City's consultant for preparation of the TIGER grant application, recommend seeking \$9,000,000 from the TIGER program.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Richland authorizes staff to prepare and submit a TIGER grant application seeking \$9,000,000 in TIGER funding toward completion of the Duportail Bridge funding package.

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

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 91-16, Affirming Prior Actions Taken Related to the City of Richland 401(a) Plan No. 107151

Department:

Administrative Services

Ordinance/Resolution Number:

91-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 91-16, affirming prior actions taken related to the City of Richland 401(a) Plan No. 107151.

Summary:

City of Richland 401(a) Plan No. 107151 serves the City's interest by enabling it to provide retirement security, thereby helping to attract and retain competent individuals. The Plan design has changed several times over the years. Prior to reaffirming the Plan, staff recommends Council ratify and affirm all prior plan resolutions, amendments and administrative actions taken to date by adopting Resolution No. 91-16.

Fiscal Impact:

None

Attachments:

I. Proposed Resolution No. 91-16

RESOLUTION NO. 91-16

A RESOLUTION of the City of Richland affirming prior actions taken related to the City of Richland 401(a) Plan No. 107151, Governmental Money Purchase Plan & Trust with ICMA Retirement Corporation.

WHEREAS, the City of Richland ("Employer") is a Council-City Manager form of government, and as such, employs a City Manager to serve as the executive leader of the City; and

WHEREAS, the City Manager renders valuable services that adhere to the benefit of the City; and

WHEREAS, Employer has established a 401(a) Governmental Money Purchase Plan & Trust ("the Plan") and made the Plan available to the employee serving in the capacity of City Manager; and

WHEREAS, the Plan serves the interest of Employer by enabling it to provide reasonable retirement security for its employee, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent individuals to serve in the role of City Manager; and

WHEREAS, Employer previously established an Executive Deferred Compensation Plan, now named Governmental Money Purchase Plan & Trust 401(a) Plan No. 107151; and

WHEREAS, Resolution No. 89-98 authorized the City Manager (Executive) Compensation Plan with Employer contribution of up to ten percent (10%) of base salary; and

WHEREAS, the Plan design has changed over the years from the inception of the Plan as identified below:

2000 Amendments: Change to Normal Retirement age and Earnings provisions;

2001 Amendments: Change to Contribution and Earnings provisions;

2002 Amendments: Change to Contribution and Earnings provisions;

2004 Amendments: Compensation and Payment Amendments to change the Plan Administration Fee and the Mutual Fund Service Fee;

2005 Amendments: Consolidation of multiple plans into one 401(a) Plan No. 107162, to include the City Manager 401(a) Plan; and

2010 Amendments: Reactivation of the City Manager 401(a) Plan No. 107151 and change in the Plan's Contribution, Earnings and Vesting provisions.

NOW, THEREFORE, BE IT RESOLVED that Employer hereby ratifies and affirms all prior plan resolutions, amendments and administrative actions for the City Manager Governmental Money Purchase Plan & Trust 401(a) Plan No. 107151, identified above.

BE IT FURTHER RESOLVED that in all other respects, the prior plan amendments, agreements and administrative actions pertaining to the 401(a) Plan No. 107151 are hereby ratified and affirmed.

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 92-16, Restating and Amending the City of Richland 401(a) Plan No. 107151 and Authorizing an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC)

Department:

Administrative Services

Ordinance/Resolution Number:

92-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 92-16, Restating and Amending the City of Richland 401(a) Plan No. 107151 and Authorizing the Mayor to enter into an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC).

Summary:

City of Richland 401(a) Plan No. 107151 serves the City's interest by enabling it to provide retirement security thereby helping to attract and retain competent individuals. Resolution No. 92-16 consolidates all actions and documents needed to restate and amend the Plan as well as authorizes an Administrative Services Agreement in accordance with best practices in plan administration. The three actions that are incorporated into the Resolution include:

1. A description of the plan features the City is currently administering in Appendix A, in the form of the Adoption Agreement (AA). The AA also addresses new provisions not previously addressed and/or available in the prior AA, such as military service administration.
2. The resolution meets a plan requirement to restate its continuance of the qualified 401(a) Governmental Money Purchase Plan & Trust (Appendix B). The restatement is required of governmental employers, at a cycle determined by our plan administrator (ICMA-RC). The City's 401(a) Plan restatement cycle is approximately every six (6) years.
3. The resolution allows the City to enter into a contract (Appendix C) for plan administration (called an Administrative Services Agreement or "ASA"). The ASA does not represent a cost to the City. Participants pay for the plan administration through reduced investment returns, which the City uses to pay ICMA-RC for the services they provide.

The contract represents a significant reduction in administration costs charged to Plan participants, while enhancing some services, to include increased training for participants in financial planning.

Fiscal Impact:

None

Attachments:

1. Proposed Resolution No. 92-16
2. Appendix A
3. Appendix B
4. Appendix C

RESOLUTION NO. 92-16

A RESOLUTION of the City of Richland Restating and Amending the City of Richland 401(a) Plan No. 107151, Governmental Money Purchase Plan & Trust, and Authorizing an Administrative Services Agreement with ICMA Retirement Corporation.

WHEREAS, the City of Richland ("Employer") is a Council-City Manager form of government, and as such, employs a City Manager to serve as the executive leader of the City; and

WHEREAS, the City Manager renders valuable services that adhere to the benefit of the City; and

WHEREAS, Employer has established a 401(a) Governmental Money Purchase Plan & Trust ("the Plan") and made the Plan available to the employee serving in the capacity of City Manager; and

WHEREAS, the Plan serves the interest of Employer by enabling it to provide reasonable retirement security for its employee, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent individuals to serve in the role of City Manager; and

WHEREAS, Employer has determined that the continuance of the qualified 401(a) Governmental Money Purchase Plan & Trust will serve these objectives; and

WHEREAS, Employer has determined that it is in the best interest of all involved parties to enter into a new Administrative Services Agreement (ASA) through December 31, 2019, with the potential of three (3) additional one (1) year extensions, for a maximum of six (6) total contract years; and

WHEREAS, Plan Trust documents issued by ICMA-RC are expected to change over the years from the inception of the Plan consistent with changes to federal regulations that govern such plans; and

WHEREAS, because Plan Documents change from time-to-time, Council has determined to affirm past actions taken regarding the 401(a) Plan No. 107151 via Resolution No. 91-16 as adopted on April 19, 2016; and

WHEREAS, Employer also desires to incorporate the Plan Trust Documents currently in effect.

NOW, THEREFORE, BE IT RESOLVED that Employer hereby amends and restates the qualified City of Richland 401(a) Plan No. 107151, Governmental Money Purchase Plan & Trust, identified in the specified attached documents, and for that purpose, agrees to the following:

1. The International City Management Association Retirement Corporation (ICMA-RC) Governmental Money Purchase Plan & Trust Adoption Agreement, attached hereto as Appendix A; and
2. The International City Management Association Retirement Corporation (ICMA-RC) Governmental Money Purchase Plan & Trust, attached hereto as Appendix B.

BE IT FURTHER RESOLVED that the City of Richland shall enter into a combined Administrative Services Agreement ("ASA") for its two (2) 401(a) Plans, No. 107151 and No. 107162, with International City Management Association Retirement Corporation (ICMA-RC), in substantially the form reflected in the attached Appendix C.

BE IT FURTHER RESOLVED that the assets of the Plan shall be held in trust, with Employer serving as trustee ("Trustee"), for the exclusive benefit of Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in VantageTrust shall be held for the further exclusive benefit of the Plan participants and their beneficiaries.

BE IT FURTHER RESOLVED that Employer hereby agrees to continue to serve as Trustee under the Plan.

BE IT FURTHER RESOLVED that the Mayor, through Council authority, is hereby authorized to execute the aforementioned agreements on behalf of Employer.

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS

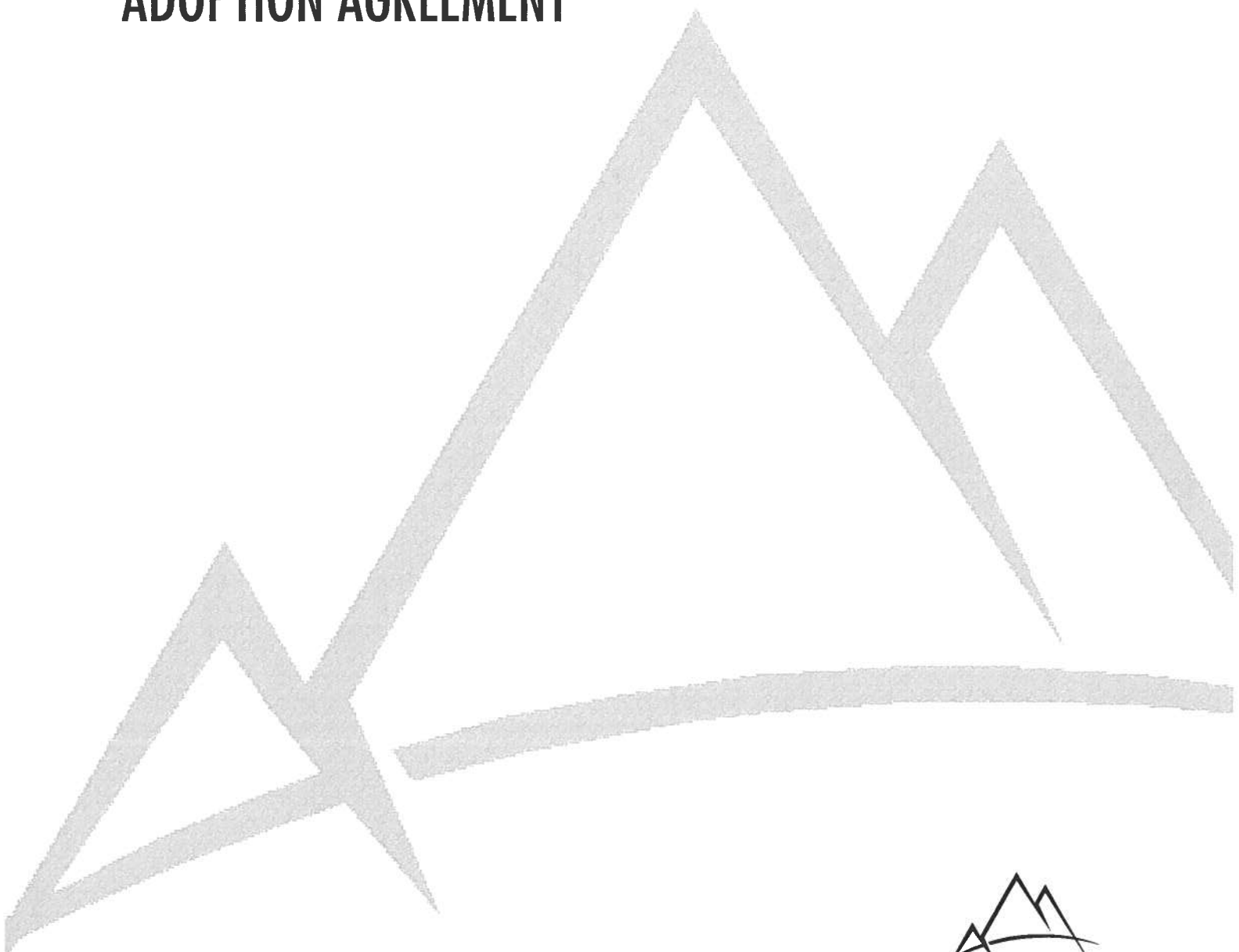
HEATHER KINTZLEY

City Clerk

City Attorney

ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**

Plan Number 107151

The Employer hereby establishes a Money Purchase Plan and Trust to be known as CITY OF RICHLAND
(the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

☒ Yes

☐ No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

CITY OF RICHLAND - City Manager Plan

I. Employer: CITY OF RICHLAND

II. Effective Dates

- ☒ 1. **Effective Date of Restatement.** If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: January 1, 2016

(Note: An alternate effective date can be no earlier than January 1, 2007.)

- ☐ 2. **Effective Date of New Plan.** If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

3. **Special Effective Dates.** Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

- ☐ The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)
- ☒ The twelve (12) consecutive month period commencing on 01/01 and each anniversary thereof.

IV. Normal Retirement Age shall be age 55.0 (not to exceed age 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- ☐ All Employees
- ☐ All Full Time Employees
- ☐ Salaried Employees
- ☐ Non union Employees
- ☐ Management Employees
- ☐ Public Safety Employees
- ☐ General Employees
- ☒ Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) City Manager

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) N/A.

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is N/A (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. **The Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

- ☒ A. Employer Contributions. The Employer shall contribute on behalf of each Participant 10 % of Earnings or \$ _____ for the Plan Year (subject to the limitations of Article V of the Plan).
Mandatory Participant Contributions

☒ are required ☐ are not required

to be eligible for this Employer Contribution.

- ☒ B. Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

☒ Yes ☐ No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

☒ Yes ☐ No

Contribution Schedule.

- (i) 4 % of Earnings,
(ii) \$ _____, or
(iii) a whole percentage of Earnings between the range of _____ (*insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)*), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

☒ Yes ☐ No (*"Yes" is the default provision under the Plan if no selection is made.*)

- ☒ C. Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of 60 days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

- ☐ A. Fixed Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant ___% of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed ___% of Earnings or \$ _____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.
- ☐ B. Variable Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):
____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding ___% of Earnings or \$ _____);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).

PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____% of Earnings or \$ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$ _____ or _____% of Earnings, whichever is _____ more or _____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

☒ Yes ☐ No (*"No" is the default provision under the Plan if no selection is made.*)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

- A. Plan contributions will be made based on differential wage payments:

☒ Yes ☐ No (*"Yes" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

- B. Participants who die or become disabled will receive Plan contributions with respect to such service:

☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime
☐ Yes ☒ No
2. Bonuses
☐ Yes ☒ No
3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:
☒ Yes ☐ No (*"Yes" is the default provision under the Plan if no selection is made.*)
2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.
☒ Effective Date is 1/1/2016.
(*Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.*)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.
☒ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)
City Manager may not contribute additional new contributions to Plan # 107162, which City Manager participated in prior to participation in this plan, Plan # 107151. Annual calculations to ensure no excess contributions to the plan are performed at each payroll. Any excess is properly reduced in Dec. annually
2. The Limitation Year is the following 12 consecutive month period: 1/1/ through 12/31
3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007. _____
(*The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.*)

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

Period of Service Completed	Percent Vested
Zero	100 %
One	%
Two	%
Three	%
Four	%
Five	%
Six	%
Seven	%
Eight	%
Nine	%
Ten	%

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):

- ☐ Normal Retirement Age
☒ Age 70½ (*"70½" is the default provision under the Plan if no selection is made.*)
☐ Alternate age (after Normal Retirement Age): _____
☐ Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.

- ☒ Yes ☐ No (*"Yes" is the default provision under the plan if no selection is made.*)

3. Tax-free distributions of up to \$3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

- ☐ 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.
- ☒ 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (*"Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.*)
- ☐ 3. QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

- ☐ All Eligible Employees
- ☐ Other: _____

Final Pay shall be defined as (select one):

- ☐ A. Accrued unpaid vacation
- ☐ B. Accrued unpaid sick leave
- ☐ C. Accrued unpaid vacation and sick leave
- ☐ D. Other (*insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave*):

- ☐ 1. **Employer Final Pay Contribution.** The Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).
- ☐ 2. **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute ____ % (insert fixed percentage of final pay to be contributed) or up to _____ % (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

- ☐ All Eligible Employees
- ☐ Other: _____

Accrued Leave shall be defined as (select one):

- ☐ A. Accrued unpaid vacation
- ☐ B. Accrued unpaid sick leave
- ☐ C. Accrued unpaid vacation and sick leave
- ☐ D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

- ☐ 1. **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):

- ☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).
- ☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____ % of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

- ☐ 2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____ % (insert fixed percentage of accrued unpaid leave to be contributed) or up to _____ % (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

- XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

- XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

- XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

- XVIII.** The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.
- XIX.** An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 20_____.

EMPLOYER

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: _____

By: _____

Print Name: Robert Thompson

Print Name: Erica McFarquhar

Title: Mayor

Title: Vice President, Benefits Counsel

Attest: _____

Attest: _____



ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-214-21268-201405-W1303

ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST



ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST

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ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST

I. PURPOSE

The Employer hereby adopts this Plan and Trust to provide funds for its Employees' retirement, and to provide funds for their Beneficiaries in the event of death. The benefits provided in this Plan shall be paid from the Trust. The Plan and the Trust forming a part hereof are adopted and shall be maintained for the exclusive benefit of eligible Employees and their Beneficiaries. Except as provided in Sections 4.13 and 14.03, no part of the corpus or income of the Trust shall revert to the Employer or be used for or diverted to purposes other than the exclusive benefit of Participants and their Beneficiaries.

II. DEFINITIONS

- 2.01 Account.** A separate record which shall be established and maintained under the Trust for each Participant, and which shall include all Participant subaccounts created pursuant to Article IV, plus any Participant Loan Account created pursuant to Section 13.03. Each subaccount created pursuant to Article IV shall include any earnings of the Trust and adjustments for withdrawals, and realized and unrealized gains and losses allocable thereto. The term "Account" may also refer to any of such separate subaccounts.
- 2.02 Accounting Date.** Each day that the New York Stock Exchange is open for trading, and such other dates as may be determined by the Plan Administrator, as provided in Section 6.06 for valuing the Trust's assets.
- 2.03 Adoption Agreement.** The separate agreement executed by the Employer through which the Employer adopts the Plan and elects among the various alternatives provided thereunder, and which upon execution, becomes an integral part of the Plan.
- 2.04 Beneficiary.** The person or persons (including a trust) designated by the Participant who shall receive any benefits payable hereunder in the event of the Participant's death. The designation of such Beneficiary shall be in writing to the Plan Administrator. A Participant may designate primary and contingent Beneficiaries. Where no designated Beneficiary survives the Participant or no Beneficiary is otherwise designated by the Participant, the Participant's Beneficiary shall be his/her surviving spouse or, if none, his/her estate.
- Notwithstanding the foregoing, the Beneficiary designation is subject to the requirements of Article XII unless the Employer elects otherwise in the Adoption Agreement. Notwithstanding the foregoing, where elected by the Employer in the Adoption Agreement (the "QJSA Election"), the Beneficiary designation is subject to the requirements of Article XVII. Notwithstanding the foregoing, to the extent permitted by the Employer, a Beneficiary receiving required minimum distributions in accordance with Article X and not in a benefit form elected under Article XI or XII, may designate a Beneficiary to receive the required minimum distributions that would have otherwise been payable to the initial Beneficiary but for his or her death.
- 2.05 Break in Service.** A Period of Severance of at least twelve (12) consecutive months. In the case of an individual who is absent from work for maternity or paternity reasons, the twelve (12) consecutive month period beginning on the first anniversary of the first date of such absence shall not constitute a Break in Service. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence (1) by reason of the pregnancy of the individual, (2) by reason of the birth of a child of the individual, (3) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or (4) for purposes of caring for such child for a period beginning immediately following such birth or placement.
- 2.06 Code.** The Internal Revenue Code of 1986, as amended from time to time.
- 2.07 Covered Employment Classification.** The group or groups of Employees eligible to make and/or have contributions to this Plan made on their behalf, as specified by the Employer in the Adoption Agreement.

2.08 Disability. A physical or mental impairment which is of such permanence and degree that, as determined by the Employer, a Participant is unable because of such impairment to perform any substantial gainful activity for which he/she is suited by virtue of his/her experience, training, or education and that has lasted, or can be expected to last, for a continuous period of not less than twelve (12) months, or can be expected to result in death. The permanence and degree of such impairment shall be supported by medical evidence. If the Employer maintains a long-term disability plan, the definition of Disability shall be the same as the definition of disability in the long-term disability plan.

2.09 Earnings.

(a) **General Rule.** Earnings, which form the basis for computing Employer Contributions, are all of each Participant's W-2 earnings which are actually paid to the Participant during the Plan Year, plus any contributions made pursuant to a salary reduction agreement which are not includible in the gross income of the Employee under section 125, 402(e)(3), 402(h)(1)(B), 403(b), 414(h)(2), 457(b), or, effective January 1, 2001, 132(f)(4) of the Code. Earnings shall include any pre-tax contributions (excluding direct employer contributions) to an integral part trust of the Employer providing retiree health care benefits. Earnings shall also include any other earnings as defined and elected by the Employer in the Adoption Agreement. Unless the Employer elects otherwise in the Adoption Agreement, Earnings shall exclude overtime compensation and bonuses.

(b) **Limitation on Earnings.** For any Plan Year beginning after December 31, 2001, the annual Earnings of each Participant taken into account in determining allocations shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code. Annual Earnings means Earnings during the Plan Year or such other consecutive 12-month period over which Earnings is otherwise determined under the Plan (the determination period). The cost-of-living adjustment in effect for a calendar year applies to annual Earnings for the determination period that begins with or within such calendar year.

If a determination period consists of fewer than twelve (12) months, the annual Earnings limit is an amount equal to the otherwise applicable annual Earnings limit multiplied by the fraction, the numerator of which is the number of months in the short Plan Year and the denominator of which is twelve (12).

If Earnings for any prior determination period are taken into account in determining a Participant's allocations for the current Plan Year, the Earnings for such prior year are subject to the applicable annual Earnings limit in effect for that prior year.

(c) **Limitations for Governmental Plans.** In the case of an eligible participant in a governmental plan (within the meaning of section 414(d) of the Code), the dollar limitation shall not apply to the extent the Earnings which are allowed to be taken into account under the Plan would be reduced below the amount which was allowed to be taken into account under the Plan as in effect on July 1, 1993, as adjusted for increases in the cost-of-living in accordance with section 401(a)(17)(B) of the Code. For purposes of this Section, an eligible participant is an individual who first became a Participant in the Plan during a Plan Year beginning before the first Plan Year beginning after December 31, 1993.

(d) **Earnings Paid After Severance from Employment.** Earnings for purposes of allocations under the Plan shall not include amounts paid after a Participant's severance from Employment with the Employer except as provided in this Section 2.09(d).

(1) **Leave Cashouts.** Earnings shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (i) the Participant would have been able to use the leave if employment had continued, and (ii) such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.

(2) **Regular Pay.** Earnings shall include regular pay after severance from employment if:

- (a) The payment is included in the Participant's W-2 earnings;
- (b) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer; and
- (c) Such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.

Notwithstanding anything to the contrary in this subsection (b), unless the Employer has specifically elected to include overtime compensation and bonuses in Earnings, Earnings shall exclude overtime compensation and bonuses paid after severance from employment.

(3) **Effective Date.** This Section 2.09(d) is effective for Plan Years beginning on or after January 1, 2009. For Plan Years beginning before January 1, 2009, the amounts specified in subsections (a) and (b) must be paid within 2½ months after severance from employment with the Employer maintaining the Plan.

- 2.10 Effective Date.** The first day of the Plan Year during which the Employer adopts the Plan, unless the Employer elects in the Adoption Agreement an alternate date as the Effective Date of the Plan.
- 2.11 Employee.** Any individual who has applied for and been hired in an employment position and who is employed by the Employer as a common law employee; provided, however, that Employee shall not include any individual who is not so recorded on the payroll records of the Employer, including any such person who is subsequently reclassified by a court of law or regulatory body as a common law employee of the Employer. For purposes of clarification only and not to imply that the preceding sentence would otherwise cover such person, the term Employee does not include any individual who performs services for the Employer as an independent contractor, or under any other non-employee classification.
- 2.12 Employer.** The unit of state or local government or an agency or instrumentality of one (1) or more states or local governments that executes the Adoption Agreement.
- 2.13 Hour of Service.** Each hour for which an Employee is paid or entitled to payment for the performance of duties for the Employer.
- 2.14 Nonforfeitable Interest.** The nonforfeitable interest of the Participant or his/her Beneficiary (whichever is applicable) is that percentage of his/her Employer Contribution Account balance, which has vested pursuant to Article VII. A Participant shall, at all times, have a one hundred percent (100%) Nonforfeitable Interest in his/her Participant Contribution, Rollover, and Voluntary Contribution Accounts.
- 2.15 Normal Retirement Age.** The age which the Employer specifies in the Adoption Agreement. If the Employer enforces a mandatory retirement age, the Normal Retirement Age is the lesser of that mandatory age or the age specified in the Adoption Agreement.
- 2.16 Participant.** An Employee or former Employee for whom contributions have been made under the Plan and who has not yet received all of the payments of benefits to which he/she is entitled under the Plan. A Participant is treated as benefiting under the Plan for any Plan Year during which the participant received or is deemed to receive an allocation in accordance with Treas. Reg. section 1.410(b)-3(a).

- 2.17 Period of Service.** For purposes of determining an Employee's initial or continued eligibility to participate in the Plan or the Nonforfeitable Interest in the Participant's Account balance derived from Employer Contributions, an Employee will receive credit for the aggregate of all time period(s) commencing with the Employee's first day of employment or reemployment and ending on the date a Break in Service begins. The first day of employment or reemployment is the first day the Employee performs an Hour of Service. An Employee will also receive credit for any Period of Severance of less than twelve (12) consecutive months. Fractional periods of a year will be expressed in terms of days.

Notwithstanding anything to the contrary herein, if the Plan is an amendment and restatement of a plan that previously calculated service under the hours of service method, service shall be credited in a manner that is at least as generous as that provided under Treas. Regs. section 1.410(a)-7(g).

- 2.18 Period of Severance.** A continuous period of time during which the Employee is not employed by the Employer. Such period begins on the date the Employee retires, quits or is discharged, or if earlier, the twelve (12) month anniversary of the date on which the Employee was otherwise first absent from service.
- 2.19 Plan.** This Plan, as established by the Employer, including any elected provisions pursuant to the Adoption Agreement.
- 2.20 Plan Administrator.** The person(s) or entity named to carry out certain nondiscretionary administrative functions under the Plan, as hereinafter described, which is the ICMA Retirement Corporation or any successor Plan Administrator. Unless otherwise provided in the Plan, the Plan Administrator shall act at the direction of the Employer and shall be fully protected in acting on such direction.
- 2.21 Plan Year.** The twelve (12) consecutive month period designated by the Employer in the Adoption Agreement.
- 2.22 Trust.** The Trust created under Article VI of the Plan which shall consist of all of the assets of the Plan derived from Employer and Participant contributions under the Plan, plus any income and gains thereon, less any losses, expenses and distributions to Participants and Beneficiaries.

III. ELIGIBILITY

- 3.01 Service.** Except as provided in Sections 3.02 and 3.03 of the Plan, an Employee within the Covered Employment Classification who has completed a twelve (12) month Period of Service shall be eligible to participate in the Plan at the beginning of the payroll period next commencing thereafter. The Employer may elect in the Adoption Agreement to waive or reduce the twelve (12) month Period of Service.

If the Employer maintains the plan of a predecessor employer, service with such employer shall be treated as Service for the Employer.

- 3.02 Age.** The Employer may designate a minimum age requirement, not to exceed age twenty-one (21), for participation. Such age, if any, shall be declared in the Adoption Agreement.
- 3.03 Return to Covered Employment Classification.** In the event a Participant is no longer a member of Covered Employment Classification and becomes ineligible to make contributions and/or have contributions made on his/her behalf, such Employee will become eligible for contributions immediately upon returning to a Covered Employment Classification. If such Participant incurs a Break in Service, eligibility will be determined under the Break in Service rules of the Plan.

In the event an Employee who is not a member of a Covered Employment Classification becomes a member, such Employee will be eligible to participate immediately if such Employee has satisfied the minimum age and service requirements and would have otherwise previously become a Participant.

- 3.04 Service Before a Break in Service.** All Periods of Service with the Employer are counted toward eligibility, including Periods of Service before a Break in Service.

IV. CONTRIBUTIONS

- 4.01 Employer Contributions.** For each Plan Year, the Employer will contribute to the Trust an amount as specified in the Adoption Agreement. The Employer's full contribution for any Plan Year shall be due and paid not later than thirty (30) working days after the close of the Plan Year. Each Participant will share in Employer Contributions for the period beginning on the date the Participant commences participation under the Plan and ending on the date on which such Employee severs employment with the Employer or is no longer a member of a Covered Employment Classification, and such contributions shall be accounted for separately in his Employer Contribution Account. Notwithstanding anything to the contrary herein, if so elected by the Employer in the Adoption Agreement, an Employee shall be required to make contributions as provided pursuant to Section 4.03 or 4.04 in order to be eligible for Employer Contributions to be made on his/her behalf to the Plan.
- 4.02 Forfeitures.** All amounts forfeited by terminated Participants, pursuant to Section 7.06, shall be used no later than the end of the next Plan Year. Forfeitures will be used to reduce dollar for dollar Employer Contributions otherwise required under the Plan. Forfeitures may first be used to pay the reasonable administrative expenses of the Plan, with any remainder being applied to reduce Employer Contributions.
- 4.03 Mandatory Participant Contributions.** If the Employer so elects in the Adoption Agreement, each eligible Employee shall make contributions at a rate prescribed by the Employer or at any of a range of specified rates, as set forth by the Employer in the Adoption Agreement, as a requirement for his/her participation (1) in the Plan or (2) in this portion of the Plan. Once an eligible Employee becomes a Participant and makes an election hereunder, he/she shall not thereafter have the right to discontinue or vary the rate of such Mandatory Participant Contributions. Such contributions shall be accounted for separately in the Participant Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.

If the Employer so elects in the Adoption Agreement, the Mandatory Participant Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). Any contribution picked-up under this Section shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is distributed.

To constitute a Pick-Up Contribution, (1) the Employer must specify in a contemporaneous written document by a person duly authorized by the Employer that the contributions are being paid by the Employer in lieu of contributions by the Employee, and (2) the Employee must not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the Employer to the Plan.

- 4.04 Employer Matching Contributions of Voluntary Participant Contributions.** If the Employer so elects in the Adoption Agreement, Employer Matching Contributions shall be made on behalf of an eligible Employee for a Plan Year only if the Employee agrees to make Voluntary Participant Contributions for that Plan Year. The rate of Employer Contributions shall, to the extent specified in the Adoption Agreement, be based upon the rate at which Voluntary Participant Contributions are made for that Plan Year. Employer Matching Contributions shall be accounted for separately in the Employer Contribution Account.
- 4.05 Voluntary Participant Contributions.** If the Employer so elects in the Adoption Agreement, an eligible Employee may make after-tax voluntary (unmatched) contributions under the Plan for any Plan Year in any amount up to twenty-five percent (25%) of his/her Earnings for such Plan Year. Matched and unmatched contributions shall be accounted for separately in the Participant's Voluntary Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.

- 4.06 Deductible Employee Contributions.** The Plan will not accept deductible employee contributions which are made for a taxable year beginning after December 31, 1986. Contributions made prior to that date will be maintained in a Deductible Employee Contribution Account. The Account will share in the gains and losses under the Plan in the same manner as described in Section 6.06 of the Plan. Such Account shall be at all times nonforfeitable by the Participant. No part of the deductible voluntary contribution account will be used to purchase life insurance.
- 4.07 Final Pay Contributions.** If the Employer so elects in the Adoption Agreement, eligible Participants shall be eligible to make or receive Final Pay Contributions under this Plan in accordance with Article XVIII. This election may be made even if the Employer does not elect to make contributions under Section 4.01.
- 4.08 Accrued Leave Contributions.** If the Employer so elects in the Adoption Agreement, eligible Participants shall be eligible to make or receive Accrued Leave Contributions under this Plan in accordance with Article XIX. This election may be made even if the Employer does not elect to make contributions under Section 4.01.
- 4.09 Military Service Contributions.** Notwithstanding any provision of the Plan to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with section 414(u) of the Code.

Effective December 12, 1994, if the Employer has elected in the Adoption Agreement to make loans available to Participants, loan repayments shall be suspended under the Plan as permitted under section 414(u)(4) of the Code.

4.10 Accrual of Additional Benefits for Qualified Military Service.

- (a) **Death Benefits with Respect to Qualified Military Service.** In the case of a Participant who dies on or after January 1, 2007, while performing qualified military service (as defined in Code section 414(u)) with respect to the Employer, his/her Beneficiary shall have a Nonforfeitable Interest in the Participant's entire Employer Contribution Account to the extent that he/she would have had had the Participant resumed and then terminated employment on account of death.
- (b) **Benefit Accruals with Respect to Differential Wage Payments.** If the Employer so elects in the Adoption Agreement, effective as elected by the Employer but no earlier than January 1, 2009, Plan contributions shall be made based on differential wage payments (as such term is defined in Code section 3401(h)(2)). Solely for purposes of applying the limits of Code section 415, differential wage payments shall be treated as compensation.
- (c) **Benefit Accruals with Respect to Qualified Military Service.** Notwithstanding any provision of the Plan to the contrary, effective as elected by the Employer but no earlier than January 1, 2007, if the Employer so elects in the Adoption Agreement, Participants who die or become Disabled while performing qualified military service (as defined in Code section 414(u)) with respect to the Employer shall receive Plan contributions as permitted under Code section 414(u)(9).

4.11 Changes in Participant Election. A Participant may elect to change his/her rate of Voluntary Participant Contributions at any time or during an election period as designated by the Employer. A Participant may discontinue such contributions at any time or during an election period as designated by the Employer.

4.12 Portability of Benefits.

- (a) Unless otherwise elected by the Employer in the Adoption Agreement, the Plan will accept Participant (which shall include, for purposes of this subsection, an Employee within the Covered Employment Classification whether or not he/she has satisfied the minimum age and service requirements of Article III) rollover contributions and/or direct rollovers of distributions (including after-tax contributions) made after December 31, 2001 that are eligible for rollover in accordance with Section 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), or 457(e)(16) of the Code, from all of the following types of plans:
- (1) A qualified plan described in Section 401(a) or 403(a) of the Code;
 - (2) An annuity contract described in Section 403(b) of the Code;
 - (3) An eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state; and
 - (4) An individual retirement account or annuity described in Section 408(a) or 408(b) of the Code (including SEPs, and SIMPLE IRAs after two years of participating in the SIMPLE IRA).
- (b) Notwithstanding the foregoing, the Employer may reject the rollover contribution if it determines, in its discretion, that the form and nature of the distribution from the other plan does not satisfy the applicable requirements under the Code to make the transfer or rollover a nontaxable transaction to the Participant;
- (c) For indirect rollover contributions, the amount distributed from such plan must be rolled over to this Plan no later than the sixtieth (60th) day after the distribution was made from the plan, unless otherwise waived by the IRS pursuant to Section 402(c)(3) of the Code.
- (d) The amount transferred shall be deposited in the Trust and shall be credited to a Rollover Account. Such Account shall be one hundred percent (100%) vested in the Participant.
- (e) The Plan will accept accumulated deductible employee contributions as defined in section 72(o)(5) of the Code that were distributed from a qualified retirement plan and transferred (rolled over) pursuant to section 402(c), 403(a)(4), 403(b)(8), or 408(d)(3) of the Code. Notwithstanding the above, this transferred (rolled over) amount shall be deposited to the Trust and shall be credited to a Deductible Employee Contributions Account. Such Account shall be one-hundred percent (100%) vested in the Participant.
- (f) A Participant may, upon approval by the Employer and the Plan Administrator, transfer his/her interest in another plan maintained by the Employer that is qualified under section 401(a) of the Code to this Plan, provided the transfer is effected through a one-time irrevocable written election made by the Participant. The amount transferred shall be deposited in the Trust and shall be credited to sources that maintain the same attributes as the plan from which they are transferred. Such transfer shall not reduce the accrued years or service credited to the Participant for purposes of vesting or eligibility for any Plan benefits or features.

4.13 Return of Employer Contributions. Any contribution made by the Employer because of a mistake of fact must be returned to the Employer within one year of the date of contribution.

V. LIMITATION ON ALLOCATIONS

5.01 Participants Only in This Plan.

- (a) If the Participant does not participate in, and has never participated in another qualified plan or a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, or an individual medical account, as defined by section 415(l)(2) of the Code, maintained by the Employer, which provides an Annual Addition, the amount of Annual Additions which may be credited to the Participant's Account for any Limitation Year will not exceed the lesser of the Maximum Permissible Amount or any other limitation contained in this Plan. If the Employer Contribution that would otherwise be contributed or allocated to the Participant's Account would cause the Annual Additions for the Limitation Year to exceed the Maximum Permissible Amount, the amount contributed or allocated will be reduced so that the Annual Additions for the Limitation Year will equal the Maximum Permissible Amount.
- (b) Prior to determining the Participant's actual Compensation for the Limitation Year, the Employer may determine the Maximum Permissible Amount for a Participant on the basis of a reasonable estimation of the Participant's Compensation for the Limitation Year, uniformly determined for all Participants similarly situated.
- (c) As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount for the Limitation Year will be determined on the basis of the Participant's actual Compensation for the Limitation Year.

5.02 Participants in Another Defined Contribution Plan.

- (a) Unless the Employer provides other limitations in the Adoption Agreement, this Section applies if, in addition to this Plan, the Participant is covered under another qualified defined contribution plan maintained by the Employer, or a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, or an individual medical account, as defined by section 415(l)(2) of the Code, maintained by the Employer, which provides an Annual Addition, during any Limitation Year. The Annual Additions which may be credited to a Participant's Account under this Plan for any such Limitation Year will not exceed the Maximum Permissible Amount reduced by the Annual Additions credited to a Participant's Account under the other plans and welfare benefit funds for the same Limitation Year. If the Annual Additions with respect to the Participant under other defined contribution plans and welfare benefit funds maintained by the Employer are less than the Maximum Permissible Amount and the Employer contribution that would otherwise be contributed or allocated to the Participant's Account under this Plan would cause the Annual Additions for the Limitation Year to exceed this limitation, the amount contributed or allocated will be reduced so that the Annual Additions under all such plans and funds for the Limitation Year will equal the Maximum Permissible Amount. If the Annual Additions with respect to the Participant under such other defined contribution plans and welfare benefit funds in the aggregate are equal to or greater than the Maximum Permissible Amount, no amount will be contributed or allocated to the Participant's Account under this Plan for the Limitation Year.
- (b) Prior to determining the Participant's actual Compensation for the Limitation Year, the Employer may determine the Maximum Permissible Amount for a Participant in the manner described in Section 5.01(b).
- (c) As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount for the Limitation Year will be determined on the basis of the Participant's actual Compensation for the Limitation Year.

- (d) If, pursuant to Subsection (c) or as a result of the allocation of forfeitures, a Participant's Annual Additions under this Plan and such other plans would result in an Excess Amount for a Limitation Year, the Excess Amount will be deemed to consist of the Annual Additions last allocated, except that Annual Additions attributable to a welfare benefit fund or individual medical account will be deemed to have been allocated first regardless of the actual allocation date.
- (e) If an Excess Amount was allocated to a Participant on an allocation date of this Plan which coincides with an allocation date of another plan, the Excess Amount attributed to this Plan will be the product of,
 - (1) The total Excess Amount allocated as of such date, multiplied by
 - (2) The ratio of (i) the Annual Additions allocated to the Participant for the Limitation Year as of such date under this Plan to (ii) the total Annual Additions allocated to the Participant for the Limitation Year as of such date under this and all the other qualified prototype defined contribution plans.

5.03 Definitions. For the purposes of this Article, the following definitions shall apply:

- (a) Annual Additions. The sum of the following amounts credited to a Participant's account for the Limitation Year:
 - (1) Employer Contributions (including contributions "picked up" by the Employer under Section 4.03);
 - (2) Forfeitures;
 - (3) Employee contributions (including after-tax Voluntary Contributions under Section 4.05 and Mandatory Participant Contributions under Section 4.03 not "picked up" by the Employer); and
 - (4) Allocations under a simplified employee pension. Amounts allocated, after March 31, 1984, to an individual medical account, as defined in section 415(l)(2) of the Code, which is part of a pension or annuity plan maintained by the Employer, are treated as Annual Additions to a defined contribution plan.
 - (5) Notwithstanding the above, the term Annual Additions does not include the following:
 - (a) Restorative Payments. Annual Additions for purposes of Code section 415 shall not include restorative payments. For this purpose, restorative payments are payments made to restore losses to a plan resulting from actions by a fiduciary for which there is reasonable risk of liability for breach of a fiduciary duty under applicable federal or state law, where Participants who are similarly situated are treated similarly with respect to the payments. Generally, payments to a defined contribution plan are restorative payments only if the payments are made in order to restore some or all of the plan's losses due to an action (or a failure to act) that creates a reasonable risk of liability for such a breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the plan). This includes payments to a plan made pursuant to a court-approved settlement to restore losses to a qualified defined contribution plan on account of the breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the plan). Payments made to a plan to make up for losses due merely to market fluctuations and other payments that are not made on account of a reasonable risk of liability for breach of a fiduciary duty are not restorative payments and generally constitute contributions that give rise to Annual Additions.

(b) Other Amounts. Annual Additions for purposes of Code section 415 shall not include (i) the direct transfer of a benefit or employee contributions from a qualified plan to this Plan; (ii) rollover contributions (as described in Code sections 401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16)); (iii) repayments of loans made to a Participant from the Plan; (iv) repayments of amounts described in Code section 411(a)(7)(B) (in accordance with Code sections 411(a)(7)(C)) and 411(a)(3)(D) or repayment of contributions to a governmental plan (as defined in Code section 414(d)) as described in Code section 415(k)(3), as well as Employer restorations of benefits that are required pursuant to such repayments; (v) Employee Contributions to a qualified cost of living arrangement within the meaning of Code section 415(k)(2)(B); (vi) catch-up contributions made in accordance with section 414(v) and §1.414(v)-1 and (vii) excess deferrals that are distributed in accordance with §1.402(g)-1(e)(2) or (3).

(c) Date of Employer Contributions. Notwithstanding anything in the Plan to the contrary, Employer Contributions are treated as credited to a Participant's account for a particular Limitation Year only if the contributions are actually made to the plan no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable, depending on the basis on which the Employer keeps its books) with or within which the particular Limitation Year ends.

(b) Compensation. Participant's wages, salaries, fees for professional services, and other amounts received (without regard to whether an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer, to the extent that the amounts are includible in gross income (or to the extent amounts would have been received and includible in gross income but for an election under Code section 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b)). These amounts include, but are not limited to, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan as described in Treas. Reg. section 1.62-2(c).

(1) Notwithstanding the foregoing, Compensation does not include:

(i) Contributions (other than elective contributions described in Code section 402(e)(3), 408(k)(6), 408(p)(2)(A)(i), or 457(b)) made by the Employer to a plan of deferred compensation (including a simplified employee pension described in Code section 408(k) or a simple retirement account described in Code section 408(p), and whether or not qualified) to the extent that the contributions are not includible in the gross income of the Participant for the taxable year in which contributed. In addition, any distributions from a plan of deferred compensation (whether or not qualified) are not considered as Compensation for Code section 415 purposes, regardless of whether such amounts are includible in the gross income of the Participant when distributed; and

(ii) Other amounts that receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includible in the gross income of the Participant and are not salary reduction amounts that are described in Code section 125).

(iii) Other items of remuneration that are similar to the items listed in subparagraph (i) or (ii) of this subsection (b).

(2) Compensation Paid After Severance or Deemed Severance from Employment. Compensation shall be adjusted as set forth herein for the following types of compensation paid after a Participant's severance from employment (as determined under section 415 of the Code and the regulations thereunder) with the Employer. Any payment that is not described in subsection (i), (ii), (iii), or (iv) of this Section is not considered Compensation within the meaning of section 415 of the Code if paid after severance from employment with the Employer.

(i) Regular Pay.

- (A) Compensation shall include regular pay after severance of employment if the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments;
- (B) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer; and
- (C) Such amounts are paid:
 - 1. for Limitation Years beginning before January 1, 2009, within 2½ months after severance from employment with the Employer maintaining the Plan; and
 - 2. for Limitation Years beginning on or after January 1, 2009, by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.
- (D) The date January 1, 2009 in subsections (b)(2)(i)(C)(1) and (2) of this Section shall be substituted for an earlier effective date if provided in Article II of the Adoption Agreement but no earlier than July 1, 2007.

(ii) Leave Cashouts.

- (A) For Limitation Years beginning before January 1, 2009, Compensation shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (I) the Participant would have been able to use the leave if employment had continued, (II) such amounts are paid within 2½ months after severance from employment with the Employer maintaining the Plan, and (III) such amounts would be included in Compensation if the individual had continued to perform services for the Employer.
- (B) For Limitation Years beginning on or after January 1, 2009, Compensation shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (I) the Participant would have been able to use the leave if employment had continued, (II) such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment, and (III) such amounts would be included in Compensation if the individual had continued to perform services for the Employer.
- (C) The date January 1, 2009 in subsections (b)(2)(ii)(A) and (B) of this Section shall be substituted for an earlier effective date if provided in Article II of the Adoption Agreement but no earlier than July 1, 2007.

(iii) Salary Continuation Payments for Military Service Participants.

- (A) Compensation includes payments to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code section 414(u)(1)) to the extent:
 - 1. Those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering qualified military service; and

2. Those payments would be included in Compensation if the individual had continued to perform services for the Employer rather than entering qualified military service.

(B) Notwithstanding the foregoing, Compensation does not include distributions from this Plan to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code section 414(u)(1)).

(iv) Salary Continuation Payments for Disabled Participants.

(A) Compensation includes amounts paid to a Participant who is permanently and totally disabled (as defined in Code section 22(e)(3)) to the extent:

1. Salary continuation applies to all Participants who are permanently and totally disabled for a fixed or determinable period or the Participant was not a highly compensated employee (as defined in Code section 414(q)) immediately before becoming disabled.
2. Those amounts would be included in Compensation if the Participant had continued to perform services for the Employer.

(B) Notwithstanding the foregoing, Compensation does not include distributions from this Plan to a Participant who is permanently and totally disabled (as defined in Code section 22(e)(3)).

For purposes of applying the limitations of this Article, Compensation for a Limitation Year is the Compensation actually paid or made available during such year. Compensation for a Limitation Year shall not include amounts earned but not paid during the Limitation Year solely because of the timing of pay periods and pay dates.

(c) Defined Contribution Dollar Limitation: \$40,000, as adjusted for increases in the cost of-living in accordance with section 415(d) of the Code.

(d) Employer: The Employer that adopts this Plan.

(e) Excess Amount: The excess of the Participant's Annual Additions for the Limitation Year over the Maximum Permissible Amount. Any Excess Amount shall include allocable income. The income allocable to an Excess Amount is equal to the sum of allocable gain or loss for the Plan Year and the allocable gain or loss for the period between the end of the Plan Year and the date of distribution (the gap period). The Plan may use any reasonable method for computing the income allocable to an Excess Amount, provided that the method is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income to Participants' Accounts.

(f) Limitation Year: A calendar year, or the twelve (12) consecutive month period elected by the Employer in section IX. 2 of the Adoption Agreement. All qualified plans maintained by the Employer must use the same Limitation Year. If the Limitation Year is amended to a different twelve (12) consecutive month period, the new Limitation Year must begin on a date within the Limitation Year in which the amendment is made. The Limitation Year may only be changed by Plan amendment. Furthermore, if the Plan is terminated effective as of a date other than the last day of the Plan's Limitation Year, then the Plan is treated as if the Plan had been amended to change its Limitation Year and the maximum permissible amount shall be prorated for the resulting short Limitation Year.

(g) Maximum Permissible Amount: The maximum Annual Addition that may be contributed or allocated to a Participant's Account under the Plan for any Limitation Year shall not exceed the lesser of:

- (1) The Defined Contribution Dollar Limitation, or
- (2) One hundred percent (100%) of the Participant's Compensation for the Limitation Year.

The compensation limit referred to in (2) shall not apply to any contribution for medical benefits after separation from service (within the meaning of section 401(h) or section 419A(f)(2) of the Code) which is otherwise treated as an annual addition.

If a short Limitation Year is created because of an amendment changing the Limitation Year to a different twelve (12) consecutive month period, the Maximum Permissible Amount will not exceed the Defined Contribution Dollar Limitation multiplied by the following fraction:

Number of months in the short Limitation Year

12

5.04 Aggregation and Disaggregation of Plans.

- (a) Generally. For purposes of applying the limitations of Code section 415, all defined contribution plans (without regard to whether a plan has been terminated) ever maintained by the Employer (or a "predecessor employer") under which the Participant receives Annual Additions are treated as one defined contribution plan. The "Employer" means the Employer that adopts this Plan and any other entity which the Employer determines, based on a reasonable, good faith interpretation of existing law in accordance with Notice 89-23, 1989-1 C.B. 654, as modified by Notice 96-64, 1996-2 C.B. 229, should be aggregated for purposes of applying the limitations of Code section 415. For purposes of this Section:
 - (1) A former employer is a "predecessor employer" with respect to a Participant if the Employer maintains a plan under which the Participant had accrued a benefit while performing services for the former employer, but only if that benefit is provided under the plan maintained by the Employer. For this purpose, the formerly affiliated plan rules in Treas. Reg. section 1.415(f)-1(b)(2) apply as if the Employer and predecessor employer constituted a single employer under the rules described in Treas. Reg. section 1.415(a)-1(f)(1) and (2) immediately prior to the cessation of affiliation (and as if they constituted two, unrelated employers under the rules described in Treas. Reg. section 1.415(a)-1(f)(1) and (2) immediately after the cessation of affiliation) and cessation of affiliation was the event that gives rise to the predecessor employer relationship, such as a transfer of benefits or plan sponsorship.
 - (2) With respect to an Employer, a former entity that antedates the Employer is a "predecessor employer" with respect to a Participant if, under the facts and circumstances, the Employer constitutes a continuation of all or a portion of the trade or business of the former entity.
- (b) Midyear Aggregation. Two or more defined contribution plans that are not required to be aggregated pursuant to Code section 415(f) and the Treasury Regulations thereunder as of the first day of a Limitation Year do not fail to satisfy the requirements of Code section 415 with respect to a Participant for the Limitation Year merely because they are aggregated later in that Limitation Year, provided that no Annual Additions are credited to the Participant's account after the date on which the plans are required to be aggregated.

5.05 Effective Date. Except as otherwise provided in Section 5.03(b)(2), this Article shall apply to limitation years beginning on or after July 1, 2007. The Employer may elect a delayed effective date for this Article in Section IX. 3 of the Adoption Agreement, however, such effective date must apply to limitation years that begin on or after the date that is 90 days after the close of the first legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.

VI. TRUST AND INVESTMENT OF ACCOUNTS

- 6.01 Trust.** A Trust is hereby created to hold all of the assets of the Plan for the exclusive benefit of Participants and Beneficiaries, except that expenses and taxes may be paid from the Trust as provided in Section 6.03. The trustee shall be the Employer or such other person which agrees to act in that capacity hereunder.
- 6.02 Investment Powers.** The trustee or the Plan Administrator, acting as agent for the trustee, shall have the powers listed in this Section with respect to investment of Trust assets, except to the extent that the investment of Trust assets is controlled by Participants, pursuant to Sections 6.05 and 13.03.
- (a) To invest and reinvest the Trust without distinction between principal and income in common or preferred stocks, shares of regulated investment companies and other mutual funds, bonds, notes, debentures, mortgages, certificates of deposit, contracts with insurance companies including but not limited to insurance, individual or group annuity, deposit administration, guaranteed interest contracts, and deposits at reasonable rates of interest at banking institutions including but not limited to savings accounts and certificates of deposit. Assets of the Trust may be invested in securities that involve a higher degree of risk than investments that have demonstrated their investment performance over an extended period of time.
 - (b) To invest and reinvest all or any part of the assets of the Trust in any common, collective or commingled trust fund that is maintained by a bank or other institution and that is available to Employee plans qualified under section 401 of the Code, or any successor provisions thereto, and during the period of time that an investment through any such medium shall exist, to the extent of participation of the Plan, the declaration of trust of such common, collective, or commingled trust fund shall constitute a part of this Plan.
 - (c) To invest and reinvest all or any part of the assets of the Trust in any group annuity, deposit administration or guaranteed interest contract issued by an insurance company or other financial institution on a commingled or collective basis with the assets of any other plan or trust qualified under section 401(a) of the Code or any other plan described in section 401(a)(24) of the Code, and such contract may be held or issued in the name of the Plan Administrator, or such custodian as the Plan Administrator may appoint, as agent and nominee for the Employer. During the period that an investment through any such contract shall exist, to the extent of participation of the Plan, the terms and conditions of such contract shall constitute a part of the Plan.
 - (d) To hold cash awaiting investment and to keep such portion of the Trust in cash or cash balances, without liability for interest, in such amounts as may from time to time be deemed to be reasonable and necessary to meet obligations under the Plan or otherwise to be in the best interests of the Plan.
 - (e) To hold, to authorize the holding of, and to register any investment to the Trust in the name of the Plan, the Employer, or any nominee or agent of any of the foregoing, including the Plan Administrator, or in bearer form, to deposit or arrange for the deposit of securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by any other person, and to organize corporations or trusts under the laws of any jurisdiction for the purpose of acquiring or holding title to any property for the Trust, all with or without the addition of words or other action to indicate that property is held in a fiduciary or representative capacity but the books and records of the Plan shall at all times show that all such investments are part of the Trust.
 - (f) Upon such terms as may be deemed advisable by the Employer or the Plan Administrator, as the case may be, for the protection of the interests of the Plan or for the preservation of the value of an investment, to exercise and enforce by suit for legal or equitable remedies or by other action, or to waive any right or claim on behalf of the Plan or any default in any obligation owing to the Plan, to renew, extend the time for payment of, agree to a reduction in the rate of interest on, or agree to any other modification or change in the terms of any obligation owing to the Plan, to settle, compromise, adjust, or submit to arbitration any

claim or right in favor of or against the Plan, to exercise and enforce any and all rights of foreclosure, bid for property in foreclosure, and take a deed in lieu of foreclosure with or without paying consideration therefor, to commence or defend suits or other legal proceedings whenever any interest of the Plan requires it, and to represent the Plan in all suits or legal proceedings in any court of law or equity or before any body or tribunal.

- (g) To employ suitable consultants, depositories, agents, and legal counsel on behalf of the Plan.
- (h) To open and maintain any bank account or accounts in the name of the Plan, the Employer, or any nominee or agent of the foregoing, including the Plan Administrator, in any bank or banks.
- (i) To do any and all other acts that may be deemed necessary to carry out any of the powers set forth herein.

- 6.03 Taxes and Expenses.** All taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws upon, or in respect to the Trust, or the income thereof, and all commissions or acquisitions or dispositions of securities and similar expenses of investment and reinvestment of the Trust, shall be paid from the Trust. Such reasonable compensation of the Plan Administrator, as may be agreed upon from time to time by the Employer and the Plan Administrator, and reimbursement for reasonable expenses incurred by the Plan Administrator in performance of its duties hereunder (including but not limited to fees for legal, accounting, investment and custodial services) shall also be paid from the Trust. However, no person who is a fiduciary within the meaning of section 3(21)(A) of ERISA and regulations promulgated thereunder, and who receives full-time pay from the Employer may receive compensation from the Trust, except for expenses properly and actually incurred.
- 6.04 Payment of Benefits.** The payment of benefits from the Trust in accordance with the terms of the Plan may be made by the Plan Administrator, or by any custodian or other person so authorized by the Employer to make such disbursement. Benefits under this Plan shall be paid only if the Plan Administrator, custodian or other person, or the Employer if directing such person, decides in his/her discretion that the applicant is entitled to them. The Plan Administrator, custodian or other person shall not be liable with respect to any distribution of Trust assets made at the direction of the Employer.
- 6.05 Investment Funds.** In accordance with uniform and nondiscriminatory rules established by the Employer and the Plan Administrator, the Participant may direct his/her Accounts to be invested in one (1) or more investment funds available under the Plan; provided, however, that the Participant's investment directions shall not violate any investment restrictions established by the Employer and shall not include any investment in collectibles, as defined in section 408(m) of the Code.
- 6.06 Valuation of Accounts.** As of each Accounting Date, the Plan assets held in each investment fund offered shall be valued at fair market value and the investment income and gains or losses for each fund shall be determined. Such investment income and gains or losses shall be allocated proportionately among all Account balances on a fund-by-fund basis. The allocation shall be in the proportion that each such Account balance as of the immediately preceding Accounting Date bears to the total of all such Account balances, as of that Accounting Date. For purposes of this Article, all Account balances include the Account balances of all Participants and Beneficiaries.
- 6.07 Participant Loan Accounts.** Participant Loan Accounts shall be invested in accordance with Section 13.03 of the Plan. Such Accounts shall not share in any investment income and gains or losses of the investment funds described in Section 6.05.
- 6.08 Deemed IRAs.** If deemed IRAs are available pursuant to section 408(q) of the Code, the assets of such deemed IRAs may be commingled with the Plan assets for investment purposes but, if held in the same trust, the trustee shall maintain a separate account for each deemed IRA.

VII. VESTING

7.01 Vesting Schedule. The portion of a Participant's Account attributable to Mandatory Participant Contributions and Voluntary Participant Contributions, and the earnings thereon, shall be at all times nonforfeitable by the Participant. A Participant shall have a Nonforfeitable Interest in the percentage of his/her Employer Contribution Account established under Section 4.01, 4.04, 18.02(a) and 19.02(a) determined pursuant to the schedule elected by the Employer in the Adoption Agreement.

7.02 Crediting Periods of Service. Except as provided in Section 7.03, all of an Employee's Periods of Service with the Employer are counted to determine the nonforfeitable percentage in the Employee's Account balance derived from Employer Contributions. If the Employer maintains the plan of a predecessor employer, service with such employer will be treated as service for the Employer.

For purposes of determining years of service and Breaks in Service for the purposes of computing a Participant's nonforfeitable right to the Account balance derived from Employer Contributions, the twelve (12) consecutive month period will commence on the date the Employee first performs an Hour of Service and each subsequent twelve (12) consecutive month period will commence on the anniversary of such date.

7.03 Service After Break in Service. In the case of a Participant who has a Break in Service of at least five (5) years, all Periods of Service after such Breaks in Service will be disregarded for the purpose of determining the nonforfeitable percentage of the Employer-derived Account balance that accrued before such Break, but both pre-Break and post-Break service will count for the purposes of vesting the Employer-derived Account balance that accrues after such Break. Both Accounts will share in the earnings and losses of the fund.

In the case of a Participant who does not have a Break in Service of at least five (5) years, both the pre-Break and post-Break service will count in vesting both the pre-Break and post-Break Employer-derived Account balance.

In the case of a Participant who does not have any nonforfeitable right to the Account balance derived from Employer Contributions, years of service before a period of consecutive one (1) year Breaks in Service will not be taken into account in computing eligibility service if the number of consecutive one (1) year Breaks in Service in such period equals or exceeds the greater of five (5) or the aggregate number of years of service. Such aggregate number of years of service will not include any years of service disregarded under the preceding sentence by reason of prior Breaks in Service.

If a Participant's years of service are disregarded pursuant to the preceding paragraph, such Participant will be treated as a new Employee for eligibility purposes. If a Participant's years of service may not be disregarded pursuant to the preceding paragraph, such Participant shall continue to participate in the Plan, or, if terminated, shall participate immediately upon reemployment.

7.04 Vesting Upon Normal Retirement Age. Notwithstanding Section 7.01 of the Plan, a Participant shall have a Nonforfeitable Interest in his/her entire Employer Contribution Account, to the extent that the balance of such Account has not previously been forfeited pursuant to Section 7.06 of the Plan, if he/she is employed on or after his/her Normal Retirement Age.

7.05 Vesting Upon Death or Disability. Notwithstanding Section 7.01 of the Plan, in the event of Disability or death, a Participant or his/her Beneficiary shall have a Nonforfeitable Interest in his/her entire Employer Contribution Account, to the extent that the balance of such Account has not previously been forfeited pursuant to Section 7.06 of the Plan.

- 7.06 Forfeitures.** Except as provided in Sections 7.04 and 7.05 of the Plan or as otherwise provided in this Section 7.06, a Participant who separates from service prior to obtaining full vesting shall forfeit that percentage of his/her Employer Contribution Account balance which has not vested as of the date such Participant incurs a Break in Service of five (5) consecutive years or, if earlier, the date such Participant receives, or is deemed under the provisions of Section 9.04 to have received, distribution of the entire Nonforfeitable Interest in his/her Employer Contribution Account. No forfeiture will occur solely as a result of a Participant's withdrawal of Employee Contributions. Forfeitures shall be allocated in the manner described in Section 4.02.
- 7.07 Reinstatement of Forfeitures.** If the Participant returns to the employment of the Employer before incurring a Break in Service of five (5) consecutive years, any amounts forfeited pursuant to Section 7.06 shall be reinstated to the Participant's Employer Contribution Account on the date of repayment by the Participant of the amount distributed to such Participant from his/her Employer Contribution Account; provided, however, that if such Participant forfeited his/her Account balance by reason of a deemed distribution, pursuant to Section 9.04, such amounts shall be automatically restored upon the reemployment of such Participant. Such repayment must be made before the earlier of five (5) years after the first date on which the Participant is subsequently reemployed by the Employer, or the date the Participant incurs a Break in Service of five (5) consecutive years.

VIII. BENEFITS CLAIM

- 8.01 Claim of Benefits.** A Participant or Beneficiary shall notify the Plan Administrator in writing of a claim of benefits under the Plan. The Plan Administrator shall take such steps as may be necessary to facilitate the payment of such benefits to the Participant or Beneficiary.
- 8.02 Appeal Procedure.** If any claim for benefits is initially denied by the Plan Administrator, the claimant shall file the appeal with the Employer, whose decision shall be final, to the extent provided by Section 15.07.

IX. COMMENCEMENT OF BENEFITS

- 9.01 Normal and Elective Commencement of Benefits.** A Participant who retires, becomes Disabled or incurs a severance from employment for any other reason may elect by written notice to the Plan Administrator to have his or her vested Account balance benefits commence on any date, provided that such distribution complies with Section 9.02. Such election must be made in writing during the one-hundred eighty (180) day period ending on the date as of which benefit payments are to commence. A Participant's election shall be revocable and may be amended by the Participant.

The failure of a Participant to consent to a distribution while a benefit is immediately distributable, within the meaning of section 9.02 of the Plan, shall be deemed to be an election to defer commencement of payment of any benefit sufficient to satisfy this section.

- 9.02 Restrictions on Immediate Distributions.** Notwithstanding anything to the contrary contained in Section 9.01 of the Plan, if the value of a Participant's vested Account balance is at least \$1,000, and the Account balance is immediately distributable, the Participant must consent to any distribution of such Account balance. The Participant's consent shall be obtained in writing during the one-hundred eighty (180) day period (ninety (90) day period for Plan Years beginning before January 1, 2007) ending on the date as of which benefit payments are to commence. No consent shall be required, however, to the extent that a distribution is required to satisfy section 401(a)(9) or 415 of the Code.

The Plan Administrator shall notify the Participant of the right to defer any distribution until the Participant's Account balance is no longer immediately distributable. Such notification shall include a general description of the material features, and an explanation of the relative values of, the optional forms of benefit available

under the Plan in a manner that would satisfy section 417(a)(3) of the Code, and shall be provided no less than thirty (30) and no more than one-hundred eighty (180) days (ninety (90) days for Plan Years beginning before January 1, 2007) before the date as of which benefit payments are to commence. However, distribution may commence less than thirty (30) days after the notice described in the preceding sentence is given, provided (i) the distribution is one to which sections 401(a)(11) and 417 of the Code do not apply or, if the QJSA Election is made by the Employer in the Adoption Agreement, the waiver requirements of Section 17.05(a) are met; (ii) the Plan Administrator clearly informs the Participant that the Participant has a right to a period of at least thirty (30) days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option); and (iii) the Participant, after receiving the notice, affirmatively elects a distribution.

In addition, upon termination of this Plan, if the Plan does not offer an annuity option (purchased from a commercial provider) and if the Employer does not maintain another 401(a) defined contribution plan, the Participant's Account balance will, without the Participant's consent, be distributed to the Participant in a lump sum. However, if the Employer maintains another 401(a) defined contribution plan, the Participant's Account will be transferred, without the Participant's consent, to the other plan if the Participant does not consent to an immediate distribution.

An Account balance is immediately distributable if any part of the Account balance could be distributed to the Participant (or surviving spouse) before the Participant attains or would have attained (if not deceased) the later of Normal Retirement Age or age sixty-two (62).

For purposes of determining the applicability of the foregoing consent requirements to distributions made before the first day of the first plan year beginning after December 31, 1988, the Participant's vested Account balance shall not include amounts attributable to accumulated deductible employee contributions within the meaning of section 72(o)(5)(B) of the Code.

9.03 Transfer to Another Plan.

- (a) If a Participant becomes eligible to participate in another plan maintained by the Employer that is qualified under section 401(a) of the Code, the Plan Administrator shall, at the written election of such Participant, transfer all or part of such Participant's Account to such plan, provided the Plan Administrator for such plan certifies to the Plan Administrator that its plan provides for the acceptance of such a transfer. Such transfers shall include those transfers of the nonforfeitable interest of a Participant's Account made for the purchase of service credit in defined benefit plans maintained by the Employer. For purposes of this Plan, any such transfer shall not be considered a distribution to the Participant subject to spousal consent as described in Section 9.10.
- (b) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

(c) Definitions. For the purposes of Subsection (b), the following definitions shall apply:

- (1) Eligible Rollover Distribution. Any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include:
 - (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more;

- (ii) any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and
- (iii) the portion of any other distribution(s) that is not includible in gross income.

A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in section 408(a) or (b) of the Code, or, for distributions occurring after December 31, 2007, to a Roth IRA described in § 408A of the Code, or to a qualified defined contribution plan described in section 401(a) or a qualified annuity contract described in section 403(b) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(2) Eligible Retirement Plan.

- (i) an individual retirement account described in section 408(a) of the Code or an individual retirement annuity described in section 408(b) of the Code (collectively, an “IRA”);
- (ii) an annuity plan described in section 403(a) of the Code;
- (iii) an annuity contract described in section 403(b) of the Code;
- (iv) an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan;
- (v) a qualified plan described in section 401(a) of the Code, that accepts the Distributee’s Eligible Rollover Distribution; or
- (vi) for distributions occurring after December 31, 2007, a Roth IRA described in Code section 408A. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code.

- (3) Distributee. Participant; in addition, the Participant’s surviving spouse and the spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are Distributees with regard to the interest of the spouse or former spouse. For distributions after December 31, 2006 (unless a later date is elected by the Employer pursuant to subsection (d)(1) below, but no later than Plan Years beginning after December 31, 2009), a distributee includes the Employee’s or former Employee’s nonspouse designated Beneficiary, in which case, the distribution can only be transferred to a traditional or Roth IRA established on behalf of the nonspouse designated Beneficiary for the purpose of receiving the distribution.

- (4) Direct Rollover. A payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

(d) Rollover by a Non-Spouse Designated Beneficiary.

- (1) Unless otherwise elected by the Employer in the Adoption Agreement, for distributions beginning after December 31, 2006 but on or before December 31, 2009, a non-spouse Beneficiary who qualifies as a “designated beneficiary” under Code section 401(a)(9)(E) may establish an individual retirement plan

that will be treated as an inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.

- (2) Notwithstanding paragraph (1), for Plan Years beginning after December 31, 2009, a non-spouse Beneficiary who qualifies as a “designated beneficiary” under Code section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.
- (3) Notwithstanding anything herein to the contrary, a death benefit distribution shall not be eligible for transfer to an inherited IRA to the extent such distribution is a required minimum distribution under Code section 401(a)(9).

- (e) Rollover by a Surviving Spouse Distributee. If any distribution attributable to a Participant is paid to the Participant’s surviving spouse, section 402(c) applies to the distribution in the same manner as if the spouse were the Participant. However, a qualified plan (as defined in Treasury Regulation section 1.402(c)-2 Q&A-2) is not treated as an eligible retirement plan with respect to a surviving spouse. Only an individual retirement plan is treated as an eligible retirement plan with respect to an eligible rollover distribution to a surviving spouse.

9.04 De Minimis Accounts. Notwithstanding the foregoing provisions of this Article, if a Participant terminates service, and the value of his/her Nonforfeitable Interest in his/her Account is less than \$1,000, the Participant’s benefit shall be paid as soon as practicable to the Participant in a single lump sum distribution. If the value of the Participant’s Account is at least \$1,000 but not more than the dollar limit under section 411(a)(11) (A) of the Code, the Participant may elect to receive his/her Nonforfeitable Interest in his/her Account. Such distribution shall be made as soon as practicable following the request, in a lump sum.

For purposes of this Section, if a Participant’s Nonforfeitable Interest in his/her Account is zero, the Participant shall be deemed to have received a distribution of such Nonforfeitable Interest in his/her Account.

9.05 Withdrawal of Voluntary Contributions. A Participant may upon written request withdraw a part of or the full amount of his/her Voluntary Contribution Account. Such withdrawals may be made at any time, provided that no more than two (2) such withdrawals may be made during any calendar year. No forfeiture will occur solely as the result of any such withdrawal.

9.06 Withdrawal of Deductible Employee Contributions. A Participant may upon written request withdraw a part of or the full amount of his/her Deductible Employee Contribution Account. Such withdrawals may be made at any time, provided that no more than two (2) such withdrawals may be made during any calendar year. No forfeiture will occur solely as the result of any such withdrawal.

9.07 In-Service Distribution from Rollover Account. Where elected by the Employer in the Adoption Agreement, a Participant that has a separate account attributable to rollover contributions to the Plan, may at any time elect to receive a distribution of all or any portion of the amount held in the Rollover Account.

9.08 In-Service Distributions.

- (a) Unless otherwise elected by the Employer in the Adoption Agreement, a Participant who has reached age 70½ regardless of his Nonforfeitable Interest in his/her entire Employer Contribution Account, shall, upon written request, receive a distribution of a part of or the full amount of the balance in any or all of his vested Accounts.

- (b) If elected by the Employer, in-service distributions may be made beginning after June 1, 2009 to a Participant who has attained Normal Retirement Age or an alternate age (after Normal Retirement Age) elected by the Employer, and who has not yet incurred a severance from employment.
- (c) A Participant's benefit under the Plan may not be distributed before the Participant attains age 62 or, if earlier, the Participant separates from employment (or has a deemed separation), attains Normal Retirement Age under the plan, dies, or becomes disabled, or upon termination of the Plan.
- (d) Distributions under Section 9.08 may be requested at any time, provided that no more than two (2) such distributions may be made during any calendar year.

9.09 Latest Commencement of Benefits. Notwithstanding anything to the contrary in this Article, benefits shall begin no later than the Participant's Required Beginning Date, as defined under Section 10.05, or as otherwise provided in Section 10.04.

9.10 Spousal Consent. Notwithstanding the foregoing, if the Employer elected the QJSA Election in the Adoption Agreement, a married Participant must first obtain his or her spouse's notarized consent to request a distribution (other than a Qualified Joint and Survivor Annuity), withdrawal, or rollover under this Article IX.

9.11 Deemed Severance from Employment.

- (a) Unless otherwise elected by the Employer in the Adoption Agreement, effective January 1, 2009, a Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services (as defined in chapter 43 of title 38, United States Code) for more than 30 days.
- (b) If a Participant receives a distribution pursuant to subsection (a), then the Participant shall not be permitted to make an after-tax voluntary contribution during the six-month period beginning on the date of the distribution.
- (c) If a Participant receives a distribution which could be attributable to:
 - (i) a deemed severance from employment described in subsection (a); or
 - (ii) another distribution event under the Plan,
 then the distribution shall be considered made pursuant to the distribution event referenced in paragraph (ii), and the Participant shall not be subject to the limitation on after-tax voluntary contributions set forth in subsection (b).

9.12 Distributions for Health and Long-Term Care Insurance for Public Safety Officers.

- (a) If elected by the Employer, for Plan Years beginning after December 31, 2006, Eligible Retired Public Safety Officers may elect after separation from service to have up to \$3,000 distributed tax-free annually from the Plan in order to pay for Qualified Health Insurance Premiums for an accident or health plan (including a self-insured plan) or a qualified long-term care insurance contract. The Plan shall make such distributions directly to the provider of the accident or health plan or qualified long-term care insurance contract.
- (b) The term "Eligible Retired Public Safety Officer" means an individual who, by reason of disability or attainment of normal retirement age, is separated from service as a Public Safety Officer with the Employer who maintains the eligible retirement plan from which distributions pursuant to this Section are made. The term "Public Safety Officer" has the same meaning given such term by section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968.

- (c) The term “Qualified Health Insurance Premiums” means premiums for coverage for the Eligible Retired Public Safety Officer, his spouse, and dependents, by an accident or health insurance plan or qualified long-term care insurance contract (as defined in Code section 7702(B)).

X. DISTRIBUTION REQUIREMENTS

10.01 General Rules.

- (a) Generally. Subject to the provisions of Article XII or XVII if so elected by the Employer in the Adoption Agreement, the requirements of this Article shall apply to any distribution of a Participant’s interest and will take precedence over any inconsistent provisions of this Plan. Unless otherwise specified, the provisions of this Article X apply to calendar years beginning after December 31, 2002. With respect to distributions under the Plan made in or for Plan Years beginning on or after January 1, 2002 and prior to January 1, 2003, the Plan will apply the minimum distribution requirements of section 401(a)(9) of the Code in accordance with the regulations under section 401(a)(9) that were proposed on January 17, 2001, notwithstanding any provision of the Plan to the contrary.
- (b) Distributions in Accordance with 401(a)(9). All distributions required under this Article shall be determined and made in accordance with the regulations under section 401(a)(9) of the Code, and the minimum distribution incidental benefit requirement of section 401(a)(9)(G) of the Code.
- (c) Limits on Distribution Periods. As of the first Distribution Calendar Year, distributions to a Participant, if not made in a single-sum, may only be made over one of the following periods:
- (1) The life of the Participant,
 - (2) The joint lives of the Participant and a designated Beneficiary,
 - (3) A period certain not extending beyond the life expectancy of the Participant, or
 - (4) A period certain not extending beyond the joint and last survivor expectancy of the Participant and a designated Beneficiary.
- (d) TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this Article X, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.
- (e) EESA Provisions. The provisions relating to qualified disaster recovery assistance distributions for Participants affected by certain 2008 severe storms, flooding, and tornadoes and repayment thereof, and relating to repayment of prior qualified distributions for home purchases, set forth in section 702 of the Emergency Economic Stabilization Act of 2008 (“EESA”) shall apply to the Plan.
- (f) KETRA and GOZA Provisions. The provisions relating to qualified hurricane distributions and repayment thereof set forth in section 1400Q(a) of the Code, and relating to repayment of prior qualified distributions for home purchases set forth in Code section 1400Q(b), shall apply to the Plan. These provisions added to the Code by the Katrina Emergency Tax Relief Act of 2005 (“KETRA”) and the Gulf Opportunity Zone Act of 2005 (GOZA), permit plans to allow repayments of certain prior qualified distributions for home purchases for Participants affected by Hurricanes Katrina, Rita, and Wilma.

10.02 Time and Manner of Distribution

- (a) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.
- (b) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:
 - (1) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.
 - (2) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
 - (3) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
 - (4) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 10.02(b), other than Section 10.02(b)(1), will apply as if the surviving spouse were the Participant.

For purposes of this Section 10.02(b) and Section 10.04, unless Section 10.02(b)(4) applies, distributions are considered to begin on the Participant's required beginning date. If Section 10.02(b)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 10.02(b)(1). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 10.02(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

- (c) Forms of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 10.03 and 10.04. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations.

10.03 Required Minimum Distributions During Participant's Lifetime

- (a) Amount of Required Minimum Distribution For Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:
 - (1) the quotient obtained by dividing the Participant's Account Balance by the distribution period set forth in the Uniform Lifetime Table found in Section 1.401(a)(9)-9, Q&A-2, of the Final Income Tax Regulations using the Participant's age as of the Participant's birthday in the distribution calendar year; or

- (2) if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9, Q&A-3, of the regulations using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.
- (b) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this Section 10.03 beginning with the first distribution calendar year and continuing up to, and including, the distribution calendar year that includes the Participant's date of death.

10.04 Required Minimum Distributions After Participant's Death

(a) Death On or After Date Distributions Begin.

- (1) Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:
 - (i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
 - (ii) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.
 - (iii) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.
- (2) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(b) Death Before Date Required Distributions Begin.

- (1) Participant Survived by Designated Beneficiary. If the Participant dies before the date required distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 10.04(a).

- (2) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (3) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 10.02(b)(1), this Section 10.04(b) will apply as if the surviving spouse were the Participant.

10.05 Definitions

- (a) Designated Beneficiary. The individual who is designated by the Participant (or the Participant's surviving spouse) as the Beneficiary of the Participant's interest under the Plan and who is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4 of the regulations.
- (b) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 10.02(b). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.
- (c) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9, Q&A-1, of the regulations.
- (d) Participant's Account Balance. The Account Balance as of the last Accounting Date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Account Balance as of dates in the valuation calendar year after the Accounting Date and decreased by distributions made in the valuation calendar year after the Accounting Date. The Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.
- (e) Required Beginning Date. The Required Beginning Date of a Participant is April 1 of the calendar year following the later of the calendar year in which the Participant attains age seventy and one-half (70½), or the calendar year in which the Participant retires.

10.06 Application of Minimum Distribution Requirements. The minimum distribution requirements of section 401(a)(9) of the Code shall only apply to the Plan to the extent that such requirements are applicable by law for a year. Pursuant to the Worker, Retiree, and Employer Recovery Act of 2008 ("WRERA"), required minimum distributions were suspended for 2009.

10.07 Special Rule for Scheduled Installment Payments. All installment payments scheduled to be distributed to a Participant prior to the effective date of a suspension of the required minimum distribution provisions of Code section 401(a)(9) shall be distributed as scheduled unless the Participant affirmatively elects to have the payments stopped. Notwithstanding the foregoing, for purposes of this Section 10.07, the effective date of the suspension of the required minimum distribution provisions for 2009 shall be deemed January 6, 2009.

XI. MODES OF DISTRIBUTION OF BENEFITS

- 11.01 Normal Mode of Distribution.** Unless an elective mode of distribution is elected as provided in Section 11.02, benefits shall be paid to the Participant in the form of a lump sum payment.

Notwithstanding the foregoing, where the Employer made the "QJSA Election" in the Adoption Agreement, unless an elective mode of distribution is elected in accordance with Article XVII, benefits shall be paid to the Participant in the form provided for in Article XVII.

- 11.02 Elective Mode of Distribution.** Subject to the requirements of Articles X, XII and XVII, a Participant may revocably elect to have his/her Account distributed in any one (1) of the following modes in lieu of the mode described in Section 11.01:

- (a) Equal Payments. Equal monthly, quarterly, semi-annual, or annual payments in an amount chosen by the Participant continuing until the Account is exhausted.
- (b) Period Certain. Approximately equal monthly, quarterly, semi-annual, or annual payments, calculated to continue for a period certain chosen by the Participant.
- (c) Other. Any other sequence of payments requested by the Participant.
- (d) Lump Sum. Where the Employer did make the QJSA Election in the Adoption Agreement, a Participant may also elect a lump sum payment.

- 11.03 Election of Mode.** A Participant's election of a payment option must be made in writing between thirty (30) and one-hundred eighty (180) days (ninety (90) days for Plan Years beginning before January 1, 2007) before the payment of benefits is to commence.

- 11.04 Death Benefits.** Subject to Article X (and Article XII or XVII if so elected by the Employer in the Adoption Agreement),

- (a) In the case of a Participant who dies before he/she has begun receiving benefit payments, the Participant's entire Nonforfeitable Interest shall then be payable to his/ her Beneficiary within ninety (90) days of the Participant's death. A Beneficiary who is entitled to receive benefits under this Section may elect to have benefits commence at a later date, subject to the provisions of Article X. The Beneficiary may elect to receive the death benefit in any of the forms available to the Participant under Sections 11.01 and 11.02. If the Beneficiary is the Participant's surviving spouse, and such surviving spouse dies before payment commences, then this Section shall apply to the beneficiary of the surviving spouse as though such surviving spouse were the Participant.
- (b) Should the Participant die after he/she has begun receiving benefit payments, the Beneficiary shall receive the remaining benefits, if any, that are payable, under the payment schedule elected by the Participant. Notwithstanding the foregoing, the Beneficiary may elect to accelerate payments of the remaining balances, including but not limited to, a lump sum distribution.

XII. SPOUSAL DEATH BENEFIT REQUIREMENTS

- 12.01 Application.** Unless otherwise elected by the Employer in the Adoption Agreement, on or after January 1, 2006, the provisions of this Article shall take precedence over any conflicting provision in this Plan. The provisions of this Article, known as the "Beneficiary Spousal Consent Election," shall apply to any Participant who is credited with any Period of Service with the Employer on or after August 23, 1984, and such other Participants as provided in Section 12.04.

12.02 Spousal Death Benefit.

- (a) On the death of a Participant, the Participant's Vested Account Balance will be paid to the Participant's Surviving Spouse. If there is no Surviving Spouse, or if the Participant has waived the spousal death benefit, as provided in Section 12.03, such Vested Account Balance will be paid to the Participant's designated Beneficiary.
- (b) The Surviving Spouse may elect to have distribution of the Vested Account Balance commence within the one-hundred eighty (180) day period following the date of the Participant's death, or as otherwise provided under Section 11.04. The Account balance shall be adjusted for gains or losses occurring after the Participant's death in accordance with the provisions of the Plan governing the adjustment of Account balances for other types of distributions.

12.03 Waiver of Spousal Death Benefit.

The Participant may waive the spousal death benefit described in Section 12.02 at any time; provided that no such waiver shall be effective unless: (a) the Participant's Spouse consents in writing to the election; (b) the election designates a specific Beneficiary, including any class of Beneficiaries or any contingent Beneficiaries, which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further spousal consent); (c) the Spouse's consent acknowledges the effect of the election; and (d) the Spouse's consent is witnessed by a Plan representative or notary public. If it is established to the satisfaction of a Plan representative that there is no Spouse or that the Spouse cannot be located, a waiver will be deemed to meet the requirements of this Section.

Any consent by a Spouse obtained under this provision (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse. A consent that permits designations by the Participant without any requirement of further consent by such Spouse must acknowledge that the Spouse has the right to limit consent to a specific Beneficiary, and a specific form of benefit where applicable, and that the Spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the Spouse at any time before the commencement of benefits. The number of revocations shall not be limited.

12.04 Definitions. For the purposes of this Section, the following definitions shall apply:

- (a) Spouse (Surviving Spouse). The Spouse or Surviving Spouse of the Participant, provided that a former Spouse will be treated as the Spouse or Surviving Spouse and a current Spouse will not be treated as the Spouse or Surviving Spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.
- (b) Vested Account Balance. The aggregate value of the Participant's vested Account balances derived from Employer and Employee contributions (including rollovers), whether vested before or upon death, including the proceeds of insurance contracts, if any, on the Participant's life. The provisions of this Article shall apply to a Participant who is vested in amounts attributable to Employer Contributions, Employee contributions (or both) at the time of death or distribution.

XIII. LOANS TO PARTICIPANTS

13.01 Availability of Loans to Participants.

- (a) If the Employer has elected in the Adoption Agreement to make loans available to Participants, a Participant may apply for a loan from the Plan subject to the limitations and other provisions of this Article.
- (b) The Employer shall establish written guidelines governing the granting of loans, provided that such guidelines are approved by the Plan Administrator and are not inconsistent with the provisions of this Article, and that loans are made available to all applicable Participants on a reasonably equivalent basis.

13.02 Terms and Conditions of Loans to Participants. Any loan by the Plan to a Participant under Section 13.01 of the Plan shall satisfy the following requirements:

- (a) Availability. Loans shall be made available to all Participants who are active Employees on a reasonably equivalent basis. Loans shall not be made available to terminated Employees, Beneficiaries, or alternate payees.
- (b) Nondiscrimination. Loans shall not be made to highly compensated Employees in an amount greater than the amount made available to other Employees.
- (c) Interest Rate. Loans must be adequately secured and bear a reasonable interest rate.
- (d) Loan Limit. No Participant loan shall exceed the present value of the Participant's Nonforfeitable Interest in his/her Account.
- (e) Foreclosure. In the event of default, foreclosure on the note and attachment of security will not occur until a distributable event occurs in the Plan.
- (f) Reduction of Account. Notwithstanding any other provision of this Plan, the portion of the Participant's vested Account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the Account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan. If less than one hundred percent (100%) of the Participant's nonforfeitable Account balance (determined without regard to the preceding sentence) is payable to the surviving spouse, then the Account balance shall be adjusted by first reducing the nonforfeitable Account balance by the amount of the security used as repayment of the loan, and then determining the benefit payable to the surviving spouse.
- (g) Amount of Loan. At the time the loan is made, the principal amount of the loan plus the outstanding balance (principal plus accrued interest) due on any other outstanding loans to the Participant or Beneficiary from the Plan and from all other plans of the Employer that are qualified employer plans under section 72(p)(4) of the Code shall not exceed the lesser of:
 - (1) \$50,000, reduced by the excess (if any) of
 - (i) The highest outstanding balance of loans from the Plan during the one (1) year period ending on the day before the date on which the loan is made, over
 - (ii) The outstanding balance of loans from the Plan on the date on which such loan is made; or

- (2) One-half (½) of the value of the Participant's Nonforfeitable Interest in all of his/her Accounts under this Plan (or \$10,000, if greater, for loans prior to January 1, 2006).

For the purpose of the above limitation, all loans from all qualified employer plans of the Employer, including 457(b) plans, under Code section 72(p)(4) are aggregated.

- (h) Application for Loan. The Participant must give the Employer adequate written notice, as determined by the Employer, of the amount and desired time for receiving a loan. No more than one (1) loan may be made by the Plan to a Participant in any calendar year. No loan shall be approved if an existing loan from the Plan to the Participant is in default to any extent.
- (i) Length of Loan. The terms of any loan issued or renegotiated after December 31, 1993, shall require the Participant to repay the loan in substantially equal installments of principal and interest, at least quarterly (except as otherwise provided in Treasury Regulation section 1.72(p)-1, Q&A-9 for certain leave of absence and military leave), over a period that does not exceed five (5) years from the date of the loan; provided, however, that if the proceeds of the loan are applied by the Participant to acquire any dwelling unit that is to be used within a reasonable time after the loan is made as the principal residence of the Participant, the five (5) year limit shall not apply. In this event, the period of repayment shall not exceed a reasonable period determined by the Employer. Principal installments and interest payments otherwise due may be suspended during an authorized leave of absence, if the promissory note so provides, but not beyond the original term permitted under this Subsection (i), with a revised payment schedule (within such term) instituted at the end of such period of suspension. If the Participant fails to make any installment payment, the Plan Administrator may, according to Treasury Regulation 1.72(p)-1, allow a cure period, which cure period cannot continue beyond the last day of the calendar quarter following the calendar quarter in which the required installment payment was due.
- (j) Prepayment. The Participant shall be permitted to repay the loan in whole or in part at any time prior to maturity, without penalty.
- (k) Note. The loan shall be evidenced by a promissory note executed by the Participant and delivered to the Employer, and shall bear interest at a reasonable rate determined by the Employer. Unless waived by a Participant, any plan loan that is outstanding on the date that active duty military service begins will accrue interest at a rate of no more than 6% during the period of military service in accordance with the provisions of the Servicemembers Civil Relief Act (SCRA), 50 USC App. § 526 and subject to the notice requirements contained therein. This limitation applies even if loan payments are suspended during the period of military service as permitted under the Plan and Treasury regulations.
- (l) Security. The loan shall be secured by an assignment of that portion the Participant's right, title and interest in and to his/her Employer Contribution Account (to the extent vested), Participant Contribution Account, and Rollover Account that is equal to fifty percent (50%) of the Participant's Account (to the extent vested).
- (m) Assignment or Pledge. For the purposes of paragraphs (h) and (i), assignment or pledge of any portion of the Participant's interest in the Plan and a loan, pledge, or assignment with respect to any insurance contract purchased under the Plan, will be treated as a loan.
- (n) Spousal Consent. If the Employer elected the QJSA Election in the Adoption Agreement, the Participant must first obtain his or her spouse's notarized consent to the loan. Spousal consent shall be obtained no earlier than the beginning of the one-hundred eighty (180) day period (ninety (90) day period for plan years beginning before January 1, 2007) that ends on the date on which the loan is to be so secured. The consent

must be in writing, must acknowledge the effect of the loan, and must be witnessed by a Plan representative or notary public. Such consent shall thereafter be binding with respect to the consenting spouse or any subsequent spouse with respect to that loan. A new consent shall be required if the account balance is used for renegotiation, extension, renewal, or other revision of the loan.

- (o) **Other Terms and Conditions.** The Employer shall fix such other terms and conditions of the loan as it deems necessary to comply with legal requirements, to maintain the qualification of the Plan and Trust under section 401(a) of the Code, or to prevent the treatment of the loan for tax purposes as a distribution to the Participant. The Employer, in its discretion for any reason, may fix other terms and conditions of the loan, not inconsistent with the provisions of this Article, including:
 - (1) the circumstances under which a loan becomes immediately due and payable, provided, however, with respect to loans issued after December 31, 2012, that the loan program shall not provide that a loan becomes due and payable solely because the Participant requests or receives a partial distribution of the Participant's account balance after termination of employment;
 - (2) rules relating to reamortization of loans; and
 - (3) rules relating to refinance of loans.

13.03 Participant Loan Accounts.

- (a) Upon approval of a loan to a Participant by the Employer, an amount not in excess of the loan shall be transferred from the Participant's other investment fund(s), described in Section 6.05 of the Plan, to the Participant's Loan Account as of the Accounting Date immediately preceding the agreed upon date on which the loan is to be made.
- (b) The assets of a Participant's Loan Account may be invested and reinvested only in promissory notes received by the Plan from the Participant as consideration for a loan permitted by Section 13.01 of the Plan or in cash. Uninvested cash balances in a Participant's Loan Account shall not bear interest. No person who is otherwise a fiduciary of the Plan shall be liable for any loss, or by reason of any breach, that results from the Participant's exercise of such control.
- (c) Repayment of principal and payment of interest shall be made by payroll deduction or Automated Clearing House (ACH) transfer, or with respect to a terminated Employee solely by ACH, and shall be invested in one (1) or more other investment funds, in accordance with Section 6.05 of the Plan, as of the next Accounting Date after payment thereof to the Trust. The amount so invested shall be deducted from the Participant's Loan Account. A payment intended to be a Prepayment or payment of the loan in full may also be made by cashier's check or money order, and shall be invested in accordance with this provision.
- (d) The Employer shall have the authority to establish other reasonable rules, not inconsistent with the provisions of the Plan, governing the establishment and maintenance of Participant Loan Accounts.

XIV. PLAN AMENDMENT, TERMINATION AND OPTIONAL PROVISIONS

14.01 Amendment by Employer. The Employer reserves the right, subject to Section 14.02 of the Plan, to amend the Plan from time to time by either:

- (a) Filing an amended Adoption Agreement to change, delete, or add any optional provision, or
- (b) Continuing the Plan in the form of an amended and restated Plan and Trust.

No amendment to the Plan shall be effective to the extent that it has the effect of decreasing a Participant's accrued benefit. Notwithstanding the preceding sentence, a Participant's Account balance may be reduced to the extent permitted under section 412(d)(2) of the Code. For purposes of this paragraph, a Plan amendment which has the effect of decreasing a Participant's Account balance or eliminating an optional form of benefit, with respect to benefits attributable to service before the amendment shall be treated as reducing an accrued benefit. Furthermore, if the vesting schedule of the Plan is amended, in the case of an Employee who is a Participant as of the later of the date such amendment is adopted or the date it becomes effective, the nonforfeitable percentage (determined as of such date) of such Employee's right to his/her Employer-derived accrued benefit will not be less than his percentage computed under the plan without regard to such amendment.

No amendment to the Plan shall be effective to eliminate or restrict an optional form of benefit. The preceding sentence shall not apply to a Plan amendment that eliminates or restricts the ability of a Participant to receive payment of his or her Account balance under a particular optional form of benefit if the amendment provides a single-sum distribution form that is otherwise identical to the optional form of benefit being eliminated or restricted. For this purpose, a single-sum distribution form is otherwise identical only if the single-sum distribution form is identical in all respects to the eliminated or restricted optional form of benefit (or would be identical except that it provides greater rights to the Participant) except with respect to the timing of payments after commencement.

The Employer may (1) change the choice of options in the Adoption Agreement, (2) add overriding language in the Adoption Agreement when such language is necessary to satisfy sections 415 or 416 of the Code because of the required aggregation of multiple plans, (3) amend administrative provisions of the trust or custodial document in the case of a nonstandardized plan and make more limited amendments in the case of a standardized plan such as the name of the plan, employer, trustee or custodian, plan administrator and other fiduciaries, the trust year, and the name of any pooled trust in which the Plan's trust will participate, (4) add certain sample or model amendments published by the Internal Revenue Service or other required good faith amendments which specifically provide that their adoption will not cause the plan to be treated as individually designed, and (5) add or change provisions permitted under the Plan and/or specify or change the effective date of a provision as permitted under the Plan and correct obvious and unambiguous typographical errors and/or cross-references that merely correct a reference but that do not in any way change the original intended meaning of the provisions. An Employer that amends the Plan for any other reason will be considered to have an individually designed plan.

14.02 Amendment of Vesting Schedule. If the Plan's vesting schedule is amended, or the Plan is amended in any way that directly or indirectly affects the computation of the Participant's nonforfeitable percentage, each Participant may elect, within a reasonable period after the adoption of the amendment or change, to have the nonforfeitable percentage computed under the Plan without regard to such amendment or change.

The period during which the election may be made shall commence with the date the amendment is adopted or deemed to be made and shall end on the latest of:

- (a) Sixty (60) days after the amendment is adopted;
- (b) Sixty (60) days after the amendment becomes effective; or
- (c) Sixty (60) days after the Participant is issued written notice of the amendment by the Employer or Plan Administrator.

14.03 Termination by Employer. The Employer reserves the right to terminate this Plan. However, in the event of such termination no part of the Trust shall be used or diverted to any purpose other than for the exclusive benefit of the Participants or their Beneficiaries, except as provided in this Section.

Upon Plan termination or partial termination, all Account balances shall be valued at their fair market value and the Participant's right to his/her Employer Contribution Account shall be one hundred percent (100%) vested and nonforfeitable. Such amount and any other amounts held in the Participant's other Accounts shall be maintained for the Participant until paid pursuant to the terms of the Plan.

Any amounts held in a suspense account, after all liabilities of the Plan to Participants and Beneficiaries have been satisfied or provided for, shall be paid to the Employer in accordance with the Code and regulations thereunder.

In the event that the Commissioner of Internal Revenue determines that the Plan is not initially qualified under the Internal Revenue Code, any contribution made by the Employer incident to that initial qualification must be returned to the Employer within one year after the date the initial qualification is denied, but only if the application for the qualification is made by the time prescribed by law for filing the Employer's return for the year in which the Plan is adopted, or such later date as the Secretary of the Treasury may prescribe.

14.04 Discontinuance of Contributions. A permanent discontinuance of contributions to the Plan by the Employer, unless an amended and restated Plan is established, shall constitute a Plan termination. In the event of a complete discontinuance of contributions under the Plan, the Account balance of each affected Participant shall be nonforfeitable.

14.05 Amendment by Plan Administrator. The Plan Administrator may amend this Plan upon thirty (30) days written notification to the Employer; provided, however, that any such amendment must be for the express purpose of maintaining compliance with applicable federal laws and regulations, revenue rulings, other statements published by the Internal Revenue Service (including model and sample amendments that specifically provide that their adoption will not cause such Plan to be individually designed), or corrections of prior approved Plans may be applied to all Employers who have adopted the Plan. Such amendment shall become effective unless, within such 30-day period, the Employer notifies the Administrator, in writing, that it disapproves such amendment, in which case such amendment shall not become effective. In the event of such disapproval, the Administrator shall be under no obligation to continue acting as Administrator hereunder.

For purposes of reliance on the advisory letter, the Plan Administrator shall no longer have authority to amend the Plan on behalf of the Employer as of the date of the adoption of an Employer amendment to the Plan to incorporate a type of plan not allowable in the volume submitter program described in section 16.03 of Revenue Procedure 2011-49 (or successor guidance) or as of the date the Internal Revenue Service notifies the Plan Administrator that the Plan is being treated as an individually designed plan pursuant to section 24.03 of Revenue Procedure 2011-49 (or successor guidance).

14.06 Optional Provisions. Any provision which is optional under this Plan shall become effective if and only if elected by the Employer and agreed to by the Plan Administrator.

14.07 Failure of Qualification. If the Employer's plan fails to attain or retain qualification, such plan will no longer participate in this Plan and will be considered an individually designed plan.

XV. ADMINISTRATION

15.01 Powers of the Employer. The Employer shall have the following powers and duties:

- (a) To appoint and remove, with or without cause, the Plan Administrator;
- (b) To amend or terminate the Plan pursuant to the provisions of Article XIV;

- (c) To appoint a committee to facilitate administration of the Plan and communications to Participants;
- (d) To decide all questions of eligibility (1) for Plan participation, and (2) upon appeal by any Participant, Employee or Beneficiary, for the payment of benefits;
- (e) To engage an independent qualified public accountant, when required to do so by law, to prepare annually the audited financial statements of the Plan's operation;
- (f) To take all actions and to communicate to the Plan Administrator in writing all necessary information to carry out the terms of the Plan and Trust; and
- (g) To notify the Plan Administrator in writing of the termination of the Plan.

15.02 Duties of the Plan Administrator. The Plan Administrator shall have the following powers and duties, subject to the oversight by the Employer:

- (a) To construe and interpret the provisions of the Plan;
- (b) To maintain and provide such returns, reports, schedules, descriptions, and individual Account statements as are required by law within the times prescribed by law; and to furnish to the Employer, upon request, copies of any or all such materials, and further, to make copies of such instruments, reports, descriptions, and statements as are required by law available for examination by Participants and such of their Beneficiaries who are or may be entitled to benefits under the Plan in such places and in such manner as required by law;
- (c) To obtain from the Employer such information as shall be necessary for the proper administration of the Plan;
- (d) To determine the amount, manner, and time of payment of benefits hereunder;
- (e) To appoint and retain such agents, counsel, and accountants for the purpose of properly administering the Plan;
- (f) To distribute assets of the Trust to each Participant and Beneficiary in accordance with Article X of the Plan;
- (g) To pay expenses from the Trust pursuant to Section 6.03 of the Plan; and
- (h) To do such other acts reasonably required to administer the Plan in accordance with its provisions or as may be provided for or required by the Code.

15.03 Protection of the Employer. The Employer shall not be liable for the acts or omissions of the Plan Administrator, but only to the extent that such acts or omissions do not result from the Employer's failure to provide accurate or timely information as required or necessary for proper administration of the Plan.

15.04 Protection of the Plan Administrator. The Plan Administrator may rely upon any certificate, notice or direction purporting to have been signed on behalf of the Employer which the Plan Administrator believes to have been signed by a duly designated official of the Employer.

15.05 Resignation or Removal of Plan Administrator. The Plan Administrator may resign at any time effective upon sixty (60) days prior written notice to the Employer. The Plan Administrator may be removed by the Employer at any time upon sixty (60) days prior written notice to the Plan Administrator. Upon the resignation or removal of the Plan Administrator, the Employer may appoint a successor Plan Administrator; failing such appointment, the

Employer shall assume the powers and duties of Plan Administrator. Upon the resignation or removal of the Plan Administrator, any Trust assets invested by or held in the name of the Plan Administrator shall be transferred to the trustee in cash or property, at fair market value, except that the return of Trust assets invested in a contract issued by an insurance company shall be governed by the terms of that contract.

- 15.06 No Termination Penalty.** The Plan Administrator shall have no authority or discretion to impose any termination penalty upon its removal.
- 15.07 Decisions of the Plan Administrator.** All constructions, determinations, and interpretations made by the Plan Administrator pursuant to Section 15.02(a) or (d) or by the Employer pursuant to Section 15.01(d) shall be final and binding on all persons participating in the Plan, given deference in all courts of law to the greatest extent allowed by applicable law, and shall not be overturned or set aside by any court of law unless found to be arbitrary or capricious, or made in bad faith.

XVI. MISCELLANEOUS

- 16.01 Nonguarantee of Employment.** Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of an Employee to be continued in the employment of the Employer, as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.
- 16.02 Rights to Trust Assets.** No Employee or Beneficiary shall have any right to, or interest in, any assets of the Trust upon termination of his/her employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable under the Plan to such Employee or Beneficiary out of the assets of the Trust. All payments of benefits as provided for in this Plan shall be made solely out of the assets of the Trust and none of the fiduciaries shall be liable therefor in any manner.
- 16.03 Nonalienation of Benefits.** Except as provided in Sections 16.04 and 16.06 of the Plan, benefits payable under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary, prior to actually being received by the person entitled to the benefit under the terms of the Plan; and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any right to benefits payable hereunder, shall be void. The Trust shall not in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements or torts of any person entitled to benefits hereunder.
- 16.04 Qualified Domestic Relations Order.** Notwithstanding Section 16.03 of the Plan, amounts may be paid with respect to a Participant pursuant to a domestic relations order, but if and only if the order is determined to be a qualified domestic relations order within the meaning of section 414(p) of the Code or any domestic relations order entered before January 1, 1985.
- 16.05 Nonforfeitability of Benefits.** Subject only to the specific provisions of this Plan, nothing shall be deemed to deprive a Participant of his/her right to the Nonforfeitable Interest to which he/ she becomes entitled in accordance with the provisions of the Plan.
- 16.06 Incompetency of Payee.** In the event any benefit is payable to a minor or incompetent, to a person otherwise under legal disability, or to a person who, in the sole judgment of the Employer, is by reason of advanced age, illness, or other physical or mental incapacity incapable of handling the disposition of his/her property, the Employer may apply the whole or any part of such benefit directly to the care, comfort, maintenance, support, education, or use of such person or pay or distribute the whole or any part of such benefit to:

- (a) The parent of such person;
- (b) The guardian, committee, or other legal representative, wherever appointed, of such person;
- (c) The person with whom such person resides;
- (d) Any person having the care and control of such person; or
- (e) Such person personally.

The receipt of the person to whom any such payment or distribution is so made shall be full and complete discharge therefor.

- 16.07 Inability to Locate Payee.** Anything to the contrary herein notwithstanding, if the Employer is unable, after reasonable effort, to locate any Participant or Beneficiary to whom an amount is payable hereunder, such amount shall be forfeited and held in the Trust for application against the next succeeding Employer Contribution or contributions required to be made hereunder. Notwithstanding the foregoing, however, such amount shall be reinstated, by means of an additional Employer contribution, if and when a claim for the forfeited amount is subsequently made by the Participant or Beneficiary or if the Employer receives proof of death of such person, satisfactory to the Employer. To the extent not inconsistent with applicable law, any benefits lost by reason of escheat under applicable state law shall be considered forfeited and shall not be reinstated.
- 16.08 Mergers, Consolidations, and Transfer of Assets.** The Plan shall not be merged into or consolidated with any other plan, nor shall any of its assets or liabilities be transferred into any such other plan, unless each Participant in the Plan would (if the Plan then terminated) receive a benefit immediately after the merger, consolidation, or transfer that is equal to or greater than the benefit he/she would have been entitled to receive immediately before the merger, consolidation, or transfer (if the Plan had then terminated).
- 16.09 Employer Records.** Records of the Employer as to an Employee's or Participant's Period of Service, termination of service and the reason therefor, leaves of absence, reemployment, Earnings, and Compensation will be conclusive on all persons, unless determined to be incorrect.
- 16.10 Gender and Number.** The masculine pronoun, whenever used herein, shall include the feminine pronoun, and the singular shall include the plural, except where the context requires otherwise.
- 16.11 Applicable Law.** The Plan shall be construed under the laws of the State where the Employer is located, except to the extent superseded by federal law. The Plan is established with the intent that it meets the requirements under the Code. The provisions of this Plan shall be interpreted in conformity with these requirements.

In the event of any conflict between the Plan and a policy or contract issued hereunder, the Plan provisions shall control; provided, however, no Plan amendment shall supersede an existing policy or contract unless such amendment is required to maintain qualification under section 401(a) and 414(d) of the Code.

- 16.12 Electronic Communication and Consent.** Unless expressly provided otherwise, where this Plan provides that a document, election, notification, direction, signature, or consent will be in writing, such writing may occur through an electronic medium, including but not limited to electronic mail, intranet or internet web posting and online account access, to the fullest extent permitted by applicable law.

XVII. SPOUSAL BENEFIT REQUIREMENTS

- 17.01 Application.** Effective as of January 1, 2006, where elected by the Employer in the Adoption Agreement (the "QJSA Election"), the provisions of this Article shall take precedence over any conflicting provision in this Plan. If elected, the provisions of this Article shall apply to any Participant who is credited with any Period of Service with the Employer on or after August 23, 1984, and such other Participants as provided in Section 17.06.
- 17.02 Qualified Joint and Survivor Annuity.** Unless an optional form of benefit is selected pursuant to a Qualified Election within the one-hundred eighty (180) day period ending on the Annuity Starting Date, a married Participant's Vested Account Balance will be paid in the form of a Qualified Joint and Survivor Annuity and an unmarried Participant's Vested Account Balance will be paid in the form of a Straight Life Annuity. The Participant may elect to have such annuity distributed upon the attainment of the Earliest Retirement Age under the Plan.
- 17.03 Qualified Optional Survivor Annuity.** For plan years beginning after December 31, 2007, if a married participant elects to waive the qualified joint and survivor annuity, the participant may elect the qualified optional survivor annuity at any time during the applicable election period, provided, however, that this Section shall apply only to the extent the Plan makes another survivor annuity available.
- 17.04 Qualified Preretirement Survivor Annuity.** If a Participant dies before the Annuity Starting Date, then fifty percent (50%) of the Participant's Vested Account Balance shall be applied toward the purchase of an annuity for the life of the Surviving Spouse; the remaining portion shall be paid to such Beneficiaries (which may include such Spouse) designated by the Participant. Notwithstanding the foregoing, the Participant may waive the spousal annuity by designating a different Beneficiary within the Election Period pursuant to a Qualified Election. To the extent that less than one hundred percent (100%) of the vested Account balance is paid to the Surviving Spouse, the amount of the Participant's Account derived from Employee contributions will be allocated to the Surviving Spouse in the same proportion as the amount of the Participant's Account derived from Employee contributions is to the Participant's total Vested Account Balance. The Surviving Spouse may elect to have such annuity distributed within a reasonable period after the Participant's death. Further, such Spouse may elect to receive any death benefit payable to him/her hereunder in any of the forms available to the Participant under Section 11.02.
- 17.05 Notice Requirements.**
- (a) In the case of a Qualified Joint and Survivor Annuity as described in Section 17.02, the Plan Administrator shall, no less than thirty (30) days and no more than one-hundred eighty (180) days (or ninety (90) days for notices given in Plan Years before January 1, 2007) prior to the Annuity Starting Date, provide each Participant a written explanation of: (i) the terms and conditions of a Qualified Joint and Survivor Annuity; (ii) the Participant's right to make and the effect of an election to waive the Qualified Joint and Survivor Annuity form of benefit; (iii) the rights of a Participant's Spouse; and (iv) the right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity. However, if the Participant, after having received the written explanation, affirmatively elects a form of distribution and the Spouse consents to that form of distribution (if necessary), benefit payments may commence less than thirty (30) days after the written explanation was provided to the Participant, provided that the following requirements are met:
 - (1) The Plan Administrator provides information to the Participant clearly indicating that the Participant has a right to at least thirty (30) days to consider whether to waive the Qualified Joint and Survivor Annuity and consent to a form of distribution other than a Qualified Joint and Survivor Annuity;

- (2) The Participant is permitted to revoke an affirmative distribution election at least until the Annuity Starting Date, or if later, at any time prior to the expiration of the 7-day period that begins the day after the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant;
 - (3) The Annuity Starting Date is after the date that the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant; and
 - (4) Distribution in accordance with the affirmative election does not commence before the expiration of the 7-day period that begins after the day after the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant.
- (b) In the case of a Qualified Preretirement Survivor Annuity as described in Section 17.04, the Plan Administrator shall provide each Participant within the applicable period for such Participant a written explanation of the Qualified Preretirement Survivor Annuity in such terms and in such manner as would be comparable to the explanation provided for meeting the requirements of Subsection (a) applicable to a Qualified Joint and Survivor Annuity.

The applicable period for a Participant is whichever of the following periods ends last:

- (i) the period beginning with the first day of the Plan Year in which the Participant attains age thirty-two (32) and ending with the close of the Plan Year preceding the Plan Year in which the Participant attains age thirty-five (35);
- (ii) a reasonable period ending after the individual becomes a Participant;
- (iii) a reasonable period ending after Subsection (c) ceases to apply to the Participant;
- (iv) a reasonable period ending after this Article first applies to the Participant. Notwithstanding the foregoing, notice must be provided within a reasonable period ending after separation from service in the case of a Participant who separates from service before attaining age thirty-five (35).

For purposes of applying the preceding paragraph, a reasonable period ending after the enumerated events described in (ii), (iii) and (iv) is the end of the two (2) year period beginning one (1) year prior to the date the applicable event occurs, and ending one (1) year after that date. In the case of a Participant who separates from service before the Plan Year in which age thirty-five (35) is attained, notice shall be provided within the two (2) year period beginning one (1) year prior to separation and ending one (1) year after separation. If such a Participant thereafter returns to employment with the Employer, the applicable period for such Participant shall be redetermined.

- (c) Notwithstanding the other requirements of this Section, the respective notices prescribed by this Section need not be given to a Participant if (1) the Plan “fully subsidizes” the costs of a Qualified Joint and Survivor Annuity or Qualified Preretirement Survivor Annuity, and (2) the Plan does not allow the Participant to waive the Qualified Joint and Survivor Annuity or Qualified Preretirement Survivor Annuity and does not allow a married Participant to designate a non-Spouse Beneficiary. For purposes of this Subsection (c), a plan fully subsidizes the costs of a benefit if no increase in cost or decrease in benefits to the Participant may result from the Participant’s failure to elect another benefit.

17.06 Definitions. For the purposes of this Section, the following definitions shall apply:

- (a) Annuity Starting Date. The first day of the first period for which an amount is paid as an annuity or any other form.

- (b) Election Period. The period which begins on the first day of the Plan Year in which the Participant attains age thirty-five (35) and ends on the date of the Participant's death. If a Participant separates from service prior to the first day of the Plan Year in which age thirty-five (35) is attained, with respect to the Account balance as of the date of separation, the Election Period shall begin on the date of separation. Pre-age thirty-five (35) waiver: A Participant who will not yet attain age thirty-five (35) as of the end of any current Plan Year may make a special Qualified Election to waive the Qualified Preretirement Survivor Annuity for the period beginning on the date of such election and ending on the first day of the Plan Year in which the Participant will attain age thirty-five (35). Such election shall not be valid unless the Participant receives a written explanation of the Qualified Preretirement Survivor Annuity in such terms as are comparable to the explanation required under Section 17.05(a). Qualified Preretirement Survivor Annuity coverage will be automatically reinstated as of the first day of the Plan Year in which the Participant attains age thirty-five (35). Any new waiver on or after such date shall be subject to the full requirements of this Article.
- (c) Earliest Retirement Age. The earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.
- (d) Qualified Election. A waiver of a Qualified Joint and Survivor Annuity or a Qualified Preretirement Survivor Annuity. Any waiver of a Qualified Joint and Survivor Annuity or a Qualified Preretirement Survivor Annuity shall not be effective unless: (a) the Participant's Spouse consents in writing to the election; (b) the election designates a specific Beneficiary, including any class of Beneficiaries or any contingent Beneficiaries, which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further spousal consent); (c) the Spouse's consent acknowledges the effect of the election; and (d) the Spouse's consent is witnessed by a Plan representative or notary public. Additionally, a Participant's waiver of the Qualified Joint and Survivor Annuity shall not be effective unless the election designates a form of benefit payment which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further Spousal consent). If it is established to the satisfaction of a Plan representative that there is no Spouse or that the Spouse cannot be located, a waiver will be deemed a Qualified Election.

Any consent by a Spouse obtained under this provision (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse. A consent that permits designations by the Participant without any requirement of further consent by such Spouse must acknowledge that the Spouse has the right to limit consent to a specific Beneficiary, and a specific form of benefit where applicable, and that the Spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the Spouse at any time before the commencement of benefits. The number of revocations shall not be limited. No consent obtained under this provision shall be valid unless the Participant has received notice as provided in Section 17.05.

- (e) Qualified Joint and Survivor Annuity. An immediate annuity for the life of the Participant with a survivor annuity for the life of the Spouse which is fifty percent (50%) of the amount of the annuity which is payable during the joint lives of the Participant and the Spouse and which is the amount of benefit which can be purchased with the Participant's Vested Account Balance.
- (f) Spouse (Surviving Spouse). The Spouse or Surviving Spouse of the Participant, provided that a former Spouse will be treated as the Spouse or Surviving Spouse and a current Spouse will not be treated as the Spouse or Surviving Spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.
- (g) Straight Life Annuity. An annuity payable in equal installments for the life of the Participant that terminates upon the Participant's death.

- (h) Vested Account Balance. The aggregate value of the Participant's vested Account balances derived from Employer and Employee contributions (including rollovers), whether vested before or upon death, including the proceeds of insurance contracts, if any, on the Participant's life. The provisions of this Article shall apply to a Participant who is vested in amounts attributable to Employer Contributions, Employee contributions (or both) at the time of death or distribution.

- 17.07 Annuity Contracts.** Where benefits are to be paid in the form of a life annuity pursuant to the terms of this Article, a nontransferable annuity contract shall be purchased from a life insurance company and distributed to the Participant or Surviving Spouse, as applicable. The terms of any annuity contract purchased and distributed by the Plan shall comply with the requirements of this Plan and section 417 of the Code.

XVIII. FINAL PAY CONTRIBUTIONS

- 18.01 Eligibility.** Effective as of January 1, 2006, if elected by the Employer in the Adoption Agreement, Final Pay Contributions on behalf of each eligible Participant equal to the equivalent of the accrued unpaid final pay, as defined in the Adoption Agreement ("Final Pay"), shall be contributed to the Plan. Eligibility for Final Pay Contributions is limited to only those Participants or class of Participants that the Employer elects in the Adoption Agreement.

- 18.02 Contribution Amount.** At the election of the Employer in the Adoption Agreement, the Final Pay Contributions may be made as either (a) Employer Final Pay Contributions, or (b) Employee Designated Final Pay Contributions, as described below.

- (a) Employer Final Pay Contributions. The Employer shall contribute to the Plan for each eligible Participant the equivalent of a designated amount of accrued unpaid final pay upon termination of employment of the Participant, as the Employer so elects in the Adoption Agreement. The Employer's contribution for any Plan Year shall be due and paid not later than the time prescribed by applicable law. The Employer Final Pay Contributions shall be accounted for in the Employer Contribution Account.
- (b) Employee Designated Final Pay Contributions. The Employer shall contribute to the Plan for each eligible Participant all or any portion of a Participant's Final Pay, as elected by the Participant. The Employer may limit the amount of Final Pay to be elected to be contributed to the Plan. Once elected, an Employee's election shall remain in force and may not be revised or revoked.

The Employee Designated Final Pay Contributions shall be accounted for in the Participant Contribution Account, and are nonforfeitable by the Participant at all times.

The Employee Designated Final Pay Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). The contributions shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is distributed.

A Participant cannot elect to receive cash in lieu of any Final Pay Contribution.

- 18.03 Equivalencies.** The Final Pay Contribution shall be determined by multiplying the Participant's current daily rate of pay from the Employer times the amount of accrued unpaid leave being converted.
- 18.04 Excess Contributions.** Final Pay Contributions are limited to the extent of applicable law and any Code limitation. No Final Pay Contribution shall be made to the extent that it would exceed the applicable Code section 415 limitation, as set forth in Article V. Any excess contributions as a result of the Code section 415 limitation shall remain in the Participant's leave bank.

XIX. ACCRUED LEAVE CONTRIBUTIONS

- 19.01 Eligibility.** Effective as of January 1, 2006, if elected by the Employer in the Adoption Agreement, Accrued Leave Contributions on behalf of each eligible Participant equal to the equivalent of the accrued unpaid leave, as defined in the Adoption Agreement ("Accrued Leave"), shall be contributed to the Plan. Eligibility for Accrued Leave Contributions is limited to only those Participants or class of Participants that the Employer elects in the Adoption Agreement.
- 19.02 Contribution Amount.** At the election of the Employer in the Adoption Agreement, the Accrued Leave Contributions may be made as either (a) Employer Accrued Leave Contributions, or (b) Employee Designated Accrued Leave Contributions, as described below.
- (a) Employer Accrued Leave Contributions. The Employer shall contribute to the Plan for each eligible Participant the equivalent of a designated amount of accrued unpaid leave each year, as the Employer so elects in the Adoption Agreement. The Employer's contribution for any Plan Year shall be due and paid not later than the time prescribed by applicable law. The Employer Accrued Leave Contributions shall be accounted for in the Employer Contribution Account.
- (b) Employee Designated Accrued Leave Contributions. The Employer shall contribute to the Plan for each eligible Participant all or any portion of a Participant's Accrued Leave, as elected by the Participant. The Employer may limit the amount of Accrued Leave to be elected to be contributed to the Plan. Once elected, an Employee's election shall remain in force and may not be revised or revoked.
- The Employee Designated Accrued Leave Contributions shall be accounted for in the Participant Contribution Account, and are nonforfeitable by the Participant at all times.
- The Employee Designated Accrued Leave Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). The contributions shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is distributed.
- A Participant cannot elect to receive cash in lieu of any Accrued Leave Contribution.
- 19.03 Equivalencies.** The Accrued Leave Contribution shall be determined by multiplying the Participant's current daily rate of pay from the Employer times the amount of accrued unpaid leave being converted.
- 19.04 Excess Contributions.** Accrued Leave Contributions are limited to the extent of applicable law and any Code limitation. No Accrued Leave Contribution shall be made to the extent that it would exceed the applicable Code section 415 limitation, as set forth in Article V. Any excess contributions as a result of the Code section 415 limitation shall remain in the Participant's leave bank.

DECLARATION OF TRUST

This Declaration of Trust (the "Group Trust Agreement") is made as of the 19th day of May, 2001, by VantageTrust Company, which declares itself to be the sole Trustee of the trust hereby created.

WHEREAS, the ICMA Retirement Trust was created as a vehicle for the commingling of the assets of governmental plans and governmental units described in Section 818(a)(6) of the Internal Revenue Code of 1986, as amended, pursuant to a Declaration of Trust dated October 4, 1982, as subsequently amended, a copy of which is attached hereto and incorporated by reference as set out below (the "ICMA Declaration"); and

WHEREAS, the trust created hereunder (the "Group Trust") is intended to meet the requirements of Revenue Ruling 81-100, 1981-1 C.B. 326, and is established as a common trust fund within the meaning of Section 391:1 of Title 35 of the New Hampshire Revised Statutes Annotated, to accept and hold for investment purposes the assets of the Deferred Compensation and Qualified Plans held by and through the ICMA Retirement Trust.

NOW, THEREFORE, the Group Trust is created by the execution of this Declaration of Trust by the Trustee and is established with respect to each Deferred Compensation and Qualified Plan by the transfer to the Trustee of such Plan's assets in the ICMA Retirement Trust, by the Trustees thereof, in accord with the following provisions:

- (a) *Incorporation of ICMA Declaration by Reference; ICMA By-Laws.* Except as otherwise provided in this Group Trust Agreement, and to the extent not inconsistent herewith, all provisions of the ICMA Declaration are incorporated herein by reference and made a part hereof, to be read by substituting the Group Trust for the Retirement Trust and the Trustee for the Board of Trustees referenced therein. In this respect, unless the context clearly indicates otherwise, all capitalized terms used herein and defined in the ICMA Declaration have the meanings assigned to them in the ICMA Declaration. In addition, the By-Laws of the ICMA Retirement Trust, as the same may be amended from time-to-time, are adopted as the By-Laws of the Group Trust to the extent not inconsistent with the terms of this Group Trust Agreement.

Notwithstanding the foregoing, the terms of the ICMA Declaration and By-Laws are further modified with respect to the Group Trust created hereunder, as follows:

1. any reporting, distribution, or other obligation of the Group Trust vis-à-vis any Deferred Compensation Plan, Qualified Plan, Public Employer, Public Employer Trustee, or Employer Trust shall be deemed satisfied to the extent that such obligation is undertaken by the ICMA Retirement Trust (in which case the obligation of the Group Trust shall run to the ICMA Retirement Trust); and
 2. all provisions dealing with the number, qualification, election, term and nomination of Trustees shall not apply, and all other provisions relating to trustees (including, but not limited to, resignation and removal) shall be interpreted in a manner consistent with the appointment of a single corporate trustee.
- (b) *Compliance with Revenue Procedure 81-100.* The requirements of Revenue Procedure 81-100 are applicable to the Group Trust as follows:
1. Pursuant to the terms of this Group Trust Agreement and Article X of the By-Laws, investment in the Group Trust is limited to assets of Deferred Compensation and Qualified Plans, investing through the ICMA Retirement Trust.
 2. Pursuant to the By-Laws, the Group Trust is adopted as a part of each Qualified Plan that invests herein through the ICMA Retirement Trust.

3. In accord with the By-Laws, that part of the Group Trust's corpus or income which equitably belongs to any Deferred Compensation and Qualified Plan may not be used for or diverted to any purposes other than for the exclusive benefit of the Plan's employees or their beneficiaries who are entitled to benefits under such Plan.
 4. In accord with the By-Laws, no Deferred Compensation Plan or Qualified Plan may assign any or part of its equity or interest in the Group Trust, and any purported assignment of such equity or interest shall be void.
- (c) *Governing Law.* Except as otherwise required by federal, state or local law, this Declaration of Trust (including the ICMA Declaration to the extent incorporated herein) and the Group Trust created hereunder shall be construed and determined in accordance with applicable laws of the State of New Hampshire.
- (d) *Judicial Proceedings.* The Trustee may at any time initiate an action or proceeding in the appropriate state or federal courts within or outside the state of New Hampshire for the settlement of its accounts or for the determination of any question of construction which may arise or for instructions.

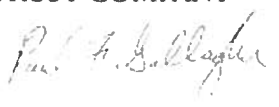
IN WITNESS WHEREOF, the Trustee has executed this Declaration of Trust as of the day and year first above written.

VANTAGETRUST COMPANY

By:

Name: Paul F. Gallagher

Title: Assistant Secretary





TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Plan Description: Volume Submitter Money Purchase Pension Plan
FFN: 315D0880003-001 Case: 201200590 EIN: 23-7268394
Letter Serial No: J593644a
Date of Submission: 04/02/2012

ICMA RETIREMENT CORP
777 NORTH CAPITOL ST. NE, SUITE 600
WASHINGTON, DC 20002

Contact Person:
Janell Hayes
Telephone Number:
513-263-3602
In Reference To: TEGE:EP:7521
Date: 03/31/2014

Dear Applicant:

In our opinion, the form of the plan identified above is acceptable under section 401 of the Internal Revenue Code for use by employers for the benefit of their employees. This opinion relates only to the acceptability of the form of the plan under the Internal Revenue Code. It is not an opinion of the effect of other Federal or local statutes.

You must furnish a copy of this letter, a copy of the approved plan, and copies of any subsequent amendments to adopting employers if the practitioner is authorized to amend the plan on their behalf, to each employer who adopts this plan. Effective on or after 10/31/2011, interim amendments adopted by the practitioner on behalf of employers must provide the date of adoption by the practitioner.

This letter considers the changes in qualification requirements contained in the 2010 Cumulative List of Notice 2010-90, 2010-52 I.R.B. 909.

Our opinion on the acceptability of the form of the plan is not a ruling or determination as to whether an employer's plan qualifies under Code section 401(a). However, an employer that adopts this plan may rely on this letter with respect to the qualification of its plan under Code section 401(a), as provided for in Rev. Proc. 2011-49, 2011-44 I.R.B. 608, and outlined below. The terms of the plan must be followed in operation.

Except as provided below, our opinion does not apply with respect to the requirements of Code sections 401(a)(4), 401(l), 410(b), and 414(s). Our opinion does not apply for purposes of Code section 401(a)(10)(B) and section 401(a)(16) if an employer ever maintained another qualified plan for one or more employees who are covered by this plan. For this purpose, the employer will not be considered to have maintained another plan merely because the employer has maintained another defined contribution plan(s), provided such other plan(s) has been terminated prior to the effective date of this plan and no annual additions have been credited to the account of any participant under such other plan(s) as of any date within the limitation year of this plan. Also, for this purpose, an employer is considered as maintaining another plan, to the extent that the employer maintains a welfare benefit fund defined in Code section 419(e), which provides postretirement medical benefits allocated to separate accounts for key employees as defined in Code section 419A(d)(3), or an individual medical account as defined in Code section 415(l)(2), which is part of a pension or annuity plan maintained by the employer, or a simplified employee pension plan.

Our opinion does not apply for purposes of the requirement of section 1.401(a)-1(b)(2) of the regulations applicable to a money purchase plan or target benefit plan where the normal retirement age under the employer's plan is lower than age 62.

Letter 4333

This is not a ruling or determination with respect to any language in the plan that reflects Section 3 of the Defense of Marriage Act, Pub. L. 104-199, 110 Stat. 2419 (DOMA) or U.S. v. Windsor, 133 S. Ct. 2675 (2013), which invalidated that section.

This letter is not a ruling with respect to the tax treatment to be accorded contributions which are picked up by the governmental employing unit within the meaning of section 414(h)(2) of the Internal Revenue Code.

Our opinion applies with respect to the requirements of Code section 410(b) if 100 percent of all nonexcludable employees benefit under the plan. Employers that elect a safe harbor allocation formula and a safe harbor compensation definition can also rely on an advisory letter with respect to the nondiscriminatory amounts requirement under section 401(a)(4). If this plan includes a CODA or otherwise provides for contributions subject to sections 401(k) and/or 401(m), the advisory letter can be relied on with respect to the form of the nondiscrimination tests of 401(k)(3) and 401(m)(2) if the employer uses a safe harbor compensation definition. In the case of plans described in section 401(k)(12) or (13) and/or 401(m)(11) or (12), employers may also rely on the advisory letter with respect to whether the form of the plan satisfies the requirements of those sections unless the plan provides for the safe harbor contribution to be made under another plan.

The employer may request a determination (1) as to whether the plan, considered with all related qualified plans and, if appropriate, welfare benefit funds, individual medical benefit accounts, and simplified employee pension plans, satisfies the requirements of Code section 401(a)(16) as to limitations on benefits and contributions in Code section 415 and the requirements of Code section 401(a)(10)(B) as to the top-heavy plan requirements in Code section 416; (2) with respect to whether a money purchase or target benefit plan's normal retirement age which is earlier than age 62 satisfies the requirements of section 401(a)-1(b)(2) of the Income Tax Regulations; (3) that the plan is a multiple employer plan; (4) whether there has been a partial termination, and (5) to comply with published procedures of the Service (e.g. minimum funding waiver request). The employer may request a determination letter by filing an application with Employee Plans Determinations on Form 5307, with regard to item (1) above, and Form 5300, for items (2), (3), (4) and (5), without restating for the Cumulative List in effect when the application is filed.

If you, the volume submitter practitioner, have any questions concerning the IRS processing of this case, please call the above telephone number. This number is only for use of the practitioner. Individual participants and/or adopting employers with questions concerning the plan should contact the volume submitter practitioner. The plan's adoption agreement, if applicable, must include the practitioner's address and telephone number for inquiries by adopting employers.

If you write to the IRS regarding this plan, please provide your telephone number and the most convenient time for us to call in case we need more information. Whether you call or write, please refer to the Letter Serial Number and File Folder Number shown in the heading of this letter.

You should keep this letter as a permanent record. Please notify us if you modify or discontinue sponsorship of this plan.

Sincerely Yours,



Andrew E. Zuckerman
Director, Employee Plans Rulings and Agreements



ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-212-21266-201405-W1371
REV 3/2015

ADMINISTRATIVE SERVICES AGREEMENT

Between

ICMA Retirement Corporation

and

City of Richland

Type: 401

Account #: 107162 107151

ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement (“Agreement”), made as of the 1st day of May, 2016 (herein referred to as the “Inception Date”), between the International City Management Association Retirement Corporation (“ICMA-RC”), a nonprofit corporation organized and existing under the laws of the State of Delaware, and the City of Richland (“Employer”), a municipal corporation existing under the laws of the State of Washington with an address of P.O. Box 190, Richland, Washington 99352.

RECITALS

Employer acts as public plan sponsor of defined contribution retirement plans (each a “Plan”), and in that capacity, has responsibility to obtain administrative services and investment alternatives for the Plan; and

VantageTrust is a group trust established and maintained in accordance with New Hampshire Revised Statutes Annotated section 391:1 and Internal Revenue Service Revenue Ruling 81-100, 1981-1 C.B. 326, which provides for the commingled investment of retirement funds held by various state and local governmental units for their employees; and

ICMA-RC acts as investment adviser to VantageTrust Company, LLC, the Trustee of VantageTrust; and

ICMA-RC has designed, and VantageTrust offers, a series of separate funds (the “Funds”) for the investment of plan assets as referenced in VantageTrust’s principal disclosure document, “Making Sound Investment Decisions: A Retirement Investment Guide” and the accompanying VantageTrust Fund Fees and Expenses document (“Retirement Investment Guide”); and

The Funds are available only to public employers and only through VantageTrust and ICMA-RC; and

In addition to serving as investment adviser to VantageTrust, ICMA-RC provides a range of services to public employers for the operation of employee retirement plans including, but not limited to, communications concerning investment alternatives, account maintenance, account recordkeeping, investment and tax reporting, transaction processing, benefit disbursement, and asset management.

AGREEMENTS

1. Appointment of ICMA-RC

Employer hereby appoints ICMA-RC as Administrator of the Plan to perform all nondiscretionary functions necessary for the administration of the Plan. The functions to be performed by ICMA-RC shall be those set forth in Exhibit A to this Agreement.

2. Adoption of Trust

Employer has adopted the Declaration of Trust of VantageTrust Company and agrees to the commingled investment of assets of the Plan within VantageTrust. Employer agrees that the investment, management, and distribution of amounts deposited in VantageTrust shall be subject to the Declaration of Trust, as it may be amended from time to time and shall also be subject to terms and conditions set forth in disclosure documents (such as the Retirement Investment Guide or Employer Bulletins) as those terms and conditions may be adjusted from time to time.

3. Exclusivity Agreement

Employer agrees that for the initial term, or any succeeding term of this Agreement as specified in Section 10, so long as ICMA-RC continues to perform in all material respects the services to be performed by it under this Agreement, Employer shall not obtain plan administration from anyone other than ICMA-RC, with the exception that Employer may maintain a different 457 plan provider for City of Richland International Association of Fire Fighter (IAFF) members only and in which non-IAFF members may not participate. Employer acknowledges that ICMA-RC has agreed to the compensation to be paid to ICMA-RC under this Agreement in the expectation that ICMA-RC will be able to offset costs allocable to performing this Agreement with revenues arising from Employer's exclusive use of ICMA-RC at the rates provided herein throughout the initial or any succeeding term.

4. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities as Administrator of the Plan, including information needed to allocate individual participant accounts to Funds in VantageTrust, and information as to the employment status of participants, and participant ages, addresses, and other identifying information (including tax identification numbers). Employer also agrees that it will notify ICMA-RC in a timely manner regarding changes in staff as it relates to various roles. This is to be completed through the online EZLink employer contact options. ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the Employer or any information relating to an individual participant or beneficiary that is furnished by such participant or beneficiary, and ICMA-RC shall not be responsible for any error arising from its reliance on such information. ICMA-RC will provide reports,

statements and account information to the Employer through EZLink, the online plan administrative tool.

Employer is required to send in contributions through EZLink, the online plan administration tool provided by ICMA-RC. Alternative electronic methods may be allowed, but must be approved by ICMA-RC for use. Contributions may not be sent through paper submittal documents.

To the extent Employer selects third-party funds that do not have fund profile information provided to ICMA-RC through our electronic data feeds from external sources (such as Morningstar) or third party fund providers, the Employer is responsible for providing to ICMA-RC timely fund investment updates for disclosure to Plan participants. Such updates may be provided to ICMA-RC through the Employer's investment consultant or other designated representative.

Failure to provide timely fund profile update information, including the source of the information, may result in a lack of fund information for participants, as ICMA-RC will remove outdated fund profile information from the systems that provide fund information to Plan participants.

5. Certain Representations and Warranties

ICMA-RC represents and warrants to Employer that:

- (a) ICMA-RC is a non-profit corporation with full power and authority to enter into this Agreement and to perform its obligations under this Agreement. The ability of ICMA-RC to serve as investment adviser to VantageTrust is dependent upon the continued willingness of VantageTrust for ICMA-RC to serve in that capacity. Employer shall be notified if ICMA-RC ceases to serve as investment adviser to VantageTrust. Employer has the option of terminating the Agreement as a result of such change.
- (b) ICMA-RC is an investment adviser registered as such with the U.S. Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, as amended. The Agreement may be immediately terminated if ICMA-RC ceases to be an investment adviser registered with the SEC.
- (c) ICMA-RC shall maintain and administer the Plan in accordance with the requirements for plans which satisfy the qualification requirements of Section 401 of the Internal Revenue Code and other applicable federal law; provided, however, ICMA-RC shall not be responsible for the qualified status of the Plan in the event that the Employer directs ICMA-RC to administer the Plan or disburse assets in a manner inconsistent with the requirements of Section 401 or otherwise causes the Plan not to be carried out in accordance with its terms; provided, further, that if the plan

document used by the Employer contains terms that differ from the terms of ICMA-RC's standardized plan document, ICMA-RC shall not be responsible for the qualified status of the Plan to the extent affected by the differing terms in the Employer's plan document. ICMA-RC shall not be responsible for monitoring state or local law or for administering the Plan in compliance with local or state requirements unless Employer notifies ICMA-RC of any such local or state requirements.

Employer represents and warrants to ICMA-RC that:

- (d) Employer is organized in the form and manner recited in the opening paragraph of this Agreement with full power and authority to enter into and perform its obligations under this Agreement and to act for the Plan and participants in the manner contemplated in this Agreement. Execution, delivery, and performance of this Agreement will not conflict with any law, rule, regulation or contract by which the Employer is bound or to which it is a party.
- (e) Employer understands and agrees that ICMA-RC's sole function under this Agreement is to act as recordkeeper and to provide administrative, investment or other services at the direction of Plan participants, the Employer, its agents or designees in accordance with the terms of this Agreement. Under the terms of this Agreement, ICMA-RC does not render investment advice, is not the Plan Administrator or Plan Sponsor as those terms are defined under applicable federal, state, or local law, and does not provide legal, tax or accounting advice with respect to the creation, adoption or operation of the Plan and its related trust. ICMA-RC does not perform any service under this Agreement that might cause ICMA-RC to be treated as a "fiduciary" of the Plan under applicable law, except, and only, to the extent that ICMA-RC provides investment advisory services to individual participants enrolled in Guided Pathways.
- (f) Employer acknowledges and agrees that ICMA-RC does not assume any responsibility with respect to the selection or retention of the Plan's investment options. Employer shall have exclusive responsibility for the Plan's investment options, including the selection of the applicable mutual fund share class. Where applicable, Employer understands that the VT Retirement Income Advantage Fund is an investment option for the Plan and that the fund invests in a separate account available through a group variable annuity contract. By entering into this Agreement, Employer acknowledges that it has received the Important Considerations document and the Retirement Investment Guide and that it has read the information therein concerning the VT Retirement Income Advantage Fund.
- (g) Employer acknowledges that certain such services to be performed by ICMA-RC under this Agreement may be performed by an affiliate or

agent of ICMA-RC pursuant to one or more other contractual arrangements or relationships, and that ICMA-RC reserves the right to change vendors with which it has contracted to provide services in connection with this Agreement without prior notice to Employer.

- (h) Employer acknowledges that it has received ICMA-RC's Fee Disclosure Statement, prepared in substantial conformance with ERISA regulations regarding the disclosure of fees to plan sponsors.
- (i) Employer approves the use of its Plan in ICMA-RC external media, publications and materials. Examples include press releases announcements and inclusion of the general plan information in request for proposal responses.

6. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings involving the garnishment of benefits or the transfer of benefits pursuant to the divorce or separation of participants in the Plan. Unless Employer notifies ICMA-RC otherwise, Employer consents to the disbursement by ICMA-RC of benefits that have been garnished or transferred to a former spouse, current spouse, or child pursuant to a domestic relations order or child support order.

7. Compensation and Payment

ICMA-RC's compensation under this Agreement shall be as set forth in subsection (b) below.

- (a) **Participant Fees.** Plan participant accounts shall be assessed an asset-based fee to cover the costs of record-keeping and other services provided by ICMA-RC, and other costs associated with the Plan as directed by the Employer. The Employer shall work with ICMA-RC to determine the appropriate amount of the gross asset-based fee to be charged to participant accounts, which may be increased or decreased from time to time at the direction of the Employer.
- (b) **Revenue Requirement.** ICMA-RC shall receive total annual aggregate revenue of 0.06% of Plan assets under ICMA-RC's administration for providing recordkeeping, participant education, and other services to the Plan. ICMA-RC shall deduct such revenue from amounts collected through the application the Participant Fee prior to the allocation of funds to the Administrative Allowance Account described in Section 7(d).
- (c) **Compensation for Management Services to VantageTrust.** Employer acknowledges that, in addition to amounts payable under this Agreement, ICMA-RC receives fees from VantageTrust for investment advisory

services and plan and participant services furnished to VantageTrust. These fees are described in the Retirement Investment Guide and ICMA-RC's fee disclosure statement.

- (d) **Administrative Allowance Account.** Amounts collected through the application of the asset-based fee described in section 7(a) above in excess of the revenue specified in subsection 7(b) above shall be held in the Plan in an Administrative Allowance Account as a Plan asset. At the commencement of this contract, the amount of additional revenue collected by ICMA-RC shall be .08% of assets per year. Each quarter ICMA-RC shall produce a report that shows: the amounts collected from participant accounts as asset-based fees; the methodology used in the calculation of the fees collected from participant accounts; the calculation used to determine the amount of revenue collected by ICMA-RC during the period prior to allocation of the remaining asset-based fees to the Administrative Allowance Account; and the amount allocated to the Administrative Allowance Account. Employer understands that the Plans' administrative allowance is to be used only to pay for reasonable plan administrative expenses of each Plan or allocated to Plan participants at the instruction of the Employer.
- (d) **Revenue Received From Investment Options.** Neither ICMA-RC nor the Employer shall receive recordkeeping revenue directly from investment options made available under the Plans. ICMA-RC shall be compensated from fees collected from participant accounts through the application of the asset-based fee described in section (a) above. In the event that and Plan investment options do generate direct recordkeeping revenue to ICMA-RC, ICMA-RC shall reduce the asset-based fee charged against the assets invested in the investment option in question by the same amount, resulting in an outcome that would be similar to the investment option in question not paying any recordkeeping revenue, after the administration fee is assessed.
- (d) **Redemption Fees.** Redemption fees imposed by outside mutual funds in which Plan assets are invested are collected and paid to the mutual fund by ICMA-RC. ICMA-RC remits 100% of redemption fees back to the specific mutual fund to which redemption fees apply. These redemption fees and the individual mutual fund's policy with respect to redemption fees are specified in the prospectus for the individual mutual fund and referenced in the Retirement Investment Guide.
- (e) **Payment Procedures.** All payments to ICMA-RC pursuant to this Section 7 shall be paid out of Plan participant accounts pursuant to Sections 7(a) and (b) above, to the extent not paid by the Employer. In the event that the Employer agrees to pay amounts owed pursuant to this Section 7 directly, any amounts unpaid and outstanding after 30 days of invoice to the Employer shall be withdrawn from Plan assets.

The compensation and payment set forth in this Section 7 is contingent upon (a) the Employer's use of ICMA-RC's EZLink system for contribution processing and submitting contribution funds by ACH or wire transfer on a consistent basis over the term of this and (b) ICMA-RC's receipt of a fully executed copy of this Administrative Services Agreement.

The compensation and payment set forth in this Section 7 is further contingent upon the Employer retaining the VT PLUS Fund as the stable value option for the Plan. The VT PLUS Fund shall be provided to the Plan with a management fee of .21% of assets per year.

Employer further acknowledges and agrees that compensation and payment under this Agreement shall be subject to re-negotiation in the event that the Employer chooses to implement additional funds not on ICMA-RC's mutual fund platform.

8. Contribution Remittance

Employer understands that amounts invested through VantageTrust are to be remitted directly to VantageTrust in accordance with instructions provided to Employer by ICMA-RC and are not to be remitted to ICMA-RC. In the event that any check or wire transfer is incorrectly labeled or transferred to ICMA-RC, ICMA-RC may return it to Employer with proper instructions.

9. Indemnification

ICMA-RC shall not be responsible for any acts or omissions of any person with respect to the Plan or its related trust, other than ICMA-RC in connection with the administration or operation of the Plan. Employer shall indemnify ICMA-RC against, and hold ICMA-RC harmless from, any and all loss, damage, penalty, liability, cost, and expense, including without limitation, reasonable attorney's fees, that may be incurred by, imposed upon, or asserted against ICMA-RC by reason of any claim, regulatory proceeding, or litigation arising from any act done or omitted to be done by any individual or person with respect to the Plan or its related trust, excepting only any and all loss, damage, penalty, liability, cost or expense resulting from ICMA-RC's negligence, bad faith, or willful misconduct.

10. Term

This Agreement shall be in effect and commence on May 1, 2016 ("Inception Date"). The term of this Agreement will commence on the Inception Date and extend three (3) years from that date through December 31, 2019. This Agreement will be renewed automatically effective January 1 of each succeeding year up to a maximum of three (3) annual extensions (total life of the contract not to exceed December 31, 2022), unless written notice of termination is provided by either party to the other no less than 60 days before the end of such Agreement year. The Employer understands and agrees that, in the event the Employer terminates this Agreement (or replaces the VT PLUS Fund as an

investment option in its investment line-up), ICMA-RC retains full discretion to release Plan assets invested in the VT PLUS Fund in an orderly manner over a period of up to 12 months from the date ICMA-RC receives written notification from the Employer that it is initiating withdrawals from the VT PLUS Fund.

11. Amendments and Adjustments

- (a) This Agreement may be amended by written instrument signed by the parties.
- (b) ICMA-RC may amend this agreement by providing 60 days' advance written notice to the Employer prior to the effective date of such proposed amendment. Such amendment shall become effective unless, within the 60-day notice period, the Employer notifies ICMA-RC in writing that it objects to such amendment. This provision shall not apply to any of the material terms of this Agreement. Material terms include, but are not limited to, the term of the Agreement, the substantive portions of the Compensation expressed in Section 7, and the general scope of services.
- (c) The parties agree that enhancements may be made to administrative and operations services under this Agreement. The Employer will be notified of enhancements through the Employer Bulletin, quarterly statements, electronic messages or special mailings. Likewise, if there are any reductions in fees, these will be announced through the Employer Bulletin, quarterly statement, electronic messages or special mailing.

12. Notices

All notices required to be delivered under this Agreement shall be in writing and shall be delivered, mailed or e-mailed to the location of the relevant party set forth below or to such other address or to the attention of such other persons as such party may hereafter specify by notice to the other party.

ICMA-RC: Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C., 20002-4240

Facsimile: (202) 962-4601

Employer: at the office set forth in the first paragraph hereof, or to any other address or e-mail address designated by the Employer to receive the same by written notice similarly given.

Each such notice, request or other communication shall be effective: (i) if given by facsimile, when transmitted to the applicable facsimile number and there is appropriate confirmation of receipt; (ii) if given by mail or e-mail, upon transmission to the designated address with no indication that such address is invalid or incorrect; or (iii) if given by any other means, when actually delivered at the aforesaid address.

13. Complete Agreement

This Agreement shall constitute the complete and full understanding and sole agreement between ICMA-RC and Employer relating to the object of this Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. This Agreement supersedes all written and oral agreements, communications or negotiations among the parties. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

14. Titles

The headings of Sections of this Agreement and the headings for each of the attached schedules are for convenience only and do not define or limit the contents thereof.

15. Incorporation of Schedules

All Schedules (and any subsequent amendments thereto), attached hereto, and referenced herein, are hereby incorporated within this Agreement as if set forth fully herein.

16. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions. Jurisdiction and venue for any action relating to the interpretation, enforcement, or any dispute arising from this Agreement shall be in Benton County Superior Court or the applicable federal court for the City of Richland. ICMA-RC expressly submits to personal jurisdiction in Benton County Superior Court or applicable federal court for the City of Richland.

[Signature Page to Follow]

In Witness Whereof, the parties hereto certify that they have read and understand this Agreement and all Schedules attached hereto and have caused this Agreement to be executed by their duly authorized officers as of the Inception Date first above written.

CITY OF RICHLAND

By _____
Cynthia D. Reents, ICMA-CM Date
City Manager

INTERNATIONAL CITY MANAGEMENT
ASSOCIATION RETIREMENT CORPORATION

By _____
Erica McFarquhar
Assistant Secretary

Please return fully executed contract to: New Business Services
ICMA-RC
777 North Capitol Street NE
Suite 600
Washington DC 20002-4240

Exhibit A

Administrative Services

The administrative services to be performed by ICMA-RC under this Agreement shall be as follows:

- (a) Participant enrollment services, including providing a welcome package and enrollment kit containing instructions and notices necessary to implement the Plan's administration. Employees will enroll online or through a paper form. ICMA-RC will provide an enrollment link through the general ICMA-RC web site. Employer will also make available the online enrollment link in their Intranet site or via email to new employees. Employer can also enroll employees through EZLink.
- (b) Establishment of participant accounts for each employee participating in the Plan for whom ICMA-RC receives appropriate enrollment instructions. ICMA-RC is not responsible for determining if such Plan participants are eligible under the terms of the Plan.
- (c) Allocation in accordance with participant directions received in good order of individual participant accounts to investment funds offered under the Plan.
- (d) Maintenance of individual accounts for participants reflecting amounts deferred, income, gain or loss credited, and amounts distributed as benefits.
- (e) Maintenance of records for all participants for whom participant accounts have been established. These files shall include enrollment instructions (provided to ICMA-RC through Account Access or EZLink), beneficiary designation instructions and all other documents concerning each participant's account.
- (f) Provision of periodic reports to the Employer through EZLink. Participants will have access to account information through Investor Services, Voice Response System, Account Access and through quarterly statements that can be delivered electronically through Account Access or by postal service.
- (g) Communication to participants of information regarding their rights and elections under the Plan.
- (h) Making available Investor Services Representatives through a toll-free telephone number from 8:30 a.m. to 9:00 p.m. Eastern Time, Monday through Friday (excluding holidays and days on which the securities markets or ICMA-RC are closed for business (including emergency closings), to assist participants.
- (i) Making available access to ICMA-RC's web site, to allow participants to access certain account information and initiate plan transactions at any

time. Account access is normally available 24 hours a day, seven days a week except during scheduled maintenance periods designed to ensure high-quality performance. The scheduled maintenance window is outlined at <https://harper1.icmarc.org/login.jsp>

- (j) Distribution of benefits as agent for the Employer in accordance with terms of the Plan. Participants who have separated from service can request distributions through Account Access or via form.
- (k) Upon approval by the Employer that a domestic relations order is an acceptable qualified domestic relations order under the terms of the Plan, ICMA-RC will establish a separate account record for the alternate payee and provide for the investment and distribution of assets held there under.
- (l) Loans may be made available on the terms specified in the Loan Guidelines, if loans are adopted by the Employer. Participants can request loans through Investor Services or Account Access.
- (m) Guided Pathways® – Participant Advice and Guidance may be made available through a third party vendor on the terms specified on ICMA-RC's website. Participants are not charged any additional fees for receiving Fund Advice or Asset Class Guidance under Guided Pathways.
- (n) ICMA-RC will determine appropriate delivery method (electronic and/or print) for plan sponsor/participant communications and education based on a number of factors (audience, effectiveness, etc.).
- (o) If desired by Employer, ICMA-RC will distribute (on an annual basis, to all employees) Retirement Readiness Reports at no additional cost to Plan Sponsor. Employer understands that the report's accuracy and effectiveness is dependent upon the level of information that Employer is willing to provide in conjunction with development of this report.
- (p) ICMA-RC shall make available the services of a staff Financial Planner, who shall provide on-site seminars to participants at least twice per year, and be available to provide counseling to interested participants in conjunction with those seminar meeting dates. The times and dates of the seminars shall be determined by the City in consultation with ICMA-RC.
- (q) ICMA-RC shall provide on-site enrollment and retirement plan counseling to interested employees at least three times per year, delivered by an ICMA-RC staff Retirement Plan Specialist. The times and dates of the counseling availability days shall be determined by the City in consultation with ICMA-RC.



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 93-16, Affirming Prior Actions Taken Related to the City of Richland 401(a) Plan No. 107162

Department:

Administrative Services

Ordinance/Resolution Number:

93-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 93-16, affirming prior actions taken related to the City of Richland 401(a) Plan No. 107162.

Summary:

City of Richland 401(a) Plan No. 107162 serves the City's interest by enabling it to provide retirement security, thereby helping to attract and retain competent individuals. Over the course of many years, the City established multiple separate retirement plans that have been amended several times. Prior to reaffirming the Plan, staff recommends Council ratify and affirm all prior plan resolutions, amendments and administrative actions taken to date by adopting Resolution No. 93-16.

Fiscal Impact:

None

Attachments:

I. Proposed Resolution No. 93-16

RESOLUTION NO. 93-16

A RESOLUTION of the City of Richland affirming prior actions taken related to the City of Richland 401(a) Plan No. 107162, Governmental Money Purchase Plan & Trust with ICMA Retirement Corporation.

WHEREAS, the City of Richland ("Employer") has employees rendering valuable services that adhere to the benefit of the City; and

WHEREAS, Employer has established a 401(a) Governmental Money Purchase Plan & Trust ("the Plan") for such employees that serves the interest of Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, Employer, over the course of many years, has established multiple separate 401(a) retirement Plans for the benefit of eligible employees at the City, thereby providing said employees with retirement benefits in accordance with City Policy (Compensation Plan for Unaffiliated staff and various Collective Bargaining Agreements); and

WHEREAS, the Plan designs in the multiple separate 401(a) Plans have been amended over the years from the inception of the Plans, including the amendments identified below:

2004 Amendments: Compensation and Payment Amendments;

2005 Amendments: Consolidation of multiple plans into one City of Richland Retirement Savings Plan, Eligibility Requirements, Contribution Provisions and Employee Contributions Amendments (previously separate accounts: 107240, 107830, 107708, 107151, 109228, 107238, 107961);

2008 Amendments: Definitions, Benefits Claim and Administration Amendments; and

2009 Amendments: Compensation, Payment, and Terms Amendments.

NOW, THEREFORE, BE IT RESOLVED that Employer hereby ratifies and affirms all prior plan amendments, agreements and administrative actions for the 401(a) Plan No. 107162, identified above.

BE IT FURTHER RESOLVED that in all other respects, all other prior plan amendments, agreements and administrative actions for the 401(a) Plan No. 107162 are hereby ratified and affirmed.

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 94-16, Restating and Amending the City of Richland 401(a) Plan No. 107162, and Authorizing an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC)

Department:

Administrative Services

Ordinance/Resolution Number:

94-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 94-16, restating and amending the City of Richland 401(a) Plan No. 107162, and authorizing the City Manager to enter into an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC).

Summary:

City of Richland 401(a) Plan No. 107162 serves the City's interest by enabling it to provide retirement security, thereby helping to attract and retain competent individuals. Resolution No. 94-16 consolidates all actions and documents needed to restate and amend the Plan, as well as authorizes an Administrative Services Agreement in accordance with best practices in plan administration. The three actions that are incorporated into the Resolution include:

1. A description of the plan features the City is currently administering in Appendix A, in the form of the Adoption Agreement (AA). The AA also addresses new provisions not previously addressed and/or available in the prior AA, such as military service administration.
2. The resolution meets a plan requirement to restate its continuance of the qualified 401(a) Governmental Money Purchase Plan & Trust (Appendix B). The restatement is required of governmental employers, at a cycle determined by our plan administrator (ICMA-RC). The City's 401(a) Plan restatement cycle is approximately every six (6) years.
3. The resolution allows the City to enter into a contract (Appendix C) for plan administration (called an Administrative Services Agreement or "ASA"). The ASA does not represent a cost to the City. Participants pay for the plan administration through reduced investment returns, which the City uses to pay ICMA-RC for the services they provide.

The contract represents a significant reduction in administration costs charged to Plan participants, while enhancing some services, to include increased training for participants in financial planning.

Fiscal Impact:

None

Attachments:

1. Proposed Resolution No. 94-16
2. Appendix A
3. Appendix B
4. Appendix C

RESOLUTION NO. 94-16

A RESOLUTION of the City of Richland Restating and Amending the City of Richland 401(a) Plan No. 107162, Governmental Money Purchase Plan & Trust, and authorizing an Administrative Services Agreement with ICMA Retirement Corporation.

WHEREAS, the City of Richland ("Employer") has employees rendering valuable services that adhere to the benefit of the City; and

WHEREAS, Employer has established a 401(a) Governmental Money Purchase Plan & Trust ("the Plan") for such employees that serves the interest of Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, Employer has determined that the continuance of the qualified 401(a) Governmental Money Purchase Plan & Trust will serve these objectives; and

WHEREAS, Employer has determined that it is in the best interest of all involved parties to enter into a new Administrative Services Agreement (ASA) through December 31, 2019, with the potential of three (3) additional one (1) year extensions, for a maximum of six (6) total contract years; and

WHEREAS, the Plan Trust documents issued by ICMA-RC are expected to change over the years from the inception of the Plan consistent with changes to federal regulations that govern such plans; and

WHEREAS, because Plan Documents change from time-to-time, Council has determined to affirm past actions taken regarding the 401(a) Plan No. 107162 via Resolution No. 93-16 as adopted on April 19, 2016; and

WHEREAS, the Employer also desires to incorporate the Plan Trust Documents currently in effect.

NOW, THEREFORE, BE IT RESOLVED that Employer hereby amends and restates the qualified City of Richland 401(a) Plan No. 107162, Governmental Money Purchase & Plan Trust identified in the specified attached documents, and for that purpose, agrees to the following:

1. The International City Management Association Retirement Corporation (ICMA-RC) Governmental Money Purchase Plan & Trust Adoption Agreement, attached hereto as Appendix A; and

2. The International City Management Association Retirement Corporation (ICMA-RC) Governmental Money Purchase Plan & Trust, attached hereto as Appendix B.

BE IT FURTHER RESOLVED that the City of Richland shall enter into a combined Administrative Services Agreement ("ASA") for its two (2) 401(a) Plans, No. 107151 and No. 107162, with the International City Management Association Retirement Corporation (ICMA-RC), in substantially the form reflected in attached Appendix C.

BE IT FURTHER RESOLVED that the assets of the Plan shall be held in trust, with Employer serving as trustee ("Trustee"), for the exclusive benefit of Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in VantageTrust shall be held for the further exclusive benefit of the Plan participants and their beneficiaries.

BE IT FURTHER RESOLVED that Employer hereby agrees to continue to serve as Trustee under the Plan.

BE IT FURTHER RESOLVED that the City Manager, through Council authority, is hereby authorized to execute the aforementioned agreements on behalf of Employer.

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney

ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**

Plan Number 107162

The Employer hereby establishes a Money Purchase Plan and Trust to be known as CITY OF RICHLAND - Savings Plan #3
(the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

☒ Yes

☐ No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

CITY OF RICHLAND - Savings Plan #3

I. Employer: CITY OF RICHLAND

II. Effective Dates

- ☒ 1. **Effective Date of Restatement.** If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: January 1, 2016

(Note: An alternate effective date can be no earlier than January 1, 2007.)

- ☐ 2. **Effective Date of New Plan.** If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

3. **Special Effective Dates.** Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

- ☐ The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)
- ☒ The twelve (12) consecutive month period commencing on 01/01 and each anniversary thereof.

IV. Normal Retirement Age shall be age 55.0 (not to exceed age 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- ☒ All Employees
- ☐ All Full Time Employees
- ☐ Salaried Employees
- ☐ Non union Employees
- ☐ Management Employees
- ☐ Public Safety Employees
- ☐ General Employees
- ☒ Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) All reg P/T unless excluded (CBA or Comp Plan)

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) N/A.

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is N/A (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. **The Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

- ☒ A. Employer Contributions. The Employer shall contribute on behalf of each Participant Attached % of Earnings or \$ _____ for the Plan Year (subject to the limitations of Article V of the Plan).

Mandatory Participant Contributions

☒ are required ☐ are not required

to be eligible for this Employer Contribution.

- ☒ B. Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

☒ Yes ☐ No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

☒ Yes ☐ No

Contribution Schedule.

- (i) Attach % of Earnings,
(ii) \$ _____, or
(iii) a whole percentage of Earnings between the range of _____ (*insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)*), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

☒ Yes ☐ No ("*Yes*" is the default provision under the Plan if no selection is made.)

- ☒ C. Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of 60 days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

- ☐ A. Fixed Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant _____% of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed _____% of Earnings or \$ _____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.
- ☐ B. Variable Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):
_____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding _____% of Earnings or \$ _____);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).

PLUS Attach % of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate ____ % of Earnings or \$ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$ Attach or ____ % of Earnings, whichever is ____ more or ____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

- A. Plan contributions will be made based on differential wage payments:

☒ Yes ☐ No (*"Yes" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

- B. Participants who die or become disabled will receive Plan contributions with respect to such service:

☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime
☐ Yes ☒ No
2. Bonuses
☐ Yes ☒ No
3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:
☒ Yes ☐ No (*"Yes" is the default provision under the Plan if no selection is made.*)
2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.
☒ Effective Date is 1/1/2016.
(*Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.*)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.
☐ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)
2. The Limitation Year is the following 12 consecutive month period: 1/1 through 12/31
3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007. 1/1/2016
(*The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.*)

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

Period of Service Completed	Percent Vested
Zero	100 %
One	%
Two	%
Three	%
Four	%
Five	%
Six	%
Seven	%
Eight	%
Nine	%
Ten	%

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):

- ☐ Normal Retirement Age
☒ Age 70½ (*"70½" is the default provision under the Plan if no selection is made.*)
☐ Alternate age (after Normal Retirement Age): _____
☐ Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.

- ☒ Yes ☐ No (*"Yes" is the default provision under the plan if no selection is made.*)

3. Tax-free distributions of up to \$3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

- ☐ 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.
- ☒ 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (*"Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.*)
- ☐ 3. QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

- ☐ All Eligible Employees
- ☐ Other: _____

Final Pay shall be defined as (select one):

- ☐ A. Accrued unpaid vacation
- ☐ B. Accrued unpaid sick leave
- ☐ C. Accrued unpaid vacation and sick leave
- ☐ D. Other (*insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave*):

- ☐ 1. **Employer Final Pay Contribution.** The Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).
- ☐ 2. **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute ____ % (insert fixed percentage of final pay to be contributed) or up to _____% (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

- ☐ All Eligible Employees
- ☐ Other: _____

Accrued Leave shall be defined as (select one):

- ☐ A. Accrued unpaid vacation
- ☐ B. Accrued unpaid sick leave
- ☐ C. Accrued unpaid vacation and sick leave
- ☐ D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

- ☐ 1. **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):

- ☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).
- ☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

- ☐ 2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert fixed percentage of accrued unpaid leave to be contributed) or up to _____% (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

- XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

- XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

- XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

XVIII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 20_____.

EMPLOYER

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: _____

By: _____

Print Name: Cynthia D. Reents, ICMA-CM

Print Name: Erica McFarquhar

Title: City Manager

Title: Vice President, Benefits Counsel

Attest: _____

Attest: _____



ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-214-21268-201405-W1303

ICMA Retirement Corporation Governmental Money Purchase Plan & Trust
Plan #107162 Employee 401(a) Adoption Agreement
Appendix A, Page 1 – 4/19/2016

Section VI. CONTRIBUTION PROVISIONS

1. The Employer shall contribute as follows:

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

- A. (x) Employer Contributions. The Employer shall contribute on behalf of each Participant: Amount identified in the current (or future amended) Compensation Plan for Unaffiliated Employees and/or the Collective Bargaining Agreement (as applicable) % of Earnings or Mandatory Participant Contributions.

Mandatory Participant Contributions

(x) are required () are not required

to be eligible for this Employer Contribution.

- B. (x) Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations or Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

(x) Yes () No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

(x) Yes () No

Contribution Schedule.

- C. (i): Amount identified in the current (or future amended) Compensation Plan for Unaffiliated Employees and/or the Collective Bargaining Agreement (as applicable) % of Earnings,
(ii) \$ _____, or
(iii) a whole percentage of Earnings between the range of _____ (insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage

and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up. The Employer hereby elects to "pick up" the Mandatory Participant Contributions (pick up is required if Option A is not selected).

☒ (x) Yes ☐ () No ("Yes" is the default provision under the Plan if no selection is made.)

ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST



ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST

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ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST

I. PURPOSE

The Employer hereby adopts this Plan and Trust to provide funds for its Employees' retirement, and to provide funds for their Beneficiaries in the event of death. The benefits provided in this Plan shall be paid from the Trust. The Plan and the Trust forming a part hereof are adopted and shall be maintained for the exclusive benefit of eligible Employees and their Beneficiaries. Except as provided in Sections 4.13 and 14.03, no part of the corpus or income of the Trust shall revert to the Employer or be used for or diverted to purposes other than the exclusive benefit of Participants and their Beneficiaries.

II. DEFINITIONS

- 2.01 Account.** A separate record which shall be established and maintained under the Trust for each Participant, and which shall include all Participant subaccounts created pursuant to Article IV, plus any Participant Loan Account created pursuant to Section 13.03. Each subaccount created pursuant to Article IV shall include any earnings of the Trust and adjustments for withdrawals, and realized and unrealized gains and losses allocable thereto. The term "Account" may also refer to any of such separate subaccounts.
- 2.02 Accounting Date.** Each day that the New York Stock Exchange is open for trading, and such other dates as may be determined by the Plan Administrator, as provided in Section 6.06 for valuing the Trust's assets.
- 2.03 Adoption Agreement.** The separate agreement executed by the Employer through which the Employer adopts the Plan and elects among the various alternatives provided thereunder, and which upon execution, becomes an integral part of the Plan.
- 2.04 Beneficiary.** The person or persons (including a trust) designated by the Participant who shall receive any benefits payable hereunder in the event of the Participant's death. The designation of such Beneficiary shall be in writing to the Plan Administrator. A Participant may designate primary and contingent Beneficiaries. Where no designated Beneficiary survives the Participant or no Beneficiary is otherwise designated by the Participant, the Participant's Beneficiary shall be his/her surviving spouse or, if none, his/her estate.
- Notwithstanding the foregoing, the Beneficiary designation is subject to the requirements of Article XII unless the Employer elects otherwise in the Adoption Agreement. Notwithstanding the foregoing, where elected by the Employer in the Adoption Agreement (the "QJSA Election"), the Beneficiary designation is subject to the requirements of Article XVII. Notwithstanding the foregoing, to the extent permitted by the Employer, a Beneficiary receiving required minimum distributions in accordance with Article X and not in a benefit form elected under Article XI or XII, may designate a Beneficiary to receive the required minimum distributions that would have otherwise been payable to the initial Beneficiary but for his or her death.
- 2.05 Break in Service.** A Period of Severance of at least twelve (12) consecutive months. In the case of an individual who is absent from work for maternity or paternity reasons, the twelve (12) consecutive month period beginning on the first anniversary of the first date of such absence shall not constitute a Break in Service. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence (1) by reason of the pregnancy of the individual, (2) by reason of the birth of a child of the individual, (3) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or (4) for purposes of caring for such child for a period beginning immediately following such birth or placement.
- 2.06 Code.** The Internal Revenue Code of 1986, as amended from time to time.
- 2.07 Covered Employment Classification.** The group or groups of Employees eligible to make and/or have contributions to this Plan made on their behalf, as specified by the Employer in the Adoption Agreement.

2.08 Disability. A physical or mental impairment which is of such permanence and degree that, as determined by the Employer, a Participant is unable because of such impairment to perform any substantial gainful activity for which he/she is suited by virtue of his/her experience, training, or education and that has lasted, or can be expected to last, for a continuous period of not less than twelve (12) months, or can be expected to result in death. The permanence and degree of such impairment shall be supported by medical evidence. If the Employer maintains a long-term disability plan, the definition of Disability shall be the same as the definition of disability in the long-term disability plan.

2.09 Earnings.

(a) **General Rule.** Earnings, which form the basis for computing Employer Contributions, are all of each Participant's W-2 earnings which are actually paid to the Participant during the Plan Year, plus any contributions made pursuant to a salary reduction agreement which are not includible in the gross income of the Employee under section 125, 402(e)(3), 402(h)(1)(B), 403(b), 414(h)(2), 457(b), or, effective January 1, 2001, 132(f)(4) of the Code. Earnings shall include any pre-tax contributions (excluding direct employer contributions) to an integral part trust of the Employer providing retiree health care benefits. Earnings shall also include any other earnings as defined and elected by the Employer in the Adoption Agreement. Unless the Employer elects otherwise in the Adoption Agreement, Earnings shall exclude overtime compensation and bonuses.

(b) **Limitation on Earnings.** For any Plan Year beginning after December 31, 2001, the annual Earnings of each Participant taken into account in determining allocations shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code. Annual Earnings means Earnings during the Plan Year or such other consecutive 12-month period over which Earnings is otherwise determined under the Plan (the determination period). The cost-of-living adjustment in effect for a calendar year applies to annual Earnings for the determination period that begins with or within such calendar year.

If a determination period consists of fewer than twelve (12) months, the annual Earnings limit is an amount equal to the otherwise applicable annual Earnings limit multiplied by the fraction, the numerator of which is the number of months in the short Plan Year and the denominator of which is twelve (12).

If Earnings for any prior determination period are taken into account in determining a Participant's allocations for the current Plan Year, the Earnings for such prior year are subject to the applicable annual Earnings limit in effect for that prior year.

(c) **Limitations for Governmental Plans.** In the case of an eligible participant in a governmental plan (within the meaning of section 414(d) of the Code), the dollar limitation shall not apply to the extent the Earnings which are allowed to be taken into account under the Plan would be reduced below the amount which was allowed to be taken into account under the Plan as in effect on July 1, 1993, as adjusted for increases in the cost-of-living in accordance with section 401(a)(17)(B) of the Code. For purposes of this Section, an eligible participant is an individual who first became a Participant in the Plan during a Plan Year beginning before the first Plan Year beginning after December 31, 1993.

(d) **Earnings Paid After Severance from Employment.** Earnings for purposes of allocations under the Plan shall not include amounts paid after a Participant's severance from Employment with the Employer except as provided in this Section 2.09(d).

(1) **Leave Cashouts.** Earnings shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (i) the Participant would have been able to use the leave if employment had continued, and (ii) such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.

(2) **Regular Pay.** Earnings shall include regular pay after severance from employment if:

- (a) The payment is included in the Participant's W-2 earnings;
- (b) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer; and
- (c) Such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.

Notwithstanding anything to the contrary in this subsection (b), unless the Employer has specifically elected to include overtime compensation and bonuses in Earnings, Earnings shall exclude overtime compensation and bonuses paid after severance from employment.

(3) **Effective Date.** This Section 2.09(d) is effective for Plan Years beginning on or after January 1, 2009. For Plan Years beginning before January 1, 2009, the amounts specified in subsections (a) and (b) must be paid within 2½ months after severance from employment with the Employer maintaining the Plan.

- 2.10 **Effective Date.** The first day of the Plan Year during which the Employer adopts the Plan, unless the Employer elects in the Adoption Agreement an alternate date as the Effective Date of the Plan.
- 2.11 **Employee.** Any individual who has applied for and been hired in an employment position and who is employed by the Employer as a common law employee; provided, however, that Employee shall not include any individual who is not so recorded on the payroll records of the Employer, including any such person who is subsequently reclassified by a court of law or regulatory body as a common law employee of the Employer. For purposes of clarification only and not to imply that the preceding sentence would otherwise cover such person, the term Employee does not include any individual who performs services for the Employer as an independent contractor, or under any other non-employee classification.
- 2.12 **Employer.** The unit of state or local government or an agency or instrumentality of one (1) or more states or local governments that executes the Adoption Agreement.
- 2.13 **Hour of Service.** Each hour for which an Employee is paid or entitled to payment for the performance of duties for the Employer.
- 2.14 **Nonforfeitable Interest.** The nonforfeitable interest of the Participant or his/her Beneficiary (whichever is applicable) is that percentage of his/her Employer Contribution Account balance, which has vested pursuant to Article VII. A Participant shall, at all times, have a one hundred percent (100%) Nonforfeitable Interest in his/her Participant Contribution, Rollover, and Voluntary Contribution Accounts.
- 2.15 **Normal Retirement Age.** The age which the Employer specifies in the Adoption Agreement. If the Employer enforces a mandatory retirement age, the Normal Retirement Age is the lesser of that mandatory age or the age specified in the Adoption Agreement.
- 2.16 **Participant.** An Employee or former Employee for whom contributions have been made under the Plan and who has not yet received all of the payments of benefits to which he/she is entitled under the Plan. A Participant is treated as benefiting under the Plan for any Plan Year during which the participant received or is deemed to receive an allocation in accordance with Treas. Reg. section 1.410(b)-3(a).

- 2.17 Period of Service.** For purposes of determining an Employee's initial or continued eligibility to participate in the Plan or the Nonforfeitable Interest in the Participant's Account balance derived from Employer Contributions, an Employee will receive credit for the aggregate of all time period(s) commencing with the Employee's first day of employment or reemployment and ending on the date a Break in Service begins. The first day of employment or reemployment is the first day the Employee performs an Hour of Service. An Employee will also receive credit for any Period of Severance of less than twelve (12) consecutive months. Fractional periods of a year will be expressed in terms of days.

Notwithstanding anything to the contrary herein, if the Plan is an amendment and restatement of a plan that previously calculated service under the hours of service method, service shall be credited in a manner that is at least as generous as that provided under Treas. Regs. section 1.410(a)-7(g).

- 2.18 Period of Severance.** A continuous period of time during which the Employee is not employed by the Employer. Such period begins on the date the Employee retires, quits or is discharged, or if earlier, the twelve (12) month anniversary of the date on which the Employee was otherwise first absent from service.
- 2.19 Plan.** This Plan, as established by the Employer, including any elected provisions pursuant to the Adoption Agreement.
- 2.20 Plan Administrator.** The person(s) or entity named to carry out certain nondiscretionary administrative functions under the Plan, as hereinafter described, which is the ICMA Retirement Corporation or any successor Plan Administrator. Unless otherwise provided in the Plan, the Plan Administrator shall act at the direction of the Employer and shall be fully protected in acting on such direction.
- 2.21 Plan Year.** The twelve (12) consecutive month period designated by the Employer in the Adoption Agreement.
- 2.22 Trust.** The Trust created under Article VI of the Plan which shall consist of all of the assets of the Plan derived from Employer and Participant contributions under the Plan, plus any income and gains thereon, less any losses, expenses and distributions to Participants and Beneficiaries.

III. ELIGIBILITY

- 3.01 Service.** Except as provided in Sections 3.02 and 3.03 of the Plan, an Employee within the Covered Employment Classification who has completed a twelve (12) month Period of Service shall be eligible to participate in the Plan at the beginning of the payroll period next commencing thereafter. The Employer may elect in the Adoption Agreement to waive or reduce the twelve (12) month Period of Service.

If the Employer maintains the plan of a predecessor employer, service with such employer shall be treated as Service for the Employer.

- 3.02 Age.** The Employer may designate a minimum age requirement, not to exceed age twenty-one (21), for participation. Such age, if any, shall be declared in the Adoption Agreement.
- 3.03 Return to Covered Employment Classification.** In the event a Participant is no longer a member of Covered Employment Classification and becomes ineligible to make contributions and/or have contributions made on his/her behalf, such Employee will become eligible for contributions immediately upon returning to a Covered Employment Classification. If such Participant incurs a Break in Service, eligibility will be determined under the Break in Service rules of the Plan.

In the event an Employee who is not a member of a Covered Employment Classification becomes a member, such Employee will be eligible to participate immediately if such Employee has satisfied the minimum age and service requirements and would have otherwise previously become a Participant.

- 3.04 Service Before a Break in Service.** All Periods of Service with the Employer are counted toward eligibility, including Periods of Service before a Break in Service.

IV. CONTRIBUTIONS

- 4.01 Employer Contributions.** For each Plan Year, the Employer will contribute to the Trust an amount as specified in the Adoption Agreement. The Employer's full contribution for any Plan Year shall be due and paid not later than thirty (30) working days after the close of the Plan Year. Each Participant will share in Employer Contributions for the period beginning on the date the Participant commences participation under the Plan and ending on the date on which such Employee severs employment with the Employer or is no longer a member of a Covered Employment Classification, and such contributions shall be accounted for separately in his Employer Contribution Account. Notwithstanding anything to the contrary herein, if so elected by the Employer in the Adoption Agreement, an Employee shall be required to make contributions as provided pursuant to Section 4.03 or 4.04 in order to be eligible for Employer Contributions to be made on his/her behalf to the Plan.
- 4.02 Forfeitures.** All amounts forfeited by terminated Participants, pursuant to Section 7.06, shall be used no later than the end of the next Plan Year. Forfeitures will be used to reduce dollar for dollar Employer Contributions otherwise required under the Plan. Forfeitures may first be used to pay the reasonable administrative expenses of the Plan, with any remainder being applied to reduce Employer Contributions.
- 4.03 Mandatory Participant Contributions.** If the Employer so elects in the Adoption Agreement, each eligible Employee shall make contributions at a rate prescribed by the Employer or at any of a range of specified rates, as set forth by the Employer in the Adoption Agreement, as a requirement for his/her participation (1) in the Plan or (2) in this portion of the Plan. Once an eligible Employee becomes a Participant and makes an election hereunder, he/she shall not thereafter have the right to discontinue or vary the rate of such Mandatory Participant Contributions. Such contributions shall be accounted for separately in the Participant Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.

If the Employer so elects in the Adoption Agreement, the Mandatory Participant Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). Any contribution picked-up under this Section shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is distributed.

To constitute a Pick-Up Contribution, (1) the Employer must specify in a contemporaneous written document by a person duly authorized by the Employer that the contributions are being paid by the Employer in lieu of contributions by the Employee, and (2) the Employee must not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the Employer to the Plan.

- 4.04 Employer Matching Contributions of Voluntary Participant Contributions.** If the Employer so elects in the Adoption Agreement, Employer Matching Contributions shall be made on behalf of an eligible Employee for a Plan Year only if the Employee agrees to make Voluntary Participant Contributions for that Plan Year. The rate of Employer Contributions shall, to the extent specified in the Adoption Agreement, be based upon the rate at which Voluntary Participant Contributions are made for that Plan Year. Employer Matching Contributions shall be accounted for separately in the Employer Contribution Account.
- 4.05 Voluntary Participant Contributions.** If the Employer so elects in the Adoption Agreement, an eligible Employee may make after-tax voluntary (unmatched) contributions under the Plan for any Plan Year in any amount up to twenty-five percent (25%) of his/her Earnings for such Plan Year. Matched and unmatched contributions shall be accounted for separately in the Participant's Voluntary Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.

- 4.06 Deductible Employee Contributions.** The Plan will not accept deductible employee contributions which are made for a taxable year beginning after December 31, 1986. Contributions made prior to that date will be maintained in a Deductible Employee Contribution Account. The Account will share in the gains and losses under the Plan in the same manner as described in Section 6.06 of the Plan. Such Account shall be at all times nonforfeitable by the Participant. No part of the deductible voluntary contribution account will be used to purchase life insurance.
- 4.07 Final Pay Contributions.** If the Employer so elects in the Adoption Agreement, eligible Participants shall be eligible to make or receive Final Pay Contributions under this Plan in accordance with Article XVIII. This election may be made even if the Employer does not elect to make contributions under Section 4.01.
- 4.08 Accrued Leave Contributions.** If the Employer so elects in the Adoption Agreement, eligible Participants shall be eligible to make or receive Accrued Leave Contributions under this Plan in accordance with Article XIX. This election may be made even if the Employer does not elect to make contributions under Section 4.01.
- 4.09 Military Service Contributions.** Notwithstanding any provision of the Plan to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with section 414(u) of the Code.

Effective December 12, 1994, if the Employer has elected in the Adoption Agreement to make loans available to Participants, loan repayments shall be suspended under the Plan as permitted under section 414(u)(4) of the Code.

4.10 Accrual of Additional Benefits for Qualified Military Service.

- (a) **Death Benefits with Respect to Qualified Military Service.** In the case of a Participant who dies on or after January 1, 2007, while performing qualified military service (as defined in Code section 414(u)) with respect to the Employer, his/her Beneficiary shall have a Nonforfeitable Interest in the Participant's entire Employer Contribution Account to the extent that he/she would have had had the Participant resumed and then terminated employment on account of death.
- (b) **Benefit Accruals with Respect to Differential Wage Payments.** If the Employer so elects in the Adoption Agreement, effective as elected by the Employer but no earlier than January 1, 2009, Plan contributions shall be made based on differential wage payments (as such term is defined in Code section 3401(h)(2)). Solely for purposes of applying the limits of Code section 415, differential wage payments shall be treated as compensation.
- (c) **Benefit Accruals with Respect to Qualified Military Service.** Notwithstanding any provision of the Plan to the contrary, effective as elected by the Employer but no earlier than January 1, 2007, if the Employer so elects in the Adoption Agreement, Participants who die or become Disabled while performing qualified military service (as defined in Code section 414(u)) with respect to the Employer shall receive Plan contributions as permitted under Code section 414(u)(9).

- 4.11 Changes in Participant Election.** A Participant may elect to change his/her rate of Voluntary Participant Contributions at any time or during an election period as designated by the Employer. A Participant may discontinue such contributions at any time or during an election period as designated by the Employer.

4.12 Portability of Benefits.

- (a) Unless otherwise elected by the Employer in the Adoption Agreement, the Plan will accept Participant (which shall include, for purposes of this subsection, an Employee within the Covered Employment Classification whether or not he/she has satisfied the minimum age and service requirements of Article III) rollover contributions and/or direct rollovers of distributions (including after-tax contributions) made after December 31, 2001 that are eligible for rollover in accordance with Section 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), or 457(e)(16) of the Code, from all of the following types of plans:
- (1) A qualified plan described in Section 401(a) or 403(a) of the Code;
 - (2) An annuity contract described in Section 403(b) of the Code;
 - (3) An eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state; and
 - (4) An individual retirement account or annuity described in Section 408(a) or 408(b) of the Code (including SEPs, and SIMPLE IRAs after two years of participating in the SIMPLE IRA).
- (b) Notwithstanding the foregoing, the Employer may reject the rollover contribution if it determines, in its discretion, that the form and nature of the distribution from the other plan does not satisfy the applicable requirements under the Code to make the transfer or rollover a nontaxable transaction to the Participant;
- (c) For indirect rollover contributions, the amount distributed from such plan must be rolled over to this Plan no later than the sixtieth (60th) day after the distribution was made from the plan, unless otherwise waived by the IRS pursuant to Section 402(c)(3) of the Code.
- (d) The amount transferred shall be deposited in the Trust and shall be credited to a Rollover Account. Such Account shall be one hundred percent (100%) vested in the Participant.
- (e) The Plan will accept accumulated deductible employee contributions as defined in section 72(o)(5) of the Code that were distributed from a qualified retirement plan and transferred (rolled over) pursuant to section 402(c), 403(a)(4), 403(b)(8), or 408(d)(3) of the Code. Notwithstanding the above, this transferred (rolled over) amount shall be deposited to the Trust and shall be credited to a Deductible Employee Contributions Account. Such Account shall be one-hundred percent (100%) vested in the Participant.
- (f) A Participant may, upon approval by the Employer and the Plan Administrator, transfer his/her interest in another plan maintained by the Employer that is qualified under section 401(a) of the Code to this Plan, provided the transfer is effected through a one-time irrevocable written election made by the Participant. The amount transferred shall be deposited in the Trust and shall be credited to sources that maintain the same attributes as the plan from which they are transferred. Such transfer shall not reduce the accrued years or service credited to the Participant for purposes of vesting or eligibility for any Plan benefits or features.

4.13 Return of Employer Contributions. Any contribution made by the Employer because of a mistake of fact must be returned to the Employer within one year of the date of contribution.

V. LIMITATION ON ALLOCATIONS

5.01 Participants Only in This Plan.

- (a) If the Participant does not participate in, and has never participated in another qualified plan or a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, or an individual medical account, as defined by section 415(l)(2) of the Code, maintained by the Employer, which provides an Annual Addition, the amount of Annual Additions which may be credited to the Participant's Account for any Limitation Year will not exceed the lesser of the Maximum Permissible Amount or any other limitation contained in this Plan. If the Employer Contribution that would otherwise be contributed or allocated to the Participant's Account would cause the Annual Additions for the Limitation Year to exceed the Maximum Permissible Amount, the amount contributed or allocated will be reduced so that the Annual Additions for the Limitation Year will equal the Maximum Permissible Amount.
- (b) Prior to determining the Participant's actual Compensation for the Limitation Year, the Employer may determine the Maximum Permissible Amount for a Participant on the basis of a reasonable estimation of the Participant's Compensation for the Limitation Year, uniformly determined for all Participants similarly situated.
- (c) As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount for the Limitation Year will be determined on the basis of the Participant's actual Compensation for the Limitation Year.

5.02 Participants in Another Defined Contribution Plan.

- (a) Unless the Employer provides other limitations in the Adoption Agreement, this Section applies if, in addition to this Plan, the Participant is covered under another qualified defined contribution plan maintained by the Employer, or a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, or an individual medical account, as defined by section 415(l)(2) of the Code, maintained by the Employer, which provides an Annual Addition, during any Limitation Year. The Annual Additions which may be credited to a Participant's Account under this Plan for any such Limitation Year will not exceed the Maximum Permissible Amount reduced by the Annual Additions credited to a Participant's Account under the other plans and welfare benefit funds for the same Limitation Year. If the Annual Additions with respect to the Participant under other defined contribution plans and welfare benefit funds maintained by the Employer are less than the Maximum Permissible Amount and the Employer contribution that would otherwise be contributed or allocated to the Participant's Account under this Plan would cause the Annual Additions for the Limitation Year to exceed this limitation, the amount contributed or allocated will be reduced so that the Annual Additions under all such plans and funds for the Limitation Year will equal the Maximum Permissible Amount. If the Annual Additions with respect to the Participant under such other defined contribution plans and welfare benefit funds in the aggregate are equal to or greater than the Maximum Permissible Amount, no amount will be contributed or allocated to the Participant's Account under this Plan for the Limitation Year.
- (b) Prior to determining the Participant's actual Compensation for the Limitation Year, the Employer may determine the Maximum Permissible Amount for a Participant in the manner described in Section 5.01(b).
- (c) As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount for the Limitation Year will be determined on the basis of the Participant's actual Compensation for the Limitation Year.

- (d) If, pursuant to Subsection (c) or as a result of the allocation of forfeitures, a Participant's Annual Additions under this Plan and such other plans would result in an Excess Amount for a Limitation Year, the Excess Amount will be deemed to consist of the Annual Additions last allocated, except that Annual Additions attributable to a welfare benefit fund or individual medical account will be deemed to have been allocated first regardless of the actual allocation date.
- (e) If an Excess Amount was allocated to a Participant on an allocation date of this Plan which coincides with an allocation date of another plan, the Excess Amount attributed to this Plan will be the product of,
 - (1) The total Excess Amount allocated as of such date, multiplied by
 - (2) The ratio of (i) the Annual Additions allocated to the Participant for the Limitation Year as of such date under this Plan to (ii) the total Annual Additions allocated to the Participant for the Limitation Year as of such date under this and all the other qualified prototype defined contribution plans.

5.03 Definitions. For the purposes of this Article, the following definitions shall apply:

- (a) Annual Additions. The sum of the following amounts credited to a Participant's account for the Limitation Year:
 - (1) Employer Contributions (including contributions "picked up" by the Employer under Section 4.03);
 - (2) Forfeitures;
 - (3) Employee contributions (including after-tax Voluntary Contributions under Section 4.05 and Mandatory Participant Contributions under Section 4.03 not "picked up" by the Employer); and
 - (4) Allocations under a simplified employee pension. Amounts allocated, after March 31, 1984, to an individual medical account, as defined in section 415(l)(2) of the Code, which is part of a pension or annuity plan maintained by the Employer, are treated as Annual Additions to a defined contribution plan.
 - (5) Notwithstanding the above, the term Annual Additions does not include the following:
 - (a) Restorative Payments. Annual Additions for purposes of Code section 415 shall not include restorative payments. For this purpose, restorative payments are payments made to restore losses to a plan resulting from actions by a fiduciary for which there is reasonable risk of liability for breach of a fiduciary duty under applicable federal or state law, where Participants who are similarly situated are treated similarly with respect to the payments. Generally, payments to a defined contribution plan are restorative payments only if the payments are made in order to restore some or all of the plan's losses due to an action (or a failure to act) that creates a reasonable risk of liability for such a breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the plan). This includes payments to a plan made pursuant to a court-approved settlement to restore losses to a qualified defined contribution plan on account of the breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the plan). Payments made to a plan to make up for losses due merely to market fluctuations and other payments that are not made on account of a reasonable risk of liability for breach of a fiduciary duty are not restorative payments and generally constitute contributions that give rise to Annual Additions.

- (b) Other Amounts. Annual Additions for purposes of Code section 415 shall not include (i) the direct transfer of a benefit or employee contributions from a qualified plan to this Plan; (ii) rollover contributions (as described in Code sections 401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16)); (iii) repayments of loans made to a Participant from the Plan; (iv) repayments of amounts described in Code section 411(a)(7)(B) (in accordance with Code sections 411(a)(7)(C) and 411(a)(3)(D) or repayment of contributions to a governmental plan (as defined in Code section 414(d)) as described in Code section 415(k)(3), as well as Employer restorations of benefits that are required pursuant to such repayments; (v) Employee Contributions to a qualified cost of living arrangement within the meaning of Code section 415(k)(2)(B); (vi) catch-up contributions made in accordance with section 414(v) and §1.414(v)-1 and (vii) excess deferrals that are distributed in accordance with §1.402(g)-1(e)(2) or (3).
- (c) Date of Employer Contributions. Notwithstanding anything in the Plan to the contrary, Employer Contributions are treated as credited to a Participant's account for a particular Limitation Year only if the contributions are actually made to the plan no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable, depending on the basis on which the Employer keeps its books) with or within which the particular Limitation Year ends.
- (b) Compensation. Participant's wages, salaries, fees for professional services, and other amounts received (without regard to whether an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer, to the extent that the amounts are includible in gross income (or to the extent amounts would have been received and includible in gross income but for an election under Code section 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b)). These amounts include, but are not limited to, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan as described in Treas. Reg. section 1.62-2(c).
- (1) Notwithstanding the foregoing, Compensation does not include:
- (i) Contributions (other than elective contributions described in Code section 402(e)(3), 408(k)(6), 408(p)(2)(A)(i), or 457(b)) made by the Employer to a plan of deferred compensation (including a simplified employee pension described in Code section 408(k) or a simple retirement account described in Code section 408(p), and whether or not qualified) to the extent that the contributions are not includible in the gross income of the Participant for the taxable year in which contributed. In addition, any distributions from a plan of deferred compensation (whether or not qualified) are not considered as Compensation for Code section 415 purposes, regardless of whether such amounts are includible in the gross income of the Participant when distributed; and
 - (ii) Other amounts that receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includible in the gross income of the Participant and are not salary reduction amounts that are described in Code section 125).
 - (iii) Other items of remuneration that are similar to the items listed in subparagraph (i) or (ii) of this subsection (b).
- (2) Compensation Paid After Severance or Deemed Severance from Employment. Compensation shall be adjusted as set forth herein for the following types of compensation paid after a Participant's severance from employment (as determined under section 415 of the Code and the regulations thereunder) with the Employer. Any payment that is not described in subsection (i), (ii), (iii), or (iv) of this Section is not considered Compensation within the meaning of section 415 of the Code if paid after severance from employment with the Employer.

(i) Regular Pay.

- (A) Compensation shall include regular pay after severance of employment if the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments;
- (B) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer; and
- (C) Such amounts are paid:
 - 1. for Limitation Years beginning before January 1, 2009, within 2½ months after severance from employment with the Employer maintaining the Plan; and
 - 2. for Limitation Years beginning on or after January 1, 2009, by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.
- (D) The date January 1, 2009 in subsections (b)(2)(i)(C)(1) and (2) of this Section shall be substituted for an earlier effective date if provided in Article II of the Adoption Agreement but no earlier than July 1, 2007.

(ii) Leave Cashouts.

- (A) For Limitation Years beginning before January 1, 2009, Compensation shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (I) the Participant would have been able to use the leave if employment had continued, (II) such amounts are paid within 2½ months after severance from employment with the Employer maintaining the Plan, and (III) such amounts would be included in Compensation if the individual had continued to perform services for the Employer.
- (B) For Limitation Years beginning on or after January 1, 2009, Compensation shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (I) the Participant would have been able to use the leave if employment had continued, (II) such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment, and (III) such amounts would be included in Compensation if the individual had continued to perform services for the Employer.
- (C) The date January 1, 2009 in subsections (b)(2)(ii)(A) and (B) of this Section shall be substituted for an earlier effective date if provided in Article II of the Adoption Agreement but no earlier than July 1, 2007.

(iii) Salary Continuation Payments for Military Service Participants.

- (A) Compensation includes payments to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code section 414(u)(1)) to the extent:
 - 1. Those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering qualified military service; and

2. Those payments would be included in Compensation if the individual had continued to perform services for the Employer rather than entering qualified military service.

(B) Notwithstanding the foregoing, Compensation does not include distributions from this Plan to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code section 414(u)(1)).

(iv) Salary Continuation Payments for Disabled Participants.

(A) Compensation includes amounts paid to a Participant who is permanently and totally disabled (as defined in Code section 22(e)(3)) to the extent:

1. Salary continuation applies to all Participants who are permanently and totally disabled for a fixed or determinable period or the Participant was not a highly compensated employee (as defined in Code section 414(q)) immediately before becoming disabled.
2. Those amounts would be included in Compensation if the Participant had continued to perform services for the Employer.

(B) Notwithstanding the foregoing, Compensation does not include distributions from this Plan to a Participant who is permanently and totally disabled (as defined in Code section 22(e)(3)).

For purposes of applying the limitations of this Article, Compensation for a Limitation Year is the Compensation actually paid or made available during such year. Compensation for a Limitation Year shall not include amounts earned but not paid during the Limitation Year solely because of the timing of pay periods and pay dates.

(c) Defined Contribution Dollar Limitation: \$40,000, as adjusted for increases in the cost of-living in accordance with section 415(d) of the Code.

(d) Employer: The Employer that adopts this Plan.

(e) Excess Amount: The excess of the Participant's Annual Additions for the Limitation Year over the Maximum Permissible Amount. Any Excess Amount shall include allocable income. The income allocable to an Excess Amount is equal to the sum of allocable gain or loss for the Plan Year and the allocable gain or loss for the period between the end of the Plan Year and the date of distribution (the gap period). The Plan may use any reasonable method for computing the income allocable to an Excess Amount, provided that the method is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income to Participants' Accounts.

(f) Limitation Year: A calendar year, or the twelve (12) consecutive month period elected by the Employer in section IX. 2 of the Adoption Agreement. All qualified plans maintained by the Employer must use the same Limitation Year. If the Limitation Year is amended to a different twelve (12) consecutive month period, the new Limitation Year must begin on a date within the Limitation Year in which the amendment is made. The Limitation Year may only be changed by Plan amendment. Furthermore, if the Plan is terminated effective as of a date other than the last day of the Plan's Limitation Year, then the Plan is treated as if the Plan had been amended to change its Limitation Year and the maximum permissible amount shall be prorated for the resulting short Limitation Year.

(g) Maximum Permissible Amount: The maximum Annual Addition that may be contributed or allocated to a Participant's Account under the Plan for any Limitation Year shall not exceed the lesser of:

- (1) The Defined Contribution Dollar Limitation, or
- (2) One hundred percent (100%) of the Participant's Compensation for the Limitation Year.

The compensation limit referred to in (2) shall not apply to any contribution for medical benefits after separation from service (within the meaning of section 401(h) or section 419A(f)(2) of the Code) which is otherwise treated as an annual addition.

If a short Limitation Year is created because of an amendment changing the Limitation Year to a different twelve (12) consecutive month period, the Maximum Permissible Amount will not exceed the Defined Contribution Dollar Limitation multiplied by the following fraction:

Number of months in the short Limitation Year

12

5.04 **Aggregation and Disaggregation of Plans.**

(a) Generally. For purposes of applying the limitations of Code section 415, all defined contribution plans (without regard to whether a plan has been terminated) ever maintained by the Employer (or a "predecessor employer") under which the Participant receives Annual Additions are treated as one defined contribution plan. The "Employer" means the Employer that adopts this Plan and any other entity which the Employer determines, based on a reasonable, good faith interpretation of existing law in accordance with Notice 89-23, 1989-1 C.B. 654, as modified by Notice 96-64, 1996-2 C.B. 229, should be aggregated for purposes of applying the limitations of Code section 415. For purposes of this Section:

- (1) A former employer is a "predecessor employer" with respect to a Participant if the Employer maintains a plan under which the Participant had accrued a benefit while performing services for the former employer, but only if that benefit is provided under the plan maintained by the Employer. For this purpose, the formerly affiliated plan rules in Treas. Reg. section 1.415(f)-1(b)(2) apply as if the Employer and predecessor employer constituted a single employer under the rules described in Treas. Reg. section 1.415(a)-1(f)(1) and (2) immediately prior to the cessation of affiliation (and as if they constituted two, unrelated employers under the rules described in Treas. Reg. section 1.415(a)-1(f)(1) and (2) immediately after the cessation of affiliation) and cessation of affiliation was the event that gives rise to the predecessor employer relationship, such as a transfer of benefits or plan sponsorship.
- (2) With respect to an Employer, a former entity that antedates the Employer is a "predecessor employer" with respect to a Participant if, under the facts and circumstances, the Employer constitutes a continuation of all or a portion of the trade or business of the former entity.

(b) Midyear Aggregation. Two or more defined contribution plans that are not required to be aggregated pursuant to Code section 415(f) and the Treasury Regulations thereunder as of the first day of a Limitation Year do not fail to satisfy the requirements of Code section 415 with respect to a Participant for the Limitation Year merely because they are aggregated later in that Limitation Year, provided that no Annual Additions are credited to the Participant's account after the date on which the plans are required to be aggregated.

5.05 Effective Date. Except as otherwise provided in Section 5.03(b)(2), this Article shall apply to limitation years beginning on or after July 1, 2007. The Employer may elect a delayed effective date for this Article in Section IX. 3 of the Adoption Agreement, however, such effective date must apply to limitation years that begin on or after the date that is 90 days after the close of the first legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.

VI. TRUST AND INVESTMENT OF ACCOUNTS

- 6.01 Trust.** A Trust is hereby created to hold all of the assets of the Plan for the exclusive benefit of Participants and Beneficiaries, except that expenses and taxes may be paid from the Trust as provided in Section 6.03. The trustee shall be the Employer or such other person which agrees to act in that capacity hereunder.
- 6.02 Investment Powers.** The trustee or the Plan Administrator, acting as agent for the trustee, shall have the powers listed in this Section with respect to investment of Trust assets, except to the extent that the investment of Trust assets is controlled by Participants, pursuant to Sections 6.05 and 13.03.
- (a) To invest and reinvest the Trust without distinction between principal and income in common or preferred stocks, shares of regulated investment companies and other mutual funds, bonds, notes, debentures, mortgages, certificates of deposit, contracts with insurance companies including but not limited to insurance, individual or group annuity, deposit administration, guaranteed interest contracts, and deposits at reasonable rates of interest at banking institutions including but not limited to savings accounts and certificates of deposit. Assets of the Trust may be invested in securities that involve a higher degree of risk than investments that have demonstrated their investment performance over an extended period of time.
 - (b) To invest and reinvest all or any part of the assets of the Trust in any common, collective or commingled trust fund that is maintained by a bank or other institution and that is available to Employee plans qualified under section 401 of the Code, or any successor provisions thereto, and during the period of time that an investment through any such medium shall exist, to the extent of participation of the Plan, the declaration of trust of such common, collective, or commingled trust fund shall constitute a part of this Plan.
 - (c) To invest and reinvest all or any part of the assets of the Trust in any group annuity, deposit administration or guaranteed interest contract issued by an insurance company or other financial institution on a commingled or collective basis with the assets of any other plan or trust qualified under section 401(a) of the Code or any other plan described in section 401(a)(24) of the Code, and such contract may be held or issued in the name of the Plan Administrator, or such custodian as the Plan Administrator may appoint, as agent and nominee for the Employer. During the period that an investment through any such contract shall exist, to the extent of participation of the Plan, the terms and conditions of such contract shall constitute a part of the Plan.
 - (d) To hold cash awaiting investment and to keep such portion of the Trust in cash or cash balances, without liability for interest, in such amounts as may from time to time be deemed to be reasonable and necessary to meet obligations under the Plan or otherwise to be in the best interests of the Plan.
 - (e) To hold, to authorize the holding of, and to register any investment to the Trust in the name of the Plan, the Employer, or any nominee or agent of any of the foregoing, including the Plan Administrator, or in bearer form, to deposit or arrange for the deposit of securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by any other person, and to organize corporations or trusts under the laws of any jurisdiction for the purpose of acquiring or holding title to any property for the Trust, all with or without the addition of words or other action to indicate that property is held in a fiduciary or representative capacity but the books and records of the Plan shall at all times show that all such investments are part of the Trust.
 - (f) Upon such terms as may be deemed advisable by the Employer or the Plan Administrator, as the case may be, for the protection of the interests of the Plan or for the preservation of the value of an investment, to exercise and enforce by suit for legal or equitable remedies or by other action, or to waive any right or claim on behalf of the Plan or any default in any obligation owing to the Plan, to renew, extend the time for payment of, agree to a reduction in the rate of interest on, or agree to any other modification or change in the terms of any obligation owing to the Plan, to settle, compromise, adjust, or submit to arbitration any

claim or right in favor of or against the Plan, to exercise and enforce any and all rights of foreclosure, bid for property in foreclosure, and take a deed in lieu of foreclosure with or without paying consideration therefor, to commence or defend suits or other legal proceedings whenever any interest of the Plan requires it, and to represent the Plan in all suits or legal proceedings in any court of law or equity or before any body or tribunal.

- (g) To employ suitable consultants, depositories, agents, and legal counsel on behalf of the Plan.
- (h) To open and maintain any bank account or accounts in the name of the Plan, the Employer, or any nominee or agent of the foregoing, including the Plan Administrator, in any bank or banks.
- (i) To do any and all other acts that may be deemed necessary to carry out any of the powers set forth herein.

- 6.03 Taxes and Expenses.** All taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws upon, or in respect to the Trust, or the income thereof, and all commissions or acquisitions or dispositions of securities and similar expenses of investment and reinvestment of the Trust, shall be paid from the Trust. Such reasonable compensation of the Plan Administrator, as may be agreed upon from time to time by the Employer and the Plan Administrator, and reimbursement for reasonable expenses incurred by the Plan Administrator in performance of its duties hereunder (including but not limited to fees for legal, accounting, investment and custodial services) shall also be paid from the Trust. However, no person who is a fiduciary within the meaning of section 3(21)(A) of ERISA and regulations promulgated thereunder, and who receives full-time pay from the Employer may receive compensation from the Trust, except for expenses properly and actually incurred.
- 6.04 Payment of Benefits.** The payment of benefits from the Trust in accordance with the terms of the Plan may be made by the Plan Administrator, or by any custodian or other person so authorized by the Employer to make such disbursement. Benefits under this Plan shall be paid only if the Plan Administrator, custodian or other person, or the Employer if directing such person, decides in his/her discretion that the applicant is entitled to them. The Plan Administrator, custodian or other person shall not be liable with respect to any distribution of Trust assets made at the direction of the Employer.
- 6.05 Investment Funds.** In accordance with uniform and nondiscriminatory rules established by the Employer and the Plan Administrator, the Participant may direct his/her Accounts to be invested in one (1) or more investment funds available under the Plan; provided, however, that the Participant's investment directions shall not violate any investment restrictions established by the Employer and shall not include any investment in collectibles, as defined in section 408(m) of the Code.
- 6.06 Valuation of Accounts.** As of each Accounting Date, the Plan assets held in each investment fund offered shall be valued at fair market value and the investment income and gains or losses for each fund shall be determined. Such investment income and gains or losses shall be allocated proportionately among all Account balances on a fund-by-fund basis. The allocation shall be in the proportion that each such Account balance as of the immediately preceding Accounting Date bears to the total of all such Account balances, as of that Accounting Date. For purposes of this Article, all Account balances include the Account balances of all Participants and Beneficiaries.
- 6.07 Participant Loan Accounts.** Participant Loan Accounts shall be invested in accordance with Section 13.03 of the Plan. Such Accounts shall not share in any investment income and gains or losses of the investment funds described in Section 6.05.
- 6.08 Deemed IRAs.** If deemed IRAs are available pursuant to section 408(q) of the Code, the assets of such deemed IRAs may be commingled with the Plan assets for investment purposes but, if held in the same trust, the trustee shall maintain a separate account for each deemed IRA.

VII. VESTING

7.01 Vesting Schedule. The portion of a Participant's Account attributable to Mandatory Participant Contributions and Voluntary Participant Contributions, and the earnings thereon, shall be at all times nonforfeitable by the Participant. A Participant shall have a Nonforfeitable Interest in the percentage of his/her Employer Contribution Account established under Section 4.01, 4.04, 18.02(a) and 19.02(a) determined pursuant to the schedule elected by the Employer in the Adoption Agreement.

7.02 Crediting Periods of Service. Except as provided in Section 7.03, all of an Employee's Periods of Service with the Employer are counted to determine the nonforfeitable percentage in the Employee's Account balance derived from Employer Contributions. If the Employer maintains the plan of a predecessor employer, service with such employer will be treated as service for the Employer.

For purposes of determining years of service and Breaks in Service for the purposes of computing a Participant's nonforfeitable right to the Account balance derived from Employer Contributions, the twelve (12) consecutive month period will commence on the date the Employee first performs an Hour of Service and each subsequent twelve (12) consecutive month period will commence on the anniversary of such date.

7.03 Service After Break in Service. In the case of a Participant who has a Break in Service of at least five (5) years, all Periods of Service after such Breaks in Service will be disregarded for the purpose of determining the nonforfeitable percentage of the Employer-derived Account balance that accrued before such Break, but both pre-Break and post-Break service will count for the purposes of vesting the Employer-derived Account balance that accrues after such Break. Both Accounts will share in the earnings and losses of the fund.

In the case of a Participant who does not have a Break in Service of at least five (5) years, both the pre-Break and post-Break service will count in vesting both the pre-Break and post-Break Employer-derived Account balance.

In the case of a Participant who does not have any nonforfeitable right to the Account balance derived from Employer Contributions, years of service before a period of consecutive one (1) year Breaks in Service will not be taken into account in computing eligibility service if the number of consecutive one (1) year Breaks in Service in such period equals or exceeds the greater of five (5) or the aggregate number of years of service. Such aggregate number of years of service will not include any years of service disregarded under the preceding sentence by reason of prior Breaks in Service.

If a Participant's years of service are disregarded pursuant to the preceding paragraph, such Participant will be treated as a new Employee for eligibility purposes. If a Participant's years of service may not be disregarded pursuant to the preceding paragraph, such Participant shall continue to participate in the Plan, or, if terminated, shall participate immediately upon reemployment.

7.04 Vesting Upon Normal Retirement Age. Notwithstanding Section 7.01 of the Plan, a Participant shall have a Nonforfeitable Interest in his/her entire Employer Contribution Account, to the extent that the balance of such Account has not previously been forfeited pursuant to Section 7.06 of the Plan, if he/she is employed on or after his/her Normal Retirement Age.

7.05 Vesting Upon Death or Disability. Notwithstanding Section 7.01 of the Plan, in the event of Disability or death, a Participant or his/her Beneficiary shall have a Nonforfeitable Interest in his/her entire Employer Contribution Account, to the extent that the balance of such Account has not previously been forfeited pursuant to Section 7.06 of the Plan.

- 7.06 Forfeitures.** Except as provided in Sections 7.04 and 7.05 of the Plan or as otherwise provided in this Section 7.06, a Participant who separates from service prior to obtaining full vesting shall forfeit that percentage of his/her Employer Contribution Account balance which has not vested as of the date such Participant incurs a Break in Service of five (5) consecutive years or, if earlier, the date such Participant receives, or is deemed under the provisions of Section 9.04 to have received, distribution of the entire Nonforfeitable Interest in his/her Employer Contribution Account. No forfeiture will occur solely as a result of a Participant's withdrawal of Employee Contributions. Forfeitures shall be allocated in the manner described in Section 4.02.
- 7.07 Reinstatement of Forfeitures.** If the Participant returns to the employment of the Employer before incurring a Break in Service of five (5) consecutive years, any amounts forfeited pursuant to Section 7.06 shall be reinstated to the Participant's Employer Contribution Account on the date of repayment by the Participant of the amount distributed to such Participant from his/her Employer Contribution Account; provided, however, that if such Participant forfeited his/her Account balance by reason of a deemed distribution, pursuant to Section 9.04, such amounts shall be automatically restored upon the reemployment of such Participant. Such repayment must be made before the earlier of five (5) years after the first date on which the Participant is subsequently reemployed by the Employer, or the date the Participant incurs a Break in Service of five (5) consecutive years.

VIII. BENEFITS CLAIM

- 8.01 Claim of Benefits.** A Participant or Beneficiary shall notify the Plan Administrator in writing of a claim of benefits under the Plan. The Plan Administrator shall take such steps as may be necessary to facilitate the payment of such benefits to the Participant or Beneficiary.
- 8.02 Appeal Procedure.** If any claim for benefits is initially denied by the Plan Administrator, the claimant shall file the appeal with the Employer, whose decision shall be final, to the extent provided by Section 15.07.

IX. COMMENCEMENT OF BENEFITS

- 9.01 Normal and Elective Commencement of Benefits.** A Participant who retires, becomes Disabled or incurs a severance from employment for any other reason may elect by written notice to the Plan Administrator to have his or her vested Account balance benefits commence on any date, provided that such distribution complies with Section 9.02. Such election must be made in writing during the one-hundred eighty (180) day period ending on the date as of which benefit payments are to commence. A Participant's election shall be revocable and may be amended by the Participant.

The failure of a Participant to consent to a distribution while a benefit is immediately distributable, within the meaning of section 9.02 of the Plan, shall be deemed to be an election to defer commencement of payment of any benefit sufficient to satisfy this section.

- 9.02 Restrictions on Immediate Distributions.** Notwithstanding anything to the contrary contained in Section 9.01 of the Plan, if the value of a Participant's vested Account balance is at least \$1,000, and the Account balance is immediately distributable, the Participant must consent to any distribution of such Account balance. The Participant's consent shall be obtained in writing during the one-hundred eighty (180) day period (ninety (90) day period for Plan Years beginning before January 1, 2007) ending on the date as of which benefit payments are to commence. No consent shall be required, however, to the extent that a distribution is required to satisfy section 401(a)(9) or 415 of the Code.

The Plan Administrator shall notify the Participant of the right to defer any distribution until the Participant's Account balance is no longer immediately distributable. Such notification shall include a general description of the material features, and an explanation of the relative values of, the optional forms of benefit available

under the Plan in a manner that would satisfy section 417(a)(3) of the Code, and shall be provided no less than thirty (30) and no more than one-hundred eighty (180) days (ninety (90) days for Plan Years beginning before January 1, 2007) before the date as of which benefit payments are to commence. However, distribution may commence less than thirty (30) days after the notice described in the preceding sentence is given, provided (i) the distribution is one to which sections 401(a)(11) and 417 of the Code do not apply or, if the QJSA Election is made by the Employer in the Adoption Agreement, the waiver requirements of Section 17.05(a) are met; (ii) the Plan Administrator clearly informs the Participant that the Participant has a right to a period of at least thirty (30) days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option); and (iii) the Participant, after receiving the notice, affirmatively elects a distribution.

In addition, upon termination of this Plan, if the Plan does not offer an annuity option (purchased from a commercial provider) and if the Employer does not maintain another 401(a) defined contribution plan, the Participant's Account balance will, without the Participant's consent, be distributed to the Participant in a lump sum. However, if the Employer maintains another 401(a) defined contribution plan, the Participant's Account will be transferred, without the Participant's consent, to the other plan if the Participant does not consent to an immediate distribution.

An Account balance is immediately distributable if any part of the Account balance could be distributed to the Participant (or surviving spouse) before the Participant attains or would have attained (if not deceased) the later of Normal Retirement Age or age sixty-two (62).

For purposes of determining the applicability of the foregoing consent requirements to distributions made before the first day of the first plan year beginning after December 31, 1988, the Participant's vested Account balance shall not include amounts attributable to accumulated deductible employee contributions within the meaning of section 72(o)(5)(B) of the Code.

9.03 Transfer to Another Plan.

- (a) If a Participant becomes eligible to participate in another plan maintained by the Employer that is qualified under section 401(a) of the Code, the Plan Administrator shall, at the written election of such Participant, transfer all or part of such Participant's Account to such plan, provided the Plan Administrator for such plan certifies to the Plan Administrator that its plan provides for the acceptance of such a transfer. Such transfers shall include those transfers of the nonforfeitable interest of a Participant's Account made for the purchase of service credit in defined benefit plans maintained by the Employer. For purposes of this Plan, any such transfer shall not be considered a distribution to the Participant subject to spousal consent as described in Section 9.10.
- (b) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.
- (c) Definitions. For the purposes of Subsection (b), the following definitions shall apply:
 - (1) Eligible Rollover Distribution. Any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include:
 - (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more;

- (ii) any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and
- (iii) the portion of any other distribution(s) that is not includible in gross income.

A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in section 408(a) or (b) of the Code, or, for distributions occurring after December 31, 2007, to a Roth IRA described in § 408A of the Code, or to a qualified defined contribution plan described in section 401(a) or a qualified annuity contract described in section 403(b) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(2) Eligible Retirement Plan.

- (i) an individual retirement account described in section 408(a) of the Code or an individual retirement annuity described in section 408(b) of the Code (collectively, an "IRA");
- (ii) an annuity plan described in section 403(a) of the Code;
- (iii) an annuity contract described in section 403(b) of the Code;
- (iv) an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan;
- (v) a qualified plan described in section 401(a) of the Code, that accepts the Distributee's Eligible Rollover Distribution; or
- (vi) for distributions occurring after December 31, 2007, a Roth IRA described in Code section 408A. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code.

- (3) Distributee. Participant; in addition, the Participant's surviving spouse and the spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are Distributees with regard to the interest of the spouse or former spouse. For distributions after December 31, 2006 (unless a later date is elected by the Employer pursuant to subsection (d)(1) below, but no later than Plan Years beginning after December 31, 2009), a distributee includes the Employee's or former Employee's nonspouse designated Beneficiary, in which case, the distribution can only be transferred to a traditional or Roth IRA established on behalf of the nonspouse designated Beneficiary for the purpose of receiving the distribution.

- (4) Direct Rollover. A payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

(d) Rollover by a Non-Spouse Designated Beneficiary.

- (1) Unless otherwise elected by the Employer in the Adoption Agreement, for distributions beginning after December 31, 2006 but on or before December 31, 2009, a non-spouse Beneficiary who qualifies as a "designated beneficiary" under Code section 401(a)(9)(E) may establish an individual retirement plan

that will be treated as an inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.

- (2) Notwithstanding paragraph (1), for Plan Years beginning after December 31, 2009, a non-spouse Beneficiary who qualifies as a "designated beneficiary" under Code section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.
- (3) Notwithstanding anything herein to the contrary, a death benefit distribution shall not be eligible for transfer to an inherited IRA to the extent such distribution is a required minimum distribution under Code section 401(a)(9).
- (e) Rollover by a Surviving Spouse Distributee. If any distribution attributable to a Participant is paid to the Participant's surviving spouse, section 402(c) applies to the distribution in the same manner as if the spouse were the Participant. However, a qualified plan (as defined in Treasury Regulation section 1.402(c)-2 Q&A-2) is not treated as an eligible retirement plan with respect to a surviving spouse. Only an individual retirement plan is treated as an eligible retirement plan with respect to an eligible rollover distribution to a surviving spouse.

9.04 De Minimis Accounts. Notwithstanding the foregoing provisions of this Article, if a Participant terminates service, and the value of his/her Nonforfeitable Interest in his/her Account is less than \$1,000, the Participant's benefit shall be paid as soon as practicable to the Participant in a single lump sum distribution. If the value of the Participant's Account is at least \$1,000 but not more than the dollar limit under section 411(a)(11) (A) of the Code, the Participant may elect to receive his/her Nonforfeitable Interest in his/her Account. Such distribution shall be made as soon as practicable following the request, in a lump sum.

For purposes of this Section, if a Participant's Nonforfeitable Interest in his/her Account is zero, the Participant shall be deemed to have received a distribution of such Nonforfeitable Interest in his/her Account.

9.05 Withdrawal of Voluntary Contributions. A Participant may upon written request withdraw a part of or the full amount of his/her Voluntary Contribution Account. Such withdrawals may be made at any time, provided that no more than two (2) such withdrawals may be made during any calendar year. No forfeiture will occur solely as the result of any such withdrawal.

9.06 Withdrawal of Deductible Employee Contributions. A Participant may upon written request withdraw a part of or the full amount of his/her Deductible Employee Contribution Account. Such withdrawals may be made at any time, provided that no more than two (2) such withdrawals may be made during any calendar year. No forfeiture will occur solely as the result of any such withdrawal.

9.07 In-Service Distribution from Rollover Account. Where elected by the Employer in the Adoption Agreement, a Participant that has a separate account attributable to rollover contributions to the Plan, may at any time elect to receive a distribution of all or any portion of the amount held in the Rollover Account.

9.08 In-Service Distributions.

- (a) Unless otherwise elected by the Employer in the Adoption Agreement, a Participant who has reached age 70½ regardless of his Nonforfeitable Interest in his/her entire Employer Contribution Account, shall, upon written request, receive a distribution of a part of or the full amount of the balance in any or all of his vested Accounts.

- (b) If elected by the Employer, in-service distributions may be made beginning after June 1, 2009 to a Participant who has attained Normal Retirement Age or an alternate age (after Normal Retirement Age) elected by the Employer, and who has not yet incurred a severance from employment.
- (c) A Participant's benefit under the Plan may not be distributed before the Participant attains age 62 or, if earlier, the Participant separates from employment (or has a deemed separation), attains Normal Retirement Age under the plan, dies, or becomes disabled, or upon termination of the Plan.
- (d) Distributions under Section 9.08 may be requested at any time, provided that no more than two (2) such distributions may be made during any calendar year.

9.09 Latest Commencement of Benefits. Notwithstanding anything to the contrary in this Article, benefits shall begin no later than the Participant's Required Beginning Date, as defined under Section 10.05, or as otherwise provided in Section 10.04.

9.10 Spousal Consent. Notwithstanding the foregoing, if the Employer elected the QJSA Election in the Adoption Agreement, a married Participant must first obtain his or her spouse's notarized consent to request a distribution (other than a Qualified Joint and Survivor Annuity), withdrawal, or rollover under this Article IX.

9.11 Deemed Severance from Employment.

- (a) Unless otherwise elected by the Employer in the Adoption Agreement, effective January 1, 2009, a Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services (as defined in chapter 43 of title 38, United States Code) for more than 30 days.
- (b) If a Participant receives a distribution pursuant to subsection (a), then the Participant shall not be permitted to make an after-tax voluntary contribution during the six-month period beginning on the date of the distribution.
- (c) If a Participant receives a distribution which could be attributable to:
 - (i) a deemed severance from employment described in subsection (a); or
 - (ii) another distribution event under the Plan,
 then the distribution shall be considered made pursuant to the distribution event referenced in paragraph (ii), and the Participant shall not be subject to the limitation on after-tax voluntary contributions set forth in subsection (b).

9.12 Distributions for Health and Long-Term Care Insurance for Public Safety Officers.

- (a) If elected by the Employer, for Plan Years beginning after December 31, 2006, Eligible Retired Public Safety Officers may elect after separation from service to have up to \$3,000 distributed tax-free annually from the Plan in order to pay for Qualified Health Insurance Premiums for an accident or health plan (including a self-insured plan) or a qualified long-term care insurance contract. The Plan shall make such distributions directly to the provider of the accident or health plan or qualified long-term care insurance contract.
- (b) The term "Eligible Retired Public Safety Officer" means an individual who, by reason of disability or attainment of normal retirement age, is separated from service as a Public Safety Officer with the Employer who maintains the eligible retirement plan from which distributions pursuant to this Section are made. The term "Public Safety Officer" has the same meaning given such term by section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968.

- (c) The term "Qualified Health Insurance Premiums" means premiums for coverage for the Eligible Retired Public Safety Officer, his spouse, and dependents, by an accident or health insurance plan or qualified long-term care insurance contract (as defined in Code section 7702(B)).

X. DISTRIBUTION REQUIREMENTS

10.01 General Rules.

- (a) Generally. Subject to the provisions of Article XII or XVII if so elected by the Employer in the Adoption Agreement, the requirements of this Article shall apply to any distribution of a Participant's interest and will take precedence over any inconsistent provisions of this Plan. Unless otherwise specified, the provisions of this Article X apply to calendar years beginning after December 31, 2002. With respect to distributions under the Plan made in or for Plan Years beginning on or after January 1, 2002 and prior to January 1, 2003, the Plan will apply the minimum distribution requirements of section 401(a)(9) of the Code in accordance with the regulations under section 401(a)(9) that were proposed on January 17, 2001, notwithstanding any provision of the Plan to the contrary.
- (b) Distributions in Accordance with 401(a)(9). All distributions required under this Article shall be determined and made in accordance with the regulations under section 401(a)(9) of the Code, and the minimum distribution incidental benefit requirement of section 401(a)(9)(G) of the Code.
- (c) Limits on Distribution Periods. As of the first Distribution Calendar Year, distributions to a Participant, if not made in a single-sum, may only be made over one of the following periods:
- (1) The life of the Participant,
 - (2) The joint lives of the Participant and a designated Beneficiary,
 - (3) A period certain not extending beyond the life expectancy of the Participant, or
 - (4) A period certain not extending beyond the joint and last survivor expectancy of the Participant and a designated Beneficiary.
- (d) TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this Article X, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.
- (e) EESA Provisions. The provisions relating to qualified disaster recovery assistance distributions for Participants affected by certain 2008 severe storms, flooding, and tornadoes and repayment thereof, and relating to repayment of prior qualified distributions for home purchases, set forth in section 702 of the Emergency Economic Stabilization Act of 2008 ("EESA") shall apply to the Plan.
- (f) KETRA and GOZA Provisions. The provisions relating to qualified hurricane distributions and repayment thereof set forth in section 1400Q(a) of the Code, and relating to repayment of prior qualified distributions for home purchases set forth in Code section 1400Q(b), shall apply to the Plan. These provisions added to the Code by the Katrina Emergency Tax Relief Act of 2005 ("KETRA") and the Gulf Opportunity Zone Act of 2005 (GOZA), permit plans to allow repayments of certain prior qualified distributions for home purchases for Participants affected by Hurricanes Katrina, Rita, and Wilma.

10.02 Time and Manner of Distribution

- (a) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.
- (b) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:
 - (1) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.
 - (2) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
 - (3) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
 - (4) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 10.02(b), other than Section 10.02(b)(1), will apply as if the surviving spouse were the Participant.

For purposes of this Section 10.02(b) and Section 10.04, unless Section 10.02(b)(4) applies, distributions are considered to begin on the Participant's required beginning date. If Section 10.02(b)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 10.02(b)(1). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 10.02(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

- (c) Forms of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 10.03 and 10.04. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations.

10.03 Required Minimum Distributions During Participant's Lifetime

- (a) Amount of Required Minimum Distribution For Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:
 - (1) the quotient obtained by dividing the Participant's Account Balance by the distribution period set forth in the Uniform Lifetime Table found in Section 1.401(a)(9)-9, Q&A-2, of the Final Income Tax Regulations using the Participant's age as of the Participant's birthday in the distribution calendar year; or

- (2) if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9, Q&A-3, of the regulations using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.
- (b) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this Section 10.03 beginning with the first distribution calendar year and continuing up to, and including, the distribution calendar year that includes the Participant's date of death.

10.04 Required Minimum Distributions After Participant's Death

(a) Death On or After Date Distributions Begin.

- (1) Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:
- (i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
 - (ii) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.
 - (iii) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.
- (2) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(b) Death Before Date Required Distributions Begin.

- (1) Participant Survived by Designated Beneficiary. If the Participant dies before the date required distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 10.04(a).

- (2) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (3) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 10.02(b)(1), this Section 10.04(b) will apply as if the surviving spouse were the Participant.

10.05 Definitions

- (a) Designated Beneficiary. The individual who is designated by the Participant (or the Participant's surviving spouse) as the Beneficiary of the Participant's interest under the Plan and who is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4 of the regulations.
- (b) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 10.02(b). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.
- (c) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9, Q&A-1, of the regulations.
- (d) Participant's Account Balance. The Account Balance as of the last Accounting Date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Account Balance as of dates in the valuation calendar year after the Accounting Date and decreased by distributions made in the valuation calendar year after the Accounting Date. The Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.
- (e) Required Beginning Date. The Required Beginning Date of a Participant is April 1 of the calendar year following the later of the calendar year in which the Participant attains age seventy and one-half (70½), or the calendar year in which the Participant retires.

10.06 Application of Minimum Distribution Requirements. The minimum distribution requirements of section 401(a)(9) of the Code shall only apply to the Plan to the extent that such requirements are applicable by law for a year. Pursuant to the Worker, Retiree, and Employer Recovery Act of 2008 ("WRERA"), required minimum distributions were suspended for 2009.

10.07 Special Rule for Scheduled Installment Payments. All installment payments scheduled to be distributed to a Participant prior to the effective date of a suspension of the required minimum distribution provisions of Code section 401(a)(9) shall be distributed as scheduled unless the Participant affirmatively elects to have the payments stopped. Notwithstanding the foregoing, for purposes of this Section 10.07, the effective date of the suspension of the required minimum distribution provisions for 2009 shall be deemed January 6, 2009.

XI. MODES OF DISTRIBUTION OF BENEFITS

11.01 Normal Mode of Distribution. Unless an elective mode of distribution is elected as provided in Section 11.02, benefits shall be paid to the Participant in the form of a lump sum payment.

Notwithstanding the foregoing, where the Employer made the "QJSA Election" in the Adoption Agreement, unless an elective mode of distribution is elected in accordance with Article XVII, benefits shall be paid to the Participant in the form provided for in Article XVII.

11.02 Elective Mode of Distribution. Subject to the requirements of Articles X, XII and XVII, a Participant may revocably elect to have his/her Account distributed in any one (1) of the following modes in lieu of the mode described in Section 11.01:

- (a) Equal Payments. Equal monthly, quarterly, semi-annual, or annual payments in an amount chosen by the Participant continuing until the Account is exhausted.
- (b) Period Certain. Approximately equal monthly, quarterly, semi-annual, or annual payments, calculated to continue for a period certain chosen by the Participant.
- (c) Other. Any other sequence of payments requested by the Participant.
- (d) Lump Sum. Where the Employer did make the QJSA Election in the Adoption Agreement, a Participant may also elect a lump sum payment.

11.03 Election of Mode. A Participant's election of a payment option must be made in writing between thirty (30) and one-hundred eighty (180) days (ninety (90) days for Plan Years beginning before January 1, 2007) before the payment of benefits is to commence.

11.04 Death Benefits. Subject to Article X (and Article XII or XVII if so elected by the Employer in the Adoption Agreement),

- (a) In the case of a Participant who dies before he/she has begun receiving benefit payments, the Participant's entire Nonforfeitable Interest shall then be payable to his/ her Beneficiary within ninety (90) days of the Participant's death. A Beneficiary who is entitled to receive benefits under this Section may elect to have benefits commence at a later date, subject to the provisions of Article X. The Beneficiary may elect to receive the death benefit in any of the forms available to the Participant under Sections 11.01 and 11.02. If the Beneficiary is the Participant's surviving spouse, and such surviving spouse dies before payment commences, then this Section shall apply to the beneficiary of the surviving spouse as though such surviving spouse were the Participant.
- (b) Should the Participant die after he/she has begun receiving benefit payments, the Beneficiary shall receive the remaining benefits, if any, that are payable, under the payment schedule elected by the Participant. Notwithstanding the foregoing, the Beneficiary may elect to accelerate payments of the remaining balances, including but not limited to, a lump sum distribution.

XII. SPOUSAL DEATH BENEFIT REQUIREMENTS

12.01 Application. Unless otherwise elected by the Employer in the Adoption Agreement, on or after January 1, 2006, the provisions of this Article shall take precedence over any conflicting provision in this Plan. The provisions of this Article, known as the "Beneficiary Spousal Consent Election," shall apply to any Participant who is credited with any Period of Service with the Employer on or after August 23, 1984, and such other Participants as provided in Section 12.04.

12.02 Spousal Death Benefit.

- (a) On the death of a Participant, the Participant's Vested Account Balance will be paid to the Participant's Surviving Spouse. If there is no Surviving Spouse, or if the Participant has waived the spousal death benefit, as provided in Section 12.03, such Vested Account Balance will be paid to the Participant's designated Beneficiary.
- (b) The Surviving Spouse may elect to have distribution of the Vested Account Balance commence within the one-hundred eighty (180) day period following the date of the Participant's death, or as otherwise provided under Section 11.04. The Account balance shall be adjusted for gains or losses occurring after the Participant's death in accordance with the provisions of the Plan governing the adjustment of Account balances for other types of distributions.

12.03 Waiver of Spousal Death Benefit.

The Participant may waive the spousal death benefit described in Section 12.02 at any time; provided that no such waiver shall be effective unless: (a) the Participant's Spouse consents in writing to the election; (b) the election designates a specific Beneficiary, including any class of Beneficiaries or any contingent Beneficiaries, which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further spousal consent); (c) the Spouse's consent acknowledges the effect of the election; and (d) the Spouse's consent is witnessed by a Plan representative or notary public. If it is established to the satisfaction of a Plan representative that there is no Spouse or that the Spouse cannot be located, a waiver will be deemed to meet the requirements of this Section.

Any consent by a Spouse obtained under this provision (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse. A consent that permits designations by the Participant without any requirement of further consent by such Spouse must acknowledge that the Spouse has the right to limit consent to a specific Beneficiary, and a specific form of benefit where applicable, and that the Spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the Spouse at any time before the commencement of benefits. The number of revocations shall not be limited.

12.04 Definitions. For the purposes of this Section, the following definitions shall apply:

- (a) Spouse (Surviving Spouse). The Spouse or Surviving Spouse of the Participant, provided that a former Spouse will be treated as the Spouse or Surviving Spouse and a current Spouse will not be treated as the Spouse or Surviving Spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.
- (b) Vested Account Balance. The aggregate value of the Participant's vested Account balances derived from Employer and Employee contributions (including rollovers), whether vested before or upon death, including the proceeds of insurance contracts, if any, on the Participant's life. The provisions of this Article shall apply to a Participant who is vested in amounts attributable to Employer Contributions, Employee contributions (or both) at the time of death or distribution.

XIII. LOANS TO PARTICIPANTS

13.01 Availability of Loans to Participants.

- (a) If the Employer has elected in the Adoption Agreement to make loans available to Participants, a Participant may apply for a loan from the Plan subject to the limitations and other provisions of this Article.
- (b) The Employer shall establish written guidelines governing the granting of loans, provided that such guidelines are approved by the Plan Administrator and are not inconsistent with the provisions of this Article, and that loans are made available to all applicable Participants on a reasonably equivalent basis.

13.02 Terms and Conditions of Loans to Participants. Any loan by the Plan to a Participant under Section 13.01 of the Plan shall satisfy the following requirements:

- (a) Availability. Loans shall be made available to all Participants who are active Employees on a reasonably equivalent basis. Loans shall not be made available to terminated Employees, Beneficiaries, or alternate payees.
- (b) Nondiscrimination. Loans shall not be made to highly compensated Employees in an amount greater than the amount made available to other Employees.
- (c) Interest Rate. Loans must be adequately secured and bear a reasonable interest rate.
- (d) Loan Limit. No Participant loan shall exceed the present value of the Participant's Nonforfeitable Interest in his/her Account.
- (e) Foreclosure. In the event of default, foreclosure on the note and attachment of security will not occur until a distributable event occurs in the Plan.
- (f) Reduction of Account. Notwithstanding any other provision of this Plan, the portion of the Participant's vested Account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the Account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan. If less than one hundred percent (100%) of the Participant's nonforfeitable Account balance (determined without regard to the preceding sentence) is payable to the surviving spouse, then the Account balance shall be adjusted by first reducing the nonforfeitable Account balance by the amount of the security used as repayment of the loan, and then determining the benefit payable to the surviving spouse.
- (g) Amount of Loan. At the time the loan is made, the principal amount of the loan plus the outstanding balance (principal plus accrued interest) due on any other outstanding loans to the Participant or Beneficiary from the Plan and from all other plans of the Employer that are qualified employer plans under section 72(p)(4) of the Code shall not exceed the lesser of:
 - (1) \$50,000, reduced by the excess (if any) of
 - (i) The highest outstanding balance of loans from the Plan during the one (1) year period ending on the day before the date on which the loan is made, over
 - (ii) The outstanding balance of loans from the Plan on the date on which such loan is made; or

- (2) One-half (½) of the value of the Participant's Nonforfeitable Interest in all of his/her Accounts under this Plan (or \$10,000, if greater, for loans prior to January 1, 2006).

For the purpose of the above limitation, all loans from all qualified employer plans of the Employer, including 457(b) plans, under Code section 72(p)(4) are aggregated.

- (h) Application for Loan. The Participant must give the Employer adequate written notice, as determined by the Employer, of the amount and desired time for receiving a loan. No more than one (1) loan may be made by the Plan to a Participant in any calendar year. No loan shall be approved if an existing loan from the Plan to the Participant is in default to any extent.
- (i) Length of Loan. The terms of any loan issued or renegotiated after December 31, 1993, shall require the Participant to repay the loan in substantially equal installments of principal and interest, at least quarterly (except as otherwise provided in Treasury Regulation section 1.72(p)-1, Q&A-9 for certain leave of absence and military leave), over a period that does not exceed five (5) years from the date of the loan; provided, however, that if the proceeds of the loan are applied by the Participant to acquire any dwelling unit that is to be used within a reasonable time after the loan is made as the principal residence of the Participant, the five (5) year limit shall not apply. In this event, the period of repayment shall not exceed a reasonable period determined by the Employer. Principal installments and interest payments otherwise due may be suspended during an authorized leave of absence, if the promissory note so provides, but not beyond the original term permitted under this Subsection (i), with a revised payment schedule (within such term) instituted at the end of such period of suspension. If the Participant fails to make any installment payment, the Plan Administrator may, according to Treasury Regulation 1.72(p)-1, allow a cure period, which cure period cannot continue beyond the last day of the calendar quarter following the calendar quarter in which the required installment payment was due.
- (j) Prepayment. The Participant shall be permitted to repay the loan in whole or in part at any time prior to maturity, without penalty.
- (k) Note. The loan shall be evidenced by a promissory note executed by the Participant and delivered to the Employer, and shall bear interest at a reasonable rate determined by the Employer. Unless waived by a Participant, any plan loan that is outstanding on the date that active duty military service begins will accrue interest at a rate of no more than 6% during the period of military service in accordance with the provisions of the Servicemembers Civil Relief Act (SCRA), 50 USC App. § 526 and subject to the notice requirements contained therein. This limitation applies even if loan payments are suspended during the period of military service as permitted under the Plan and Treasury regulations.
- (l) Security. The loan shall be secured by an assignment of that portion the Participant's right, title and interest in and to his/her Employer Contribution Account (to the extent vested), Participant Contribution Account, and Rollover Account that is equal to fifty percent (50%) of the Participant's Account (to the extent vested).
- (m) Assignment or Pledge. For the purposes of paragraphs (h) and (i), assignment or pledge of any portion of the Participant's interest in the Plan and a loan, pledge, or assignment with respect to any insurance contract purchased under the Plan, will be treated as a loan.
- (n) Spousal Consent. If the Employer elected the QJSA Election in the Adoption Agreement, the Participant must first obtain his or her spouse's notarized consent to the loan. Spousal consent shall be obtained no earlier than the beginning of the one-hundred eighty (180) day period (ninety (90) day period for plan years beginning before January 1, 2007) that ends on the date on which the loan is to be so secured. The consent

must be in writing, must acknowledge the effect of the loan, and must be witnessed by a Plan representative or notary public. Such consent shall thereafter be binding with respect to the consenting spouse or any subsequent spouse with respect to that loan. A new consent shall be required if the account balance is used for renegotiation, extension, renewal, or other revision of the loan.

- (o) Other Terms and Conditions. The Employer shall fix such other terms and conditions of the loan as it deems necessary to comply with legal requirements, to maintain the qualification of the Plan and Trust under section 401(a) of the Code, or to prevent the treatment of the loan for tax purposes as a distribution to the Participant. The Employer, in its discretion for any reason, may fix other terms and conditions of the loan, not inconsistent with the provisions of this Article, including:
 - (1) the circumstances under which a loan becomes immediately due and payable, provided, however, with respect to loans issued after December 31, 2012, that the loan program shall not provide that a loan becomes due and payable solely because the Participant requests or receives a partial distribution of the Participant's account balance after termination of employment;
 - (2) rules relating to reamortization of loans; and
 - (3) rules relating to refinance of loans.

13.03 Participant Loan Accounts.

- (a) Upon approval of a loan to a Participant by the Employer, an amount not in excess of the loan shall be transferred from the Participant's other investment fund(s), described in Section 6.05 of the Plan, to the Participant's Loan Account as of the Accounting Date immediately preceding the agreed upon date on which the loan is to be made.
- (b) The assets of a Participant's Loan Account may be invested and reinvested only in promissory notes received by the Plan from the Participant as consideration for a loan permitted by Section 13.01 of the Plan or in cash. Uninvested cash balances in a Participant's Loan Account shall not bear interest. No person who is otherwise a fiduciary of the Plan shall be liable for any loss, or by reason of any breach, that results from the Participant's exercise of such control.
- (c) Repayment of principal and payment of interest shall be made by payroll deduction or Automated Clearing House (ACH) transfer, or with respect to a terminated Employee solely by ACH, and shall be invested in one (1) or more other investment funds, in accordance with Section 6.05 of the Plan, as of the next Accounting Date after payment thereof to the Trust. The amount so invested shall be deducted from the Participant's Loan Account. A payment intended to be a Prepayment or payment of the loan in full may also be made by cashier's check or money order, and shall be invested in accordance with this provision.
- (d) The Employer shall have the authority to establish other reasonable rules, not inconsistent with the provisions of the Plan, governing the establishment and maintenance of Participant Loan Accounts.

XIV. PLAN AMENDMENT, TERMINATION AND OPTIONAL PROVISIONS

14.01 Amendment by Employer. The Employer reserves the right, subject to Section 14.02 of the Plan, to amend the Plan from time to time by either:

- (a) Filing an amended Adoption Agreement to change, delete, or add any optional provision, or
- (b) Continuing the Plan in the form of an amended and restated Plan and Trust.

No amendment to the Plan shall be effective to the extent that it has the effect of decreasing a Participant's accrued benefit. Notwithstanding the preceding sentence, a Participant's Account balance may be reduced to the extent permitted under section 412(d)(2) of the Code. For purposes of this paragraph, a Plan amendment which has the effect of decreasing a Participant's Account balance or eliminating an optional form of benefit, with respect to benefits attributable to service before the amendment shall be treated as reducing an accrued benefit. Furthermore, if the vesting schedule of the Plan is amended, in the case of an Employee who is a Participant as of the later of the date such amendment is adopted or the date it becomes effective, the nonforfeitable percentage (determined as of such date) of such Employee's right to his/her Employer-derived accrued benefit will not be less than his percentage computed under the plan without regard to such amendment.

No amendment to the Plan shall be effective to eliminate or restrict an optional form of benefit. The preceding sentence shall not apply to a Plan amendment that eliminates or restricts the ability of a Participant to receive payment of his or her Account balance under a particular optional form of benefit if the amendment provides a single-sum distribution form that is otherwise identical to the optional form of benefit being eliminated or restricted. For this purpose, a single-sum distribution form is otherwise identical only if the single-sum distribution form is identical in all respects to the eliminated or restricted optional form of benefit (or would be identical except that it provides greater rights to the Participant) except with respect to the timing of payments after commencement.

The Employer may (1) change the choice of options in the Adoption Agreement, (2) add overriding language in the Adoption Agreement when such language is necessary to satisfy sections 415 or 416 of the Code because of the required aggregation of multiple plans, (3) amend administrative provisions of the trust or custodial document in the case of a nonstandardized plan and make more limited amendments in the case of a standardized plan such as the name of the plan, employer, trustee or custodian, plan administrator and other fiduciaries, the trust year, and the name of any pooled trust in which the Plan's trust will participate, (4) add certain sample or model amendments published by the Internal Revenue Service or other required good faith amendments which specifically provide that their adoption will not cause the plan to be treated as individually designed, and (5) add or change provisions permitted under the Plan and/or specify or change the effective date of a provision as permitted under the Plan and correct obvious and unambiguous typographical errors and/or cross-references that merely correct a reference but that do not in any way change the original intended meaning of the provisions. An Employer that amends the Plan for any other reason will be considered to have an individually designed plan.

14.02 Amendment of Vesting Schedule. If the Plan's vesting schedule is amended, or the Plan is amended in any way that directly or indirectly affects the computation of the Participant's nonforfeitable percentage, each Participant may elect, within a reasonable period after the adoption of the amendment or change, to have the nonforfeitable percentage computed under the Plan without regard to such amendment or change.

The period during which the election may be made shall commence with the date the amendment is adopted or deemed to be made and shall end on the latest of:

- (a) Sixty (60) days after the amendment is adopted;
- (b) Sixty (60) days after the amendment becomes effective; or
- (c) Sixty (60) days after the Participant is issued written notice of the amendment by the Employer or Plan Administrator.

14.03 Termination by Employer. The Employer reserves the right to terminate this Plan. However, in the event of such termination no part of the Trust shall be used or diverted to any purpose other than for the exclusive benefit of the Participants or their Beneficiaries, except as provided in this Section.

Upon Plan termination or partial termination, all Account balances shall be valued at their fair market value and the Participant's right to his/her Employer Contribution Account shall be one hundred percent (100%) vested and nonforfeitable. Such amount and any other amounts held in the Participant's other Accounts shall be maintained for the Participant until paid pursuant to the terms of the Plan.

Any amounts held in a suspense account, after all liabilities of the Plan to Participants and Beneficiaries have been satisfied or provided for, shall be paid to the Employer in accordance with the Code and regulations thereunder.

In the event that the Commissioner of Internal Revenue determines that the Plan is not initially qualified under the Internal Revenue Code, any contribution made by the Employer incident to that initial qualification must be returned to the Employer within one year after the date the initial qualification is denied, but only if the application for the qualification is made by the time prescribed by law for filing the Employer's return for the year in which the Plan is adopted, or such later date as the Secretary of the Treasury may prescribe.

14.04 Discontinuance of Contributions. A permanent discontinuance of contributions to the Plan by the Employer, unless an amended and restated Plan is established, shall constitute a Plan termination. In the event of a complete discontinuance of contributions under the Plan, the Account balance of each affected Participant shall be nonforfeitable.

14.05 Amendment by Plan Administrator. The Plan Administrator may amend this Plan upon thirty (30) days written notification to the Employer; provided, however, that any such amendment must be for the express purpose of maintaining compliance with applicable federal laws and regulations, revenue rulings, other statements published by the Internal Revenue Service (including model and sample amendments that specifically provide that their adoption will not cause such Plan to be individually designed), or corrections of prior approved Plans may be applied to all Employers who have adopted the Plan. Such amendment shall become effective unless, within such 30-day period, the Employer notifies the Administrator, in writing, that it disapproves such amendment, in which case such amendment shall not become effective. In the event of such disapproval, the Administrator shall be under no obligation to continue acting as Administrator hereunder.

For purposes of reliance on the advisory letter, the Plan Administrator shall no longer have authority to amend the Plan on behalf of the Employer as of the date of the adoption of an Employer amendment to the Plan to incorporate a type of plan not allowable in the volume submitter program described in section 16.03 of Revenue Procedure 2011-49 (or successor guidance) or as of the date the Internal Revenue Service notifies the Plan Administrator that the Plan is being treated as an individually designed plan pursuant to section 24.03 of Revenue Procedure 2011-49 (or successor guidance).

14.06 Optional Provisions. Any provision which is optional under this Plan shall become effective if and only if elected by the Employer and agreed to by the Plan Administrator.

14.07 Failure of Qualification. If the Employer's plan fails to attain or retain qualification, such plan will no longer participate in this Plan and will be considered an individually designed plan.

XV. ADMINISTRATION

15.01 Powers of the Employer. The Employer shall have the following powers and duties:

- (a) To appoint and remove, with or without cause, the Plan Administrator;
- (b) To amend or terminate the Plan pursuant to the provisions of Article XIV;

- (c) To appoint a committee to facilitate administration of the Plan and communications to Participants;
- (d) To decide all questions of eligibility (1) for Plan participation, and (2) upon appeal by any Participant, Employee or Beneficiary, for the payment of benefits;
- (e) To engage an independent qualified public accountant, when required to do so by law, to prepare annually the audited financial statements of the Plan's operation;
- (f) To take all actions and to communicate to the Plan Administrator in writing all necessary information to carry out the terms of the Plan and Trust; and
- (g) To notify the Plan Administrator in writing of the termination of the Plan.

15.02 Duties of the Plan Administrator. The Plan Administrator shall have the following powers and duties, subject to the oversight by the Employer:

- (a) To construe and interpret the provisions of the Plan;
- (b) To maintain and provide such returns, reports, schedules, descriptions, and individual Account statements as are required by law within the times prescribed by law; and to furnish to the Employer, upon request, copies of any or all such materials, and further, to make copies of such instruments, reports, descriptions, and statements as are required by law available for examination by Participants and such of their Beneficiaries who are or may be entitled to benefits under the Plan in such places and in such manner as required by law;
- (c) To obtain from the Employer such information as shall be necessary for the proper administration of the Plan;
- (d) To determine the amount, manner, and time of payment of benefits hereunder;
- (e) To appoint and retain such agents, counsel, and accountants for the purpose of properly administering the Plan;
- (f) To distribute assets of the Trust to each Participant and Beneficiary in accordance with Article X of the Plan;
- (g) To pay expenses from the Trust pursuant to Section 6.03 of the Plan; and
- (h) To do such other acts reasonably required to administer the Plan in accordance with its provisions or as may be provided for or required by the Code.

15.03 Protection of the Employer. The Employer shall not be liable for the acts or omissions of the Plan Administrator, but only to the extent that such acts or omissions do not result from the Employer's failure to provide accurate or timely information as required or necessary for proper administration of the Plan.

15.04 Protection of the Plan Administrator. The Plan Administrator may rely upon any certificate, notice or direction purporting to have been signed on behalf of the Employer which the Plan Administrator believes to have been signed by a duly designated official of the Employer.

15.05 Resignation or Removal of Plan Administrator. The Plan Administrator may resign at any time effective upon sixty (60) days prior written notice to the Employer. The Plan Administrator may be removed by the Employer at any time upon sixty (60) days prior written notice to the Plan Administrator. Upon the resignation or removal of the Plan Administrator, the Employer may appoint a successor Plan Administrator; failing such appointment, the

Employer shall assume the powers and duties of Plan Administrator. Upon the resignation or removal of the Plan Administrator, any Trust assets invested by or held in the name of the Plan Administrator shall be transferred to the trustee in cash or property, at fair market value, except that the return of Trust assets invested in a contract issued by an insurance company shall be governed by the terms of that contract.

- 15.06 No Termination Penalty.** The Plan Administrator shall have no authority or discretion to impose any termination penalty upon its removal.
- 15.07 Decisions of the Plan Administrator.** All constructions, determinations, and interpretations made by the Plan Administrator pursuant to Section 15.02(a) or (d) or by the Employer pursuant to Section 15.01(d) shall be final and binding on all persons participating in the Plan, given deference in all courts of law to the greatest extent allowed by applicable law, and shall not be overturned or set aside by any court of law unless found to be arbitrary or capricious, or made in bad faith.

XVI. MISCELLANEOUS

- 16.01 Nonguarantee of Employment.** Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of an Employee to be continued in the employment of the Employer, as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.
- 16.02 Rights to Trust Assets.** No Employee or Beneficiary shall have any right to, or interest in, any assets of the Trust upon termination of his/her employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable under the Plan to such Employee or Beneficiary out of the assets of the Trust. All payments of benefits as provided for in this Plan shall be made solely out of the assets of the Trust and none of the fiduciaries shall be liable therefor in any manner.
- 16.03 Nonalienation of Benefits.** Except as provided in Sections 16.04 and 16.06 of the Plan, benefits payable under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary, prior to actually being received by the person entitled to the benefit under the terms of the Plan; and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any right to benefits payable hereunder, shall be void. The Trust shall not in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements or torts of any person entitled to benefits hereunder.
- 16.04 Qualified Domestic Relations Order.** Notwithstanding Section 16.03 of the Plan, amounts may be paid with respect to a Participant pursuant to a domestic relations order, but if and only if the order is determined to be a qualified domestic relations order within the meaning of section 414(p) of the Code or any domestic relations order entered before January 1, 1985.
- 16.05 Nonforfeitability of Benefits.** Subject only to the specific provisions of this Plan, nothing shall be deemed to deprive a Participant of his/her right to the Nonforfeitable Interest to which he/ she becomes entitled in accordance with the provisions of the Plan.
- 16.06 Incompetency of Payee.** In the event any benefit is payable to a minor or incompetent, to a person otherwise under legal disability, or to a person who, in the sole judgment of the Employer, is by reason of advanced age, illness, or other physical or mental incapacity incapable of handling the disposition of his/her property, the Employer may apply the whole or any part of such benefit directly to the care, comfort, maintenance, support, education, or use of such person or pay or distribute the whole or any part of such benefit to:

- (a) The parent of such person;
- (b) The guardian, committee, or other legal representative, wherever appointed, of such person;
- (c) The person with whom such person resides;
- (d) Any person having the care and control of such person; or
- (e) Such person personally.

The receipt of the person to whom any such payment or distribution is so made shall be full and complete discharge therefor.

- 16.07 Inability to Locate Payee.** Anything to the contrary herein notwithstanding, if the Employer is unable, after reasonable effort, to locate any Participant or Beneficiary to whom an amount is payable hereunder, such amount shall be forfeited and held in the Trust for application against the next succeeding Employer Contribution or contributions required to be made hereunder. Notwithstanding the foregoing, however, such amount shall be reinstated, by means of an additional Employer contribution, if and when a claim for the forfeited amount is subsequently made by the Participant or Beneficiary or if the Employer receives proof of death of such person, satisfactory to the Employer. To the extent not inconsistent with applicable law, any benefits lost by reason of escheat under applicable state law shall be considered forfeited and shall not be reinstated.
- 16.08 Mergers, Consolidations, and Transfer of Assets.** The Plan shall not be merged into or consolidated with any other plan, nor shall any of its assets or liabilities be transferred into any such other plan, unless each Participant in the Plan would (if the Plan then terminated) receive a benefit immediately after the merger, consolidation, or transfer that is equal to or greater than the benefit he/she would have been entitled to receive immediately before the merger, consolidation, or transfer (if the Plan had then terminated).
- 16.09 Employer Records.** Records of the Employer as to an Employee's or Participant's Period of Service, termination of service and the reason therefor, leaves of absence, reemployment, Earnings, and Compensation will be conclusive on all persons, unless determined to be incorrect.
- 16.10 Gender and Number.** The masculine pronoun, whenever used herein, shall include the feminine pronoun, and the singular shall include the plural, except where the context requires otherwise.
- 16.11 Applicable Law.** The Plan shall be construed under the laws of the State where the Employer is located, except to the extent superseded by federal law. The Plan is established with the intent that it meets the requirements under the Code. The provisions of this Plan shall be interpreted in conformity with these requirements.
- In the event of any conflict between the Plan and a policy or contract issued hereunder, the Plan provisions shall control; provided, however, no Plan amendment shall supersede an existing policy or contract unless such amendment is required to maintain qualification under section 401(a) and 414(d) of the Code.
- 16.12 Electronic Communication and Consent.** Unless expressly provided otherwise, where this Plan provides that a document, election, notification, direction, signature, or consent will be in writing, such writing may occur through an electronic medium, including but not limited to electronic mail, intranet or internet web posting and online account access, to the fullest extent permitted by applicable law.

XVII. SPOUSAL BENEFIT REQUIREMENTS

- 17.01 Application.** Effective as of January 1, 2006, where elected by the Employer in the Adoption Agreement (the "QJSA Election"), the provisions of this Article shall take precedence over any conflicting provision in this Plan. If elected, the provisions of this Article shall apply to any Participant who is credited with any Period of Service with the Employer on or after August 23, 1984, and such other Participants as provided in Section 17.06.
- 17.02 Qualified Joint and Survivor Annuity.** Unless an optional form of benefit is selected pursuant to a Qualified Election within the one-hundred eighty (180) day period ending on the Annuity Starting Date, a married Participant's Vested Account Balance will be paid in the form of a Qualified Joint and Survivor Annuity and an unmarried Participant's Vested Account Balance will be paid in the form of a Straight Life Annuity. The Participant may elect to have such annuity distributed upon the attainment of the Earliest Retirement Age under the Plan.
- 17.03 Qualified Optional Survivor Annuity.** For plan years beginning after December 31, 2007, if a married participant elects to waive the qualified joint and survivor annuity, the participant may elect the qualified optional survivor annuity at any time during the applicable election period, provided, however, that this Section shall apply only to the extent the Plan makes another survivor annuity available.
- 17.04 Qualified Preretirement Survivor Annuity.** If a Participant dies before the Annuity Starting Date, then fifty percent (50%) of the Participant's Vested Account Balance shall be applied toward the purchase of an annuity for the life of the Surviving Spouse; the remaining portion shall be paid to such Beneficiaries (which may include such Spouse) designated by the Participant. Notwithstanding the foregoing, the Participant may waive the spousal annuity by designating a different Beneficiary within the Election Period pursuant to a Qualified Election. To the extent that less than one hundred percent (100%) of the vested Account balance is paid to the Surviving Spouse, the amount of the Participant's Account derived from Employee contributions will be allocated to the Surviving Spouse in the same proportion as the amount of the Participant's Account derived from Employee contributions is to the Participant's total Vested Account Balance. The Surviving Spouse may elect to have such annuity distributed within a reasonable period after the Participant's death. Further, such Spouse may elect to receive any death benefit payable to him/her hereunder in any of the forms available to the Participant under Section 11.02.
- 17.05 Notice Requirements.**
- (a) In the case of a Qualified Joint and Survivor Annuity as described in Section 17.02, the Plan Administrator shall, no less than thirty (30) days and no more than one-hundred eighty (180) days (or ninety (90) days for notices given in Plan Years before January 1, 2007) prior to the Annuity Starting Date, provide each Participant a written explanation of: (i) the terms and conditions of a Qualified Joint and Survivor Annuity; (ii) the Participant's right to make and the effect of an election to waive the Qualified Joint and Survivor Annuity form of benefit; (iii) the rights of a Participant's Spouse; and (iv) the right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity. However, if the Participant, after having received the written explanation, affirmatively elects a form of distribution and the Spouse consents to that form of distribution (if necessary), benefit payments may commence less than thirty (30) days after the written explanation was provided to the Participant, provided that the following requirements are met:
 - (1) The Plan Administrator provides information to the Participant clearly indicating that the Participant has a right to at least thirty (30) days to consider whether to waive the Qualified Joint and Survivor Annuity and consent to a form of distribution other than a Qualified Joint and Survivor Annuity;

- (2) The Participant is permitted to revoke an affirmative distribution election at least until the Annuity Starting Date, or if later, at any time prior to the expiration of the 7-day period that begins the day after the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant;
 - (3) The Annuity Starting Date is after the date that the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant; and
 - (4) Distribution in accordance with the affirmative election does not commence before the expiration of the 7-day period that begins after the day after the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant.
- (b) In the case of a Qualified Preretirement Survivor Annuity as described in Section 17.04, the Plan Administrator shall provide each Participant within the applicable period for such Participant a written explanation of the Qualified Preretirement Survivor Annuity in such terms and in such manner as would be comparable to the explanation provided for meeting the requirements of Subsection (a) applicable to a Qualified Joint and Survivor Annuity.

The applicable period for a Participant is whichever of the following periods ends last:

- (i) the period beginning with the first day of the Plan Year in which the Participant attains age thirty-two (32) and ending with the close of the Plan Year preceding the Plan Year in which the Participant attains age thirty-five (35);
- (ii) a reasonable period ending after the individual becomes a Participant;
- (iii) a reasonable period ending after Subsection (c) ceases to apply to the Participant;
- (iv) a reasonable period ending after this Article first applies to the Participant. Notwithstanding the foregoing, notice must be provided within a reasonable period ending after separation from service in the case of a Participant who separates from service before attaining age thirty-five (35).

For purposes of applying the preceding paragraph, a reasonable period ending after the enumerated events described in (ii), (iii) and (iv) is the end of the two (2) year period beginning one (1) year prior to the date the applicable event occurs, and ending one (1) year after that date. In the case of a Participant who separates from service before the Plan Year in which age thirty-five (35) is attained, notice shall be provided within the two (2) year period beginning one (1) year prior to separation and ending one (1) year after separation. If such a Participant thereafter returns to employment with the Employer, the applicable period for such Participant shall be redetermined.

- (c) Notwithstanding the other requirements of this Section, the respective notices prescribed by this Section need not be given to a Participant if (1) the Plan “fully subsidizes” the costs of a Qualified Joint and Survivor Annuity or Qualified Preretirement Survivor Annuity, and (2) the Plan does not allow the Participant to waive the Qualified Joint and Survivor Annuity or Qualified Preretirement Survivor Annuity and does not allow a married Participant to designate a non-Spouse Beneficiary. For purposes of this Subsection (c), a plan fully subsidizes the costs of a benefit if no increase in cost or decrease in benefits to the Participant may result from the Participant’s failure to elect another benefit.

17.06 Definitions. For the purposes of this Section, the following definitions shall apply:

- (a) Annuity Starting Date. The first day of the first period for which an amount is paid as an annuity or any other form.

- (b) Election Period. The period which begins on the first day of the Plan Year in which the Participant attains age thirty-five (35) and ends on the date of the Participant's death. If a Participant separates from service prior to the first day of the Plan Year in which age thirty-five (35) is attained, with respect to the Account balance as of the date of separation, the Election Period shall begin on the date of separation. Pre-age thirty-five (35) waiver: A Participant who will not yet attain age thirty-five (35) as of the end of any current Plan Year may make a special Qualified Election to waive the Qualified Preretirement Survivor Annuity for the period beginning on the date of such election and ending on the first day of the Plan Year in which the Participant will attain age thirty-five (35). Such election shall not be valid unless the Participant receives a written explanation of the Qualified Preretirement Survivor Annuity in such terms as are comparable to the explanation required under Section 17.05(a). Qualified Preretirement Survivor Annuity coverage will be automatically reinstated as of the first day of the Plan Year in which the Participant attains age thirty-five (35). Any new waiver on or after such date shall be subject to the full requirements of this Article.
- (c) Earliest Retirement Age. The earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.
- (d) Qualified Election. A waiver of a Qualified Joint and Survivor Annuity or a Qualified Preretirement Survivor Annuity. Any waiver of a Qualified Joint and Survivor Annuity or a Qualified Preretirement Survivor Annuity shall not be effective unless: (a) the Participant's Spouse consents in writing to the election; (b) the election designates a specific Beneficiary, including any class of Beneficiaries or any contingent Beneficiaries, which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further spousal consent); (c) the Spouse's consent acknowledges the effect of the election; and (d) the Spouse's consent is witnessed by a Plan representative or notary public. Additionally, a Participant's waiver of the Qualified Joint and Survivor Annuity shall not be effective unless the election designates a form of benefit payment which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further Spousal consent). If it is established to the satisfaction of a Plan representative that there is no Spouse or that the Spouse cannot be located, a waiver will be deemed a Qualified Election.
- Any consent by a Spouse obtained under this provision (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse. A consent that permits designations by the Participant without any requirement of further consent by such Spouse must acknowledge that the Spouse has the right to limit consent to a specific Beneficiary, and a specific form of benefit where applicable, and that the Spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the Spouse at any time before the commencement of benefits. The number of revocations shall not be limited. No consent obtained under this provision shall be valid unless the Participant has received notice as provided in Section 17.05.
- (e) Qualified Joint and Survivor Annuity. An immediate annuity for the life of the Participant with a survivor annuity for the life of the Spouse which is fifty percent (50%) of the amount of the annuity which is payable during the joint lives of the Participant and the Spouse and which is the amount of benefit which can be purchased with the Participant's Vested Account Balance.
- (f) Spouse (Surviving Spouse). The Spouse or Surviving Spouse of the Participant, provided that a former Spouse will be treated as the Spouse or Surviving Spouse and a current Spouse will not be treated as the Spouse or Surviving Spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.
- (g) Straight Life Annuity. An annuity payable in equal installments for the life of the Participant that terminates upon the Participant's death.

- (h) Vested Account Balance. The aggregate value of the Participant's vested Account balances derived from Employer and Employee contributions (including rollovers), whether vested before or upon death, including the proceeds of insurance contracts, if any, on the Participant's life. The provisions of this Article shall apply to a Participant who is vested in amounts attributable to Employer Contributions, Employee contributions (or both) at the time of death or distribution.

- 17.07 **Annuity Contracts**. Where benefits are to be paid in the form of a life annuity pursuant to the terms of this Article, a nontransferable annuity contract shall be purchased from a life insurance company and distributed to the Participant or Surviving Spouse, as applicable. The terms of any annuity contract purchased and distributed by the Plan shall comply with the requirements of this Plan and section 417 of the Code.

XVIII. FINAL PAY CONTRIBUTIONS

- 18.01 **Eligibility**. Effective as of January 1, 2006, if elected by the Employer in the Adoption Agreement, Final Pay Contributions on behalf of each eligible Participant equal to the equivalent of the accrued unpaid final pay, as defined in the Adoption Agreement ("Final Pay"), shall be contributed to the Plan. Eligibility for Final Pay Contributions is limited to only those Participants or class of Participants that the Employer elects in the Adoption Agreement.
- 18.02 **Contribution Amount**. At the election of the Employer in the Adoption Agreement, the Final Pay Contributions may be made as either (a) Employer Final Pay Contributions, or (b) Employee Designated Final Pay Contributions, as described below.
- (a) Employer Final Pay Contributions. The Employer shall contribute to the Plan for each eligible Participant the equivalent of a designated amount of accrued unpaid final pay upon termination of employment of the Participant, as the Employer so elects in the Adoption Agreement. The Employer's contribution for any Plan Year shall be due and paid not later than the time prescribed by applicable law. The Employer Final Pay Contributions shall be accounted for in the Employer Contribution Account.
- (b) Employee Designated Final Pay Contributions. The Employer shall contribute to the Plan for each eligible Participant all or any portion of a Participant's Final Pay, as elected by the Participant. The Employer may limit the amount of Final Pay to be elected to be contributed to the Plan. Once elected, an Employee's election shall remain in force and may not be revised or revoked.

The Employee Designated Final Pay Contributions shall be accounted for in the Participant Contribution Account, and are nonforfeitable by the Participant at all times.

The Employee Designated Final Pay Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). The contributions shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is distributed.

A Participant cannot elect to receive cash in lieu of any Final Pay Contribution.

- 18.03 **Equivalencies**. The Final Pay Contribution shall be determined by multiplying the Participant's current daily rate of pay from the Employer times the amount of accrued unpaid leave being converted.
- 18.04 **Excess Contributions**. Final Pay Contributions are limited to the extent of applicable law and any Code limitation. No Final Pay Contribution shall be made to the extent that it would exceed the applicable Code section 415 limitation, as set forth in Article V. Any excess contributions as a result of the Code section 415 limitation shall remain in the Participant's leave bank.

XIX. ACCRUED LEAVE CONTRIBUTIONS

- 19.01 Eligibility.** Effective as of January 1, 2006, if elected by the Employer in the Adoption Agreement, Accrued Leave Contributions on behalf of each eligible Participant equal to the equivalent of the accrued unpaid leave, as defined in the Adoption Agreement ("Accrued Leave"), shall be contributed to the Plan. Eligibility for Accrued Leave Contributions is limited to only those Participants or class of Participants that the Employer elects in the Adoption Agreement.
- 19.02 Contribution Amount.** At the election of the Employer in the Adoption Agreement, the Accrued Leave Contributions may be made as either (a) Employer Accrued Leave Contributions, or (b) Employee Designated Accrued Leave Contributions, as described below.
- (a) Employer Accrued Leave Contributions. The Employer shall contribute to the Plan for each eligible Participant the equivalent of a designated amount of accrued unpaid leave each year, as the Employer so elects in the Adoption Agreement. The Employer's contribution for any Plan Year shall be due and paid not later than the time prescribed by applicable law. The Employer Accrued Leave Contributions shall be accounted for in the Employer Contribution Account.
- (b) Employee Designated Accrued Leave Contributions. The Employer shall contribute to the Plan for each eligible Participant all or any portion of a Participant's Accrued Leave, as elected by the Participant. The Employer may limit the amount of Accrued Leave to be elected to be contributed to the Plan. Once elected, an Employee's election shall remain in force and may not be revised or revoked.
- The Employee Designated Accrued Leave Contributions shall be accounted for in the Participant Contribution Account, and are nonforfeitable by the Participant at all times.
- The Employee Designated Accrued Leave Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). The contributions shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is distributed.
- A Participant cannot elect to receive cash in lieu of any Accrued Leave Contribution.
- 19.03 Equivalencies.** The Accrued Leave Contribution shall be determined by multiplying the Participant's current daily rate of pay from the Employer times the amount of accrued unpaid leave being converted.
- 19.04 Excess Contributions.** Accrued Leave Contributions are limited to the extent of applicable law and any Code limitation. No Accrued Leave Contribution shall be made to the extent that it would exceed the applicable Code section 415 limitation, as set forth in Article V. Any excess contributions as a result of the Code section 415 limitation shall remain in the Participant's leave bank.

DECLARATION OF TRUST

This Declaration of Trust (the "Group Trust Agreement") is made as of the 19th day of May, 2001, by VantageTrust Company, which declares itself to be the sole Trustee of the trust hereby created.

WHEREAS, the ICMA Retirement Trust was created as a vehicle for the commingling of the assets of governmental plans and governmental units described in Section 818(a)(6) of the Internal Revenue Code of 1986, as amended, pursuant to a Declaration of Trust dated October 4, 1982, as subsequently amended, a copy of which is attached hereto and incorporated by reference as set out below (the "ICMA Declaration"); and

WHEREAS, the trust created hereunder (the "Group Trust") is intended to meet the requirements of Revenue Ruling 81-100, 1981-1 C.B. 326, and is established as a common trust fund within the meaning of Section 391:1 of Title 35 of the New Hampshire Revised Statutes Annotated, to accept and hold for investment purposes the assets of the Deferred Compensation and Qualified Plans held by and through the ICMA Retirement Trust.

NOW, THEREFORE, the Group Trust is created by the execution of this Declaration of Trust by the Trustee and is established with respect to each Deferred Compensation and Qualified Plan by the transfer to the Trustee of such Plan's assets in the ICMA Retirement Trust, by the Trustees thereof, in accord with the following provisions:

- (a) *Incorporation of ICMA Declaration by Reference; ICMA By-Laws.* Except as otherwise provided in this Group Trust Agreement, and to the extent not inconsistent herewith, all provisions of the ICMA Declaration are incorporated herein by reference and made a part hereof, to be read by substituting the Group Trust for the Retirement Trust and the Trustee for the Board of Trustees referenced therein. In this respect, unless the context clearly indicates otherwise, all capitalized terms used herein and defined in the ICMA Declaration have the meanings assigned to them in the ICMA Declaration. In addition, the By-Laws of the ICMA Retirement Trust, as the same may be amended from time-to-time, are adopted as the By-Laws of the Group Trust to the extent not inconsistent with the terms of this Group Trust Agreement.

Notwithstanding the foregoing, the terms of the ICMA Declaration and By-Laws are further modified with respect to the Group Trust created hereunder, as follows:

1. any reporting, distribution, or other obligation of the Group Trust vis-à-vis any Deferred Compensation Plan, Qualified Plan, Public Employer, Public Employer Trustee, or Employer Trust shall be deemed satisfied to the extent that such obligation is undertaken by the ICMA Retirement Trust (in which case the obligation of the Group Trust shall run to the ICMA Retirement Trust); and
 2. all provisions dealing with the number, qualification, election, term and nomination of Trustees shall not apply, and all other provisions relating to trustees (including, but not limited to, resignation and removal) shall be interpreted in a manner consistent with the appointment of a single corporate trustee.
- (b) *Compliance with Revenue Procedure 81-100.* The requirements of Revenue Procedure 81-100 are applicable to the Group Trust as follows:
1. Pursuant to the terms of this Group Trust Agreement and Article X of the By-Laws, investment in the Group Trust is limited to assets of Deferred Compensation and Qualified Plans, investing through the ICMA Retirement Trust.
 2. Pursuant to the By-Laws, the Group Trust is adopted as a part of each Qualified Plan that invests herein through the ICMA Retirement Trust.

3. In accord with the By-Laws, that part of the Group Trust's corpus or income which equitably belongs to any Deferred Compensation and Qualified Plan may not be used for or diverted to any purposes other than for the exclusive benefit of the Plan's employees or their beneficiaries who are entitled to benefits under such Plan.
 4. In accord with the By-Laws, no Deferred Compensation Plan or Qualified Plan may assign any or part of its equity or interest in the Group Trust, and any purported assignment of such equity or interest shall be void.
- (c) *Governing Law.* Except as otherwise required by federal, state or local law, this Declaration of Trust (including the ICMA Declaration to the extent incorporated herein) and the Group Trust created hereunder shall be construed and determined in accordance with applicable laws of the State of New Hampshire.
- (d) *Judicial Proceedings.* The Trustee may at any time initiate an action or proceeding in the appropriate state or federal courts within or outside the state of New Hampshire for the settlement of its accounts or for the determination of any question of construction which may arise or for instructions.

IN WITNESS WHEREOF, the Trustee has executed this Declaration of Trust as of the day and year first above written.

VANTAGETRUST COMPANY

By: 
Name: Paul F. Gallagher
Title: Assistant Secretary



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Plan Description: Volume Submitter Money Purchase Pension Plan
FFN: 315D0880003-001 Case: 201200590 EIN: 23-7268394
Letter Serial No: J593644a
Date of Submission: 04/02/2012

ICMA RETIREMENT CORP
777 NORTH CAPITOL ST. NE, SUITE 600
WASHINGTON, DC 20002

Contact Person:
Janell Hayes
Telephone Number:
513-263-3602
In Reference To: TEGE:EP:7521
Date: 03/31/2014

Dear Applicant:

In our opinion, the form of the plan identified above is acceptable under section 401 of the Internal Revenue Code for use by employers for the benefit of their employees. This opinion relates only to the acceptability of the form of the plan under the Internal Revenue Code. It is not an opinion of the effect of other Federal or local statutes.

You must furnish a copy of this letter, a copy of the approved plan, and copies of any subsequent amendments to adopting employers if the practitioner is authorized to amend the plan on their behalf, to each employer who adopts this plan. Effective on or after 10/31/2011, interim amendments adopted by the practitioner on behalf of employers must provide the date of adoption by the practitioner.

This letter considers the changes in qualification requirements contained in the 2010 Cumulative List of Notice 2010-90, 2010-52 I.R.B. 909.

Our opinion on the acceptability of the form of the plan is not a ruling or determination as to whether an employer's plan qualifies under Code section 401(a). However, an employer that adopts this plan may rely on this letter with respect to the qualification of its plan under Code section 401(a), as provided for in Rev. Proc. 2011-49, 2011-44 I.R.B. 608, and outlined below. The terms of the plan must be followed in operation.

Except as provided below, our opinion does not apply with respect to the requirements of Code sections 401(a)(4), 401(l), 410(b), and 414(s). Our opinion does not apply for purposes of Code section 401(a)(10)(B) and section 401(a)(16) if an employer ever maintained another qualified plan for one or more employees who are covered by this plan. For this purpose, the employer will not be considered to have maintained another plan merely because the employer has maintained another defined contribution plan(s), provided such other plan(s) has been terminated prior to the effective date of this plan and no annual additions have been credited to the account of any participant under such other plan(s) as of any date within the limitation year of this plan. Also, for this purpose, an employer is considered as maintaining another plan, to the extent that the employer maintains a welfare benefit fund defined in Code section 419(e), which provides postretirement medical benefits allocated to separate accounts for key employees as defined in Code section 419A(d)(3), or an individual medical account as defined in Code section 415(l)(2), which is part of a pension or annuity plan maintained by the employer, or a simplified employee pension plan.

Our opinion does not apply for purposes of the requirement of section 1.401(a)-1(b)(2) of the regulations applicable to a money purchase plan or target benefit plan where the normal retirement age under the employer's plan is lower than age 62.

Letter 4333

This is not a ruling or determination with respect to any language in the plan that reflects Section 3 of the Defense of Marriage Act, Pub. L. 104-199, 110 Stat. 2419 (DOMA) or U.S. v. Windsor, 133 S. Ct. 2675 (2013), which invalidated that section.

This letter is not a ruling with respect to the tax treatment to be accorded contributions which are picked up by the governmental employing unit within the meaning of section 414(h)(2) of the Internal Revenue Code.

Our opinion applies with respect to the requirements of Code section 410(b) if 100 percent of all nonexcludable employees benefit under the plan. Employers that elect a safe harbor allocation formula and a safe harbor compensation definition can also rely on an advisory letter with respect to the nondiscrimination amounts requirement under section 401(a)(4). If this plan includes a CODA or otherwise provides for contributions subject to sections 401(k) and/or 401(m), the advisory letter can be relied on with respect to the form of the nondiscrimination tests of 401(k)(3) and 401(m)(2) if the employer uses a safe harbor compensation definition. In the case of plans described in section 401(k)(12) or (13) and/or 401(m)(11) or (12), employers may also rely on the advisory letter with respect to whether the form of the plan satisfies the requirements of those sections unless the plan provides for the safe harbor contribution to be made under another plan.

The employer may request a determination (1) as to whether the plan, considered with all related qualified plans and, if appropriate, welfare benefit funds, individual medical benefit accounts, and simplified employee pension plans, satisfies the requirements of Code section 401(a)(16) as to limitations on benefits and contributions in Code section 415 and the requirements of Code section 401(a)(10)(B) as to the top-heavy plan requirements in Code section 416; (2) with respect to whether a money purchase or target benefit plan's normal retirement age which is earlier than age 62 satisfies the requirements of section 401(a)-1(b)(2) of the Income Tax Regulations; (3) that the plan is a multiple employer plan; (4) whether there has been a partial termination, and (5) to comply with published procedures of the Service (e.g. minimum funding waiver request). The employer may request a determination letter by filing an application with Employee Plans Determinations on Form 5307, with regard to item (1) above, and Form 5300, for items (2), (3), (4) and (5), without restating for the Cumulative List in effect when the application is filed.

If you, the volume submitter practitioner, have any questions concerning the IRS processing of this case, please call the above telephone number. This number is only for use of the practitioner. Individual participants and/or adopting employers with questions concerning the plan should contact the volume submitter practitioner. The plan's adoption agreement, if applicable, must include the practitioner's address and telephone number for inquiries by adopting employers.

If you write to the IRS regarding this plan, please provide your telephone number and the most convenient time for us to call in case we need more information. Whether you call or write, please refer to the Letter Serial Number and File Folder Number shown in the heading of this letter.

You should keep this letter as a permanent record. Please notify us if you modify or discontinue sponsorship of this plan.

Sincerely Yours,



Andrew E. Zuckerman
Director, Employee Plans Rulings and Agreements



ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-212-21266-201405-W1371
REV 3/2015

ADMINISTRATIVE SERVICES AGREEMENT

Between

ICMA Retirement Corporation

and

City of Richland

Type: 401

Account #: 107162 107151

ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement (“Agreement”), made as of the 1st day of May, 2016 (herein referred to as the “Inception Date”), between the International City Management Association Retirement Corporation (“ICMA-RC”), a nonprofit corporation organized and existing under the laws of the State of Delaware, and the City of Richland (“Employer”), a municipal corporation existing under the laws of the State of Washington with an address of P.O. Box 190, Richland, Washington 99352.

RECITALS

Employer acts as public plan sponsor of defined contribution retirement plans (each a “Plan”), and in that capacity, has responsibility to obtain administrative services and investment alternatives for the Plan; and

VantageTrust is a group trust established and maintained in accordance with New Hampshire Revised Statutes Annotated section 391:1 and Internal Revenue Service Revenue Ruling 81-100, 1981-1 C.B. 326, which provides for the commingled investment of retirement funds held by various state and local governmental units for their employees; and

ICMA-RC acts as investment adviser to VantageTrust Company, LLC, the Trustee of VantageTrust; and

ICMA-RC has designed, and VantageTrust offers, a series of separate funds (the “Funds”) for the investment of plan assets as referenced in VantageTrust’s principal disclosure document, “Making Sound Investment Decisions: A Retirement Investment Guide” and the accompanying VantageTrust Fund Fees and Expenses document (“Retirement Investment Guide”); and

The Funds are available only to public employers and only through VantageTrust and ICMA-RC; and

In addition to serving as investment adviser to VantageTrust, ICMA-RC provides a range of services to public employers for the operation of employee retirement plans including, but not limited to, communications concerning investment alternatives, account maintenance, account recordkeeping, investment and tax reporting, transaction processing, benefit disbursement, and asset management.

AGREEMENTS

1. Appointment of ICMA-RC

Employer hereby appoints ICMA-RC as Administrator of the Plan to perform all nondiscretionary functions necessary for the administration of the Plan. The functions to be performed by ICMA-RC shall be those set forth in Exhibit A to this Agreement.

2. Adoption of Trust

Employer has adopted the Declaration of Trust of VantageTrust Company and agrees to the commingled investment of assets of the Plan within VantageTrust. Employer agrees that the investment, management, and distribution of amounts deposited in VantageTrust shall be subject to the Declaration of Trust, as it may be amended from time to time and shall also be subject to terms and conditions set forth in disclosure documents (such as the Retirement Investment Guide or Employer Bulletins) as those terms and conditions may be adjusted from time to time.

3. Exclusivity Agreement

Employer agrees that for the initial term, or any succeeding term of this Agreement as specified in Section 10, so long as ICMA-RC continues to perform in all material respects the services to be performed by it under this Agreement, Employer shall not obtain plan administration from anyone other than ICMA-RC, with the exception that Employer may maintain a different 457 plan provider for City of Richland International Association of Fire Fighter (IAFF) members only and in which non-IAFF members may not participate. Employer acknowledges that ICMA-RC has agreed to the compensation to be paid to ICMA-RC under this Agreement in the expectation that ICMA-RC will be able to offset costs allocable to performing this Agreement with revenues arising from Employer's exclusive use of ICMA-RC at the rates provided herein throughout the initial or any succeeding term.

4. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities as Administrator of the Plan, including information needed to allocate individual participant accounts to Funds in VantageTrust, and information as to the employment status of participants, and participant ages, addresses, and other identifying information (including tax identification numbers). Employer also agrees that it will notify ICMA-RC in a timely manner regarding changes in staff as it relates to various roles. This is to be completed through the online EZLink employer contact options. ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the Employer or any information relating to an individual participant or beneficiary that is furnished by such participant or beneficiary, and ICMA-RC shall not be responsible for any error arising from its reliance on such information. ICMA-RC will provide reports,

statements and account information to the Employer through EZLink, the online plan administrative tool.

Employer is required to send in contributions through EZLink, the online plan administration tool provided by ICMA-RC. Alternative electronic methods may be allowed, but must be approved by ICMA-RC for use. Contributions may not be sent through paper submittal documents.

To the extent Employer selects third-party funds that do not have fund profile information provided to ICMA-RC through our electronic data feeds from external sources (such as Morningstar) or third party fund providers, the Employer is responsible for providing to ICMA-RC timely fund investment updates for disclosure to Plan participants. Such updates may be provided to ICMA-RC through the Employer's investment consultant or other designated representative.

Failure to provide timely fund profile update information, including the source of the information, may result in a lack of fund information for participants, as ICMA-RC will remove outdated fund profile information from the systems that provide fund information to Plan participants.

5. Certain Representations and Warranties

ICMA-RC represents and warrants to Employer that:

- (a) ICMA-RC is a non-profit corporation with full power and authority to enter into this Agreement and to perform its obligations under this Agreement. The ability of ICMA-RC to serve as investment adviser to VantageTrust is dependent upon the continued willingness of VantageTrust for ICMA-RC to serve in that capacity. Employer shall be notified if ICMA-RC ceases to serve as investment adviser to VantageTrust. Employer has the option of terminating the Agreement as a result of such change.
- (b) ICMA-RC is an investment adviser registered as such with the U.S. Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, as amended. The Agreement may be immediately terminated if ICMA-RC ceases to be an investment adviser registered with the SEC.
- (c) ICMA-RC shall maintain and administer the Plan in accordance with the requirements for plans which satisfy the qualification requirements of Section 401 of the Internal Revenue Code and other applicable federal law; provided, however, ICMA-RC shall not be responsible for the qualified status of the Plan in the event that the Employer directs ICMA-RC to administer the Plan or disburse assets in a manner inconsistent with the requirements of Section 401 or otherwise causes the Plan not to be carried out in accordance with its terms; provided, further, that if the plan

document used by the Employer contains terms that differ from the terms of ICMA-RC's standardized plan document, ICMA-RC shall not be responsible for the qualified status of the Plan to the extent affected by the differing terms in the Employer's plan document. ICMA-RC shall not be responsible for monitoring state or local law or for administering the Plan in compliance with local or state requirements unless Employer notifies ICMA-RC of any such local or state requirements.

Employer represents and warrants to ICMA-RC that:

- (d) Employer is organized in the form and manner recited in the opening paragraph of this Agreement with full power and authority to enter into and perform its obligations under this Agreement and to act for the Plan and participants in the manner contemplated in this Agreement. Execution, delivery, and performance of this Agreement will not conflict with any law, rule, regulation or contract by which the Employer is bound or to which it is a party.
- (e) Employer understands and agrees that ICMA-RC's sole function under this Agreement is to act as recordkeeper and to provide administrative, investment or other services at the direction of Plan participants, the Employer, its agents or designees in accordance with the terms of this Agreement. Under the terms of this Agreement, ICMA-RC does not render investment advice, is not the Plan Administrator or Plan Sponsor as those terms are defined under applicable federal, state, or local law, and does not provide legal, tax or accounting advice with respect to the creation, adoption or operation of the Plan and its related trust. ICMA-RC does not perform any service under this Agreement that might cause ICMA-RC to be treated as a "fiduciary" of the Plan under applicable law, except, and only, to the extent that ICMA-RC provides investment advisory services to individual participants enrolled in Guided Pathways.
- (f) Employer acknowledges and agrees that ICMA-RC does not assume any responsibility with respect to the selection or retention of the Plan's investment options. Employer shall have exclusive responsibility for the Plan's investment options, including the selection of the applicable mutual fund share class. Where applicable, Employer understands that the VT Retirement Income Advantage Fund is an investment option for the Plan and that the fund invests in a separate account available through a group variable annuity contract. By entering into this Agreement, Employer acknowledges that it has received the Important Considerations document and the Retirement Investment Guide and that it has read the information therein concerning the VT Retirement Income Advantage Fund.
- (g) Employer acknowledges that certain such services to be performed by ICMA-RC under this Agreement may be performed by an affiliate or

agent of ICMA-RC pursuant to one or more other contractual arrangements or relationships, and that ICMA-RC reserves the right to change vendors with which it has contracted to provide services in connection with this Agreement without prior notice to Employer.

- (h) Employer acknowledges that it has received ICMA-RC's Fee Disclosure Statement, prepared in substantial conformance with ERISA regulations regarding the disclosure of fees to plan sponsors.
- (i) Employer approves the use of its Plan in ICMA-RC external media, publications and materials. Examples include press releases announcements and inclusion of the general plan information in request for proposal responses.

6. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings involving the garnishment of benefits or the transfer of benefits pursuant to the divorce or separation of participants in the Plan. Unless Employer notifies ICMA-RC otherwise, Employer consents to the disbursement by ICMA-RC of benefits that have been garnished or transferred to a former spouse, current spouse, or child pursuant to a domestic relations order or child support order.

7. Compensation and Payment

ICMA-RC's compensation under this Agreement shall be as set forth in subsection (b) below.

- (a) **Participant Fees.** Plan participant accounts shall be assessed an asset-based fee to cover the costs of record-keeping and other services provided by ICMA-RC, and other costs associated with the Plan as directed by the Employer. The Employer shall work with ICMA-RC to determine the appropriate amount of the gross asset-based fee to be charged to participant accounts, which may be increased or decreased from time to time at the direction of the Employer.
- (b) **Revenue Requirement.** ICMA-RC shall receive total annual aggregate revenue of 0.06% of Plan assets under ICMA-RC's administration for providing recordkeeping, participant education, and other services to the Plan. ICMA-RC shall deduct such revenue from amounts collected through the application the Participant Fee prior to the allocation of funds to the Administrative Allowance Account described in Section 7(d).
- (c) **Compensation for Management Services to VantageTrust.** Employer acknowledges that, in addition to amounts payable under this Agreement, ICMA-RC receives fees from VantageTrust for investment advisory

services and plan and participant services furnished to VantageTrust. These fees are described in the Retirement Investment Guide and ICMA-RC's fee disclosure statement.

- (d) **Administrative Allowance Account.** Amounts collected through the application of the asset-based fee described in section 7(a) above in excess of the revenue specified in subsection 7(b) above shall be held in the Plan in an Administrative Allowance Account as a Plan asset. At the commencement of this contract, the amount of additional revenue collected by ICMA-RC shall be .08% of assets per year. Each quarter ICMA-RC shall produce a report that shows: the amounts collected from participant accounts as asset-based fees; the methodology used in the calculation of the fees collected from participant accounts; the calculation used to determine the amount of revenue collected by ICMA-RC during the period prior to allocation of the remaining asset-based fees to the Administrative Allowance Account; and the amount allocated to the Administrative Allowance Account. Employer understands that the Plans' administrative allowance is to be used only to pay for reasonable plan administrative expenses of each Plan or allocated to Plan participants at the instruction of the Employer.
- (d) **Revenue Received From Investment Options.** Neither ICMA-RC nor the Employer shall receive recordkeeping revenue directly from investment options made available under the Plans. ICMA-RC shall be compensated from fees collected from participant accounts through the application of the asset-based fee described in section (a) above. In the event that and Plan investment options do generate direct recordkeeping revenue to ICMA-RC, ICMA-RC shall reduce the asset-based fee charged against the assets invested in the investment option in question by the same amount, resulting in an outcome that would be similar to the investment option in question not paying any recordkeeping revenue, after the administration fee is assessed.
- (d) **Redemption Fees.** Redemption fees imposed by outside mutual funds in which Plan assets are invested are collected and paid to the mutual fund by ICMA-RC. ICMA-RC remits 100% of redemption fees back to the specific mutual fund to which redemption fees apply. These redemption fees and the individual mutual fund's policy with respect to redemption fees are specified in the prospectus for the individual mutual fund and referenced in the Retirement Investment Guide.
- (e) **Payment Procedures.** All payments to ICMA-RC pursuant to this Section 7 shall be paid out of Plan participant accounts pursuant to Sections 7(a) and (b) above, to the extent not paid by the Employer. In the event that the Employer agrees to pay amounts owed pursuant to this Section 7 directly, any amounts unpaid and outstanding after 30 days of invoice to the Employer shall be withdrawn from Plan assets.

The compensation and payment set forth in this Section 7 is contingent upon (a) the Employer's use of ICMA-RC's EZLink system for contribution processing and submitting contribution funds by ACH or wire transfer on a consistent basis over the term of this and (b) ICMA-RC's receipt of a fully executed copy of this Administrative Services Agreement.

The compensation and payment set forth in this Section 7 is further contingent upon the Employer retaining the VT PLUS Fund as the stable value option for the Plan. The VT PLUS Fund shall be provided to the Plan with a management fee of .21% of assets per year.

Employer further acknowledges and agrees that compensation and payment under this Agreement shall be subject to re-negotiation in the event that the Employer chooses to implement additional funds not on ICMA-RC's mutual fund platform.

8. Contribution Remittance

Employer understands that amounts invested through VantageTrust are to be remitted directly to VantageTrust in accordance with instructions provided to Employer by ICMA-RC and are not to be remitted to ICMA-RC. In the event that any check or wire transfer is incorrectly labeled or transferred to ICMA-RC, ICMA-RC may return it to Employer with proper instructions.

9. Indemnification

ICMA-RC shall not be responsible for any acts or omissions of any person with respect to the Plan or its related trust, other than ICMA-RC in connection with the administration or operation of the Plan. Employer shall indemnify ICMA-RC against, and hold ICMA-RC harmless from, any and all loss, damage, penalty, liability, cost, and expense, including without limitation, reasonable attorney's fees, that may be incurred by, imposed upon, or asserted against ICMA-RC by reason of any claim, regulatory proceeding, or litigation arising from any act done or omitted to be done by any individual or person with respect to the Plan or its related trust, excepting only any and all loss, damage, penalty, liability, cost or expense resulting from ICMA-RC's negligence, bad faith, or willful misconduct.

10. Term

This Agreement shall be in effect and commence on May 1, 2016 ("Inception Date"). The term of this Agreement will commence on the Inception Date and extend three (3) years from that date through December 31, 2019. This Agreement will be renewed automatically effective January 1 of each succeeding year up to a maximum of three (3) annual extensions (total life of the contract not to exceed December 31, 2022), unless written notice of termination is provided by either party to the other no less than 60 days before the end of such Agreement year. The Employer understands and agrees that, in the event the Employer terminates this Agreement (or replaces the VT PLUS Fund as an

investment option in its investment line-up), ICMA-RC retains full discretion to release Plan assets invested in the VT PLUS Fund in an orderly manner over a period of up to 12 months from the date ICMA-RC receives written notification from the Employer that it is initiating withdrawals from the VT PLUS Fund.

11. Amendments and Adjustments

- (a) This Agreement may be amended by written instrument signed by the parties.
- (b) ICMA-RC may amend this agreement by providing 60 days' advance written notice to the Employer prior to the effective date of such proposed amendment. Such amendment shall become effective unless, within the 60-day notice period, the Employer notifies ICMA-RC in writing that it objects to such amendment. This provision shall not apply to any of the material terms of this Agreement. Material terms include, but are not limited to, the term of the Agreement, the substantive portions of the Compensation expressed in Section 7, and the general scope of services.
- (c) The parties agree that enhancements may be made to administrative and operations services under this Agreement. The Employer will be notified of enhancements through the Employer Bulletin, quarterly statements, electronic messages or special mailings. Likewise, if there are any reductions in fees, these will be announced through the Employer Bulletin, quarterly statement, electronic messages or special mailing.

12. Notices

All notices required to be delivered under this Agreement shall be in writing and shall be delivered, mailed or e-mailed to the location of the relevant party set forth below or to such other address or to the attention of such other persons as such party may hereafter specify by notice to the other party.

ICMA-RC: Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C., 20002-4240

Facsimile: (202) 962-4601

Employer: at the office set forth in the first paragraph hereof, or to any other address or e-mail address designated by the Employer to receive the same by written notice similarly given.

Each such notice, request or other communication shall be effective: (i) if given by facsimile, when transmitted to the applicable facsimile number and there is appropriate confirmation of receipt; (ii) if given by mail or e-mail, upon transmission to the designated address with no indication that such address is invalid or incorrect; or (iii) if given by any other means, when actually delivered at the aforesaid address.

13. Complete Agreement

This Agreement shall constitute the complete and full understanding and sole agreement between ICMA-RC and Employer relating to the object of this Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. This Agreement supersedes all written and oral agreements, communications or negotiations among the parties. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

14. Titles

The headings of Sections of this Agreement and the headings for each of the attached schedules are for convenience only and do not define or limit the contents thereof.

15. Incorporation of Schedules

All Schedules (and any subsequent amendments thereto), attached hereto, and referenced herein, are hereby incorporated within this Agreement as if set forth fully herein.

16. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions. Jurisdiction and venue for any action relating to the interpretation, enforcement, or any dispute arising from this Agreement shall be in Benton County Superior Court or the applicable federal court for the City of Richland. ICMA-RC expressly submits to personal jurisdiction in Benton County Superior Court or applicable federal court for the City of Richland.

[Signature Page to Follow]

In Witness Whereof, the parties hereto certify that they have read and understand this Agreement and all Schedules attached hereto and have caused this Agreement to be executed by their duly authorized officers as of the Inception Date first above written.

CITY OF RICHLAND

By _____
Cynthia D. Reents, ICMA-CM Date
City Manager

INTERNATIONAL CITY MANAGEMENT
ASSOCIATION RETIREMENT CORPORATION

By _____
Erica McFarquhar
Assistant Secretary

Please return fully executed contract to: New Business Services
ICMA-RC
777 North Capitol Street NE
Suite 600
Washington DC 20002-4240

Exhibit A

Administrative Services

The administrative services to be performed by ICMA-RC under this Agreement shall be as follows:

- (a) Participant enrollment services, including providing a welcome package and enrollment kit containing instructions and notices necessary to implement the Plan's administration. Employees will enroll online or through a paper form. ICMA-RC will provide an enrollment link through the general ICMA-RC web site. Employer will also make available the online enrollment link in their Intranet site or via email to new employees. Employer can also enroll employees through EZLink.
- (b) Establishment of participant accounts for each employee participating in the Plan for whom ICMA-RC receives appropriate enrollment instructions. ICMA-RC is not responsible for determining if such Plan participants are eligible under the terms of the Plan.
- (c) Allocation in accordance with participant directions received in good order of individual participant accounts to investment funds offered under the Plan.
- (d) Maintenance of individual accounts for participants reflecting amounts deferred, income, gain or loss credited, and amounts distributed as benefits.
- (e) Maintenance of records for all participants for whom participant accounts have been established. These files shall include enrollment instructions (provided to ICMA-RC through Account Access or EZLink), beneficiary designation instructions and all other documents concerning each participant's account.
- (f) Provision of periodic reports to the Employer through EZLink. Participants will have access to account information through Investor Services, Voice Response System, Account Access and through quarterly statements that can be delivered electronically through Account Access or by postal service.
- (g) Communication to participants of information regarding their rights and elections under the Plan.
- (h) Making available Investor Services Representatives through a toll-free telephone number from 8:30 a.m. to 9:00 p.m. Eastern Time, Monday through Friday (excluding holidays and days on which the securities markets or ICMA-RC are closed for business (including emergency closings), to assist participants.
- (i) Making available access to ICMA-RC's web site, to allow participants to access certain account information and initiate plan transactions at any

time. Account access is normally available 24 hours a day, seven days a week except during scheduled maintenance periods designed to ensure high-quality performance. The scheduled maintenance window is outlined at <https://harper1.icmarc.org/login.jsp>

- (j) Distribution of benefits as agent for the Employer in accordance with terms of the Plan. Participants who have separated from service can request distributions through Account Access or via form.
- (k) Upon approval by the Employer that a domestic relations order is an acceptable qualified domestic relations order under the terms of the Plan, ICMA-RC will establish a separate account record for the alternate payee and provide for the investment and distribution of assets held there under.
- (l) Loans may be made available on the terms specified in the Loan Guidelines, if loans are adopted by the Employer. Participants can request loans through Investor Services or Account Access.
- (m) Guided Pathways® – Participant Advice and Guidance may be made available through a third party vendor on the terms specified on ICMA-RC's website. Participants are not charged any additional fees for receiving Fund Advice or Asset Class Guidance under Guided Pathways.
- (n) ICMA-RC will determine appropriate delivery method (electronic and/or print) for plan sponsor/participant communications and education based on a number of factors (audience, effectiveness, etc.).
- (o) If desired by Employer, ICMA-RC will distribute (on an annual basis, to all employees) Retirement Readiness Reports at no additional cost to Plan Sponsor. Employer understands that the report's accuracy and effectiveness is dependent upon the level of information that Employer is willing to provide in conjunction with development of this report.
- (p) ICMA-RC shall make available the services of a staff Financial Planner, who shall provide on-site seminars to participants at least twice per year, and be available to provide counseling to interested participants in conjunction with those seminar meeting dates. The times and dates of the seminars shall be determined by the City in consultation with ICMA-RC.
- (q) ICMA-RC shall provide on-site enrollment and retirement plan counseling to interested employees at least three times per year, delivered by an ICMA-RC staff Retirement Plan Specialist. The times and dates of the counseling availability days shall be determined by the City in consultation with ICMA-RC.



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key 5 - Natural Resources Management

Subject:

Resolution No. 95-16, Authorizing an Interlocal Cooperation Agreement between Cities of Kennewick, Richland, Pasco and West Richland for Quad-City Water Right Mitigation Model and Operating Procedures

Department:
Public Works

Ordinance/Resolution Number:
95-16

Document Type:
Resolution

Recommended Motion:

Adopt Resolution No. 95-16, authorizing the City Manager to sign and execute an Interlocal Cooperation Agreement between the cities of Kennewick, Richland, Pasco and West Richland for Quad-City Water Right Mitigation Model and Operating Procedures.

Summary:

The Quad-Cities Water Right Permit, issued in 2003, provides a process for each of the four cities to acquire water needed to support community growth. The Permit includes a unique compliance system designed to ensure that water use under the permit does not jeopardize in stream flow conditions deemed necessary to support fish populations. The compliance system requires ongoing evaluation of in stream flow conditions, water use, and available mitigation.

City of Richland staff were the primary administrators of the compliance method until retirement of the responsible staff person in 2015. The Cities have remained in compliance with the Permit throughout the past dozen years, mainly because water use in the Tri-Cities grew more slowly over that period than was initially predicted, and in stream flow conditions on the Columbia River did not approach critical levels.

The Cities' Public Works Directors, three of whom were not part of the original Permit development, have recognized a threat to ongoing compliance when a single staff member from one city is responsible for compliance. To provide a more robust compliance system, the Public Works Directors are recommending that compliance activities be documented and maintained by an engineering firm. By agreement between Public Works Directors, the City of West Richland will be the new lead agency for the compliance methodology and will issue the engineering contract. West Richland has selected RH2 Engineering, Inc. Richland staff supports this selection as RH2 Engineering, Inc. has performed well as the City's water system planning consultant for the past six years.

The proposed interlocal agreement authorizes the City of West Richland to act on the Cities' behalf to complete the recommended Quad-Cities Permit compliance work. Staff recommends Council authorize the agreement.

Fiscal Impact:

The total cost of the RH2 Engineering, Inc. contract will be \$23,988 through 2020. Of the total \$9,212 will be expended in 2016. All costs under this interlocal agreement will be split equally between the four cities. Richland's share of the 2016 costs will be \$2,303. These costs will be covered by the Water Utility's Expert Services budget, which has an available balance of \$33,001. Future years' costs will be included in annual Water Utility budgets.

Attachments:

1. Resolution No. 95-16, Quad-Cities Interlocal Agreement for Compliance Method
2. Interlocal Agreement - Quad-Cities Compliance Method



RESOLUTION NO. 95-16

A RESOLUTION of the City of Richland authorizing the execution of an Interlocal Agreement with the Cities of West Richland, Kennewick, and Pasco related to Quad-Cities Water Right Compliance Consulting Services.

WHEREAS, the Cities of Richland, Kennewick, Pasco and West Richland are authorized to enter into interlocal cooperation agreements as set forth in Chapter 39.34 RCW; and

WHEREAS, the Washington State Department of Ecology issued Surface Water Right Permit S4-30976 in September, 2003; and

WHEREAS, Permit S4-30976 conditions withdrawal of Columbia River Water on mitigating impacts to instream flows; and

WHEREAS, achieving compliance with the Permit conditions requires collection and analysis of data on all four cities' water use and on Columbia River instream flow conditions; and

WHEREAS, since Permit issuance, City of Richland staff has managed compliance activities; and

WHEREAS, the 2015 retirement of Richland's lead staff member for permit compliance caused the cities' Public Works staff to reevaluate the compliance program; and

WHEREAS, the Public Works Directors from all four cities recommend retention of a consulting firm to complete the compliance work in the future; and

WHEREAS, the City of West Richland has agreed to act as the lead agency to execute and manage the proposed consultant agreement; and

WHEREAS, it is in the City of Richland's best interest to continue professional management of the Permit's compliance activities; and

WHEREAS, the proposed interlocal agreement includes a four-way level cost sharing arrangement for the consultant services, which is fair and cost-effective for the City 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 an interlocal agreement with West Richland, Pasco, and Kennewick authorizing West Richland to enter into and administer a consultant agreement for Quad-Cities Water Right Compliance work and to collect Richland's share of the project funds.

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney

INTERLOCAL COOPERATION AGREEMENT

Between

Cities of Kennewick, Richland, Pasco and West Richland

For

**Administration and Funding of Quad-City Water Right Mitigation Model and
Operating Procedures**

THIS INTERLOCAL AGREEMENT ("Agreement") is entered into on this _____ day of _____, 2016 by and between the City of Kennewick (hereinafter "Kennewick"), the City of Richland (hereinafter "Richland"), the City of Pasco (hereinafter "Pasco"), and the City of West Richland (hereinafter "West Richland"), all municipal corporations of the State of Washington (referred to collectively as the "Parties"). This Agreement is made in conformance with and under the authority granted by RCW 39.34, the Interlocal Cooperation Act.

I. Recitals

WHEREAS, Richland, Kennewick, Pasco, and West Richland were granted Washington State Surface Water Right Permit S4-30976 on September 15, 2003 (hereinafter "Permit"); and

WHEREAS, the Permit requires the Parties, on an annual basis, to tabulate and report overall water supply usage, Quad-City Water Right utilization, and comply with mitigation provisions associated with consumptive use as outlined in the Regional Water Forecast and Conservation Plan (RWFCP); and

WHEREAS, to efficiently and effectively collect and annualize water supply usage data, and to annually document that the available mitigation volume is equal to or greater than the required mitigation volume for Columbia River flows, the four cities, Richland, Kennewick, Pasco and West Richland, have agreed to fund a Quad-City Water Right Mitigation Model and Operating Procedures; and

WHEREAS, staff in Richland, Kennewick, Pasco and West Richland have collaborated to select an engineering consultant and to negotiate a scope of work and budget for the study; and

WHEREAS, the Interlocal Cooperation Act contained in RCW 39.34 authorizes local governments such as the Parties to this Interlocal to contract for the joint conduct of activities which each of the Parties is individually authorized to perform.

NOW, THEREFORE, the Parties hereby agree as follows:

II. Agreement

Section 1. Purpose

The purpose of this Interlocal Cooperation Agreement is to authorize a collaborative effort between the Parties to comply with mitigation provisions associated with the Quad-City Water Right and to determine the parameters for the contracting and funding of said model and operating procedures.

Section 2. Legal Entity

No separate legal or administrative entity is created upon execution of this Interlocal Cooperation Agreement.

Section 3. Administration

West Richland shall award and administer the consultant agreement contemplated under this Interlocal Cooperation Agreement. The proposed consultant agreement is attached as Exhibit A.

Section 4. Funding and Contributions

Consultant expenses shall be shared in four (4) equal amounts between Richland, West Richland, Pasco and Kennewick. West Richland shall issue invoices to Richland, Pasco, and Kennewick for their share of the plan update expenses. Invoices shall issue no more frequently than monthly. Scope and budget changes that increase the project budget may only be executed after written authorization from all four Cities.

Section 5. Property

No real or personal property shall be acquired as a consequence of the execution of this Interlocal Cooperation Agreement. The Parties shall own and receive at least one copy of the Quad-City Water Right Mitigation Model and Operating Procedures produced as a result of this Agreement.

Section 6. Additional Resources

Richland, Kennewick, Pasco, and West Richland will provide staff support to complete data requests, meeting and training attendance, and analysis reviews as needed to efficiently administer the model.

Section 7. Duration

This Agreement shall expire twelve months after the close-out of the consultant agreement. All obligations to pay the respective one-fourth share to fund the plan update shall survive termination of this Agreement.

Section 8. Notices

Written notice shall be directed to the parties as follows:

City of Richland

505 Swift Boulevard, MS#26
Richland, WA 99352
Attn: Public Works Director

City of West Richland

3801 W. Van Giesen
West Richland, WA 99353
Attn: Public Works Director

City of Kennewick

210 W. 6th Avenue
Kennewick, WA 99336
Attn: Public Works Director

City of Pasco

525 N. 3rd Avenue
Pasco, WA 99301
Attn: Public Works Director

Section 9. Filing

Pursuant to RCW 39.34.040, this Agreement shall become effective upon filing with the Benton County Auditor after it is fully executed by all Parties.

Section 10. Modification

This Agreement may be amended or modified only in writing, and only with the written consent of each undersigned party.

Section 11. Severability

If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable as written, the remainder of the Agreement or the applications of the remainder of the Agreement shall not be affected. To this end, the terms and conditions of this Agreement are declared severable.

Section 12. Jurisdiction & Venue

Jurisdiction and venue for any action relating to the interpretation, enforcement, or any dispute arising from this Agreement shall be in Benton County Superior Court. This Agreement shall be construed, and the legal relations between the parties hereto shall be determined in accordance with the laws of the State of Washington.

Section 13. Waiver

No waiver by either party hereto of any terms or conditions of this Agreement shall be deemed or construed to be a waiver of any other term or condition, nor shall the waiver of any breach be deemed or construed to constitute a waiver of any subsequent breach, whether of the same or any other term or condition of this Agreement.

[Signature Page to Follow]

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

CITY OF RICHLAND

CITY OF KENNEWICK

CYNTHIA D. REENTS, ICMA-CM
City Manager

STEVE C. YOUNG
Mayor

Approved as to Form:

Attest:

HEATHER KINTZLEY
City Attorney

TERRI L. WRIGHT
City Clerk

Approved as to Form:

LISA BEATON
City Attorney

CITY OF WEST RICHLAND

CITY OF PASCO

BRENT GERRY
Mayor

DAVE ZABELL
City Manager

Approved as to Form:

Approved as to Form:

BRONSON BROWN
City Attorney

LEE KERR
City Attorney

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, made and entered into on this _____ day of _____, 20____, by and between the **City of West Richland**, A MUNICIPAL CORPORATION hereinafter called the "CLIENT," and the consulting firm RH2 Engineering, Inc., whose address is, 22722 29th Drive SE, Suite 210, Bothell, Washington 98021, at which work will be available for inspection, hereinafter called the "CONSULTANT."

PROJECT NAME: Quad-City Water Right Model and Operating Procedure

WHEREAS, the Client deems it advisable to engage the professional services and assistance of a qualified professional consulting firm to do the necessary engineering work for the project.

WHEREAS, the Consultant operates in compliance with the statutes of the State of Washington for registration of professional engineers, has a current valid corporate certificate from the State of Washington or has a valid assumed name filing with the Secretary of State, and that personnel to be assigned to the work required under this Agreement are qualified to perform the work to which they will be assigned, and that sufficient qualified personnel are on staff or readily available to the Consultant to staff this Agreement.

WHEREAS, the Consultant will perform the work set forth in the Agreement upon the terms and conditions set forth below and in the following Exhibits:

Exhibit A	Scope of Work
Exhibit B	Fee Estimate
Exhibit C	Schedule of Rates and Charges

NOW THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein below, the parties hereto agree as follows:

SCOPE OF WORK

The Consultant shall facilitate completion of the work described in **Exhibit A** which is attached hereto and incorporated into this Agreement. The Consultant shall make minor changes, amendments or revisions in the detail of the work as may be required by the Client. This item does not constitute an "Extra Work" item as related to the "Extra Work" section of the Agreement. The Consultant is entitled to rely on the accuracy and completeness of any data, information, or materials provided by the Client or others in relation to the work.

STANDARD OF CARE

The Consultant shall be held to the same standard of care as is ordinarily practiced by other similar design professionals in that discipline for comparable work provided in a similar locality.

DESIGN CRITERIA

The Client will designate the basic premises and criteria for the work needed. Reports and plans, to the extent feasible and reasonable, shall be developed in accordance with the latest edition and amendments of applicable local and State regulations, guidelines, and specifications.

OWNERSHIP OF PRODUCTS AND DOCUMENTS TO BE FURNISHED BY THE CONSULTANT

Ownership of the source files of any reports, data, studies, surveys, charts, maps, drawings, specifications, figures, photographs, memoranda, and any other documents which are developed, compiled, or produced by the Consultant as a result of this Agreement, whether or not completed, shall remain with the Consultant. Upon completion of the project, the Consultant shall provide the Client with tangible copies of the project documents in accordance with **Exhibit A**. The Consultant shall retain ownership of the source files and information developed by the Consultant in preparing the project documents. The Consultant shall provide the Client with electronic copies of the project documents, in accordance with **Exhibit A**, in any of the following formats: Adobe Portable Document Format (PDF), AutoCAD® Drawing Web Format (DWF) or JPEG (JPG). Any reuse of the project documents that is beyond the scope of the project is prohibited without written authorization from the Consultant.

The Client acknowledges the Consultant's plans and specifications are instruments of professional service. The Client agrees to hold harmless and indemnify Consultant against all claims made against Consultant for damage or injury, including defense costs arising out of any reuse of such plans and specifications by any third party without the written authorization of the Consultant.

Methodology, materials, software, logic, and systems developed under said Contract are the property of the Consultant, and may be used as the Consultant sees fit, including the right to revise or publish the same without limitation.

TIME OF BEGINNING AND COMPLETION

The work detailed in **Exhibit A** will be performed according to the schedule shown in **Exhibit A**. The Consultant shall not begin work under the terms of this Agreement until authorized in writing by the Client. If, after receiving Notice to Proceed, the Consultant is delayed in the performance of its services by factors that are beyond its control, the Consultant shall notify the Client of the delay and shall prepare a revised estimate of the time and cost needed to complete the Project and submit the revision to the Client for its approval, which shall not be unreasonably withheld. Time schedules are subject to mutual agreement for any revision unless specifically described as otherwise herein.

PAYMENT

The Consultant shall be paid by the Client for completed work for services rendered under this Agreement as provided hereinafter and as specified in **Exhibit B** and **Exhibit C**. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. All billings for compensation for work performed under this Agreement will list actual time (days and/or hours) and dates during which the work was performed and the compensation shall be figured using the rates in **Exhibit C**. Payment for the work shown in **Exhibit A** shall not exceed \$23,988 without a written amendment to this contract, agreed to and signed by both parties. Payment for work stated in **Exhibit A** will be calculated based on the Consultant's hourly rates stated in **Exhibit C**.

Payment for extra work performed under this Agreement shall be paid as agreed to by the parties in writing at the time the extra work is authorized. (See "EXTRA WORK").

Finance charges, computed by a "Periodic Rate" of 1% per month, which is an annual percentage rate of 12% (applied to the previous month's balance after deducting payments and credits for the current month), will be charged on all past-due amounts unless otherwise provided by law or by contract. Invoices not paid within thirty (30) days will be considered past-due.

Acceptance of final payment by the Consultant shall constitute a release of claims related to payment under this Agreement which the Consultant may have against the Client unless such claims are specifically reserved in writing and transmitted to the Client by the Consultant prior to its acceptance.

The Consultant shall keep available for inspection by the Client, for a period of three (3) years after final payment, the cost records and accounts pertaining to this Agreement and items related to, or bearing upon, these records. If any litigation, claim or audit is started before the expiration of the three-year retention period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The three-year retention period starts when the Consultant receives final payment.

CHANGES IN WORK

The Consultant shall make revisions and changes in the completed work of this Agreement as are necessary to correct Consultant's errors, when required to do so by the Client, without additional compensation.

Should the Client find it desirable for its own purposes to have previously completed work or parts thereof revised, the Consultant shall make revisions, if requested and as directed by the Client in writing. This work shall be considered as "Extra Work" and will be paid for as provided in the Section "Extra Work."

EXTRA WORK

The Client may desire to have the Consultant perform work or render services in connection with the Agreement in addition to or other than work provided for by the expressed intent of the Scope of Work. Such work will be considered as Extra Work and will be specified in a written supplement which will set forth the nature and scope thereof. Work under a supplement shall not proceed until authorized in writing by the Client. Any dispute as to whether work is Extra Work or work already covered under this Agreement shall be mutually resolved by the parties before the work is undertaken.

EMPLOYMENT

The Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this contract and that they have not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Consultant, any fee, commission, percentage, brokerage fee, gifts or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, the Client shall have the right to annul this Agreement without liability, or in its discretion to deduct from the Agreement price or consideration or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

Any and all employees of the Consultant, while engaged in the performance of any work or services required by the Consultant under this Agreement, shall be considered employees of the Consultant only and not of the Client, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of said employees, while so engaged in the work or services provided or to be rendered herein, shall be the sole obligation and responsibility of the Consultant.

The Consultant shall not engage, on a full or part-time basis, or other basis, during the period of the contract, any professional or technical personnel who are, or have been at any time during the period of this contract, in the employ of the Client except regularly retired employees, without written consent of the Client.

NONDISCRIMINATION

The Consultant agrees not to discriminate against any client, employee or applicant for employment or for services because of race, creed, color, national origin, gender, marital status, sexual orientation, age, or handicap except for a bona fide occupational qualification with regard to, but not limited to the following: employment; promotions; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training; and rendition of services. The Consultant understands and agrees that if it violates this Non-Discrimination provision, this Agreement may be terminated by the Client and further that the Consultant shall be barred from performing any services for the Client now or in the future, unless a showing is made satisfactory to the Client that discriminatory practices have terminated and that recurrence of such action is unlikely.

TERMINATION OF AGREEMENT

The parties reserve the right to terminate this Agreement at any time upon not less than ten (10) days written notice to the other party, subject to the Client's obligation to pay Consultant in accordance with the subparagraphs below.

- A. In the event this Agreement is terminated by the Client other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for actual cost for the work completed at the time of the termination of the Agreement. In addition, the Consultant shall be paid on the same basis as above for any authorized extra work completed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the Notice to Terminate unless otherwise agreed. If the accumulated payment made to the Consultant prior to the Notice of Termination exceeds the total amount that would be due as set forth herein above, including any and all extra work, then no final payment shall be due and the Consultant shall immediately reimburse the Client for any excess paid.
- B. In the event the services of the Consultant are terminated by the Client for actual fault on the part of the Consultant, the above stated formula for payment shall not apply. In such an event the amount to be paid shall be determined by the parties with reasonable consideration given to: the actual costs incurred by the Consultant in performing the work to the date of termination; the amount of work originally required which was completed by the Consultant in accordance with the standard of care stated herein prior to the date of termination; the cost to the Client of employing another firm to complete the remaining work required and the time which may be required to do so; and other factors which affect the value of the work performed at the time of termination. Under no circumstances shall payment made under this subsection exceed the amount which would have been made if the formula set forth in subsection A had been applied.
- C. The Consultant reserves the right to suspend performance of the work in the event of nonpayment by Client for invoices furnished in accordance with the Payment provisions as listed herein. In the event that Consultant suspends performance of the work, the Consultant and the Client shall make a good faith effort to resolve the matter of nonpayment. Consultant shall resume work once such resolution is reached and payment is received in full.
- D. In the event this Agreement is terminated prior to completion of the work, the Consultant shall retain ownership of the source files for all plans, reports, and documents prepared by the Consultant prior to termination. The Client shall be provided with tangible and electronic copies of the documents in accordance with the "Ownership of Products and Documents to be Furnished by the Consultant" section of the Agreement herein.

DISPUTES

The parties shall make a good faith effort to resolve disputes concerning questions of facts in connection with work prior to initiating legal action. In the event that either party institutes legal action or proceedings to enforce any of its rights in this Agreement, both parties agree that any such action shall be brought in the courts of the State of Washington, situated in King County.

LEGAL RELATIONS

The Consultant shall comply with all federal, state and local laws and ordinances directly applicable to the work to be done under this Agreement. This contract shall be interpreted and construed in accordance with the laws of Washington.

The Consultant agrees to indemnify and hold harmless the Client, its officers and employees from claims, demands or suits at law or equity directly resulting from Consultant's negligent acts, errors or omissions under this Agreement, provided that nothing herein shall require the Consultant to indemnify the Client against and hold harmless the Client from claims, demands, or suits resulting from the conduct of the Client, its officers or employees. Provided further, if the claims or suits are caused by or result from the concurrent negligence of (a) the Consultant, its agents, or employees, and (b) the Client, its agents, officers, or employees, this provision with respect to claims or suits based upon such concurrent negligence shall be valid and enforceable only to the extent of the Consultant's negligence or the negligence of the Consultant's agents or employees except as limited below.

The Consultant shall secure general liability, property damage, auto liability, and professional liability coverage in the amount of \$1.0 million, with a General Aggregate in the amount of \$2.0 million, unless waived or reduced by the Client. The Consultant shall submit to the Client a completed Standard ACORD Certification Form as proof of insurance. This Form shall name the Client as an additional insured for Consultant's applicable insurance policies.

All coverages provided by the Consultant shall be in a form and underwritten by a company acceptable to the Client. The Client will normally require carriers to have a minimum A.M. Best rating of A VII. The Consultant shall keep all required coverages in full force and effect during the life of this project, and a minimum of thirty (30) days' notice shall be given to the Client prior to the cancellation of any policy.

The Consultant shall verify, when submitting the first payment invoice and annually thereafter, possession of a current business license while conducting work for the Client. The Consultant shall require, and provide verification upon request, that subconsultants participating in a Client project possess a current business license.

The Consultant's relation to the Client shall be at all times as an independent contractor.

Any liability incurred by the Consultant as a result of this Agreement is limited to the fee amount as stipulated within the Payment terms herein.

SUBLETTING OR ASSIGNING OF CONTRACTS

The Consultant shall not sublet or assign any of the work covered by this Agreement without the express consent of the Client.

ENDORSEMENT OF PLANS

The Consultant shall place their certification on plans, specifications, estimates, or other engineering works produced by them in accordance with RCW 18.43.070.

COMPLETE AGREEMENT

This document and referenced attachments contain all covenants, stipulations, and provisions agreed upon by the parties. Any supplements to this Agreement will be mutually agreed upon in writing and will become part of this Agreement. No agent or representative of either party has authority to make, and the parties shall not be bound by or liable for, any statement, representations, promise, or agreement not set forth herein. No changes, amendments, or modifications of the terms hereof shall be valid unless reduced to writing and signed by the parties as an amendment or "Extra Work" authorization to this Agreement.

The invalidity or unenforceability of any provision in this Agreement shall not affect the other provisions hereof, and this agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

EXECUTION AND ACCEPTANCE

This Agreement may be simultaneously executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The Consultant does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the supporting materials submitted by the Consultant, and does hereby accept the Agreement and agrees to all of the terms and conditions thereof.

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



APPROVED - SIGNATURE

Paul R. Cross

PRINT NAME

Executive Vice President

TITLE

3.4.16

DATE

RH2 Engineering, Inc., 22722 29th Drive SE, Suite 210, Bothell, WA 98021

APPROVED - SIGNATURE

PRINT NAME

TITLE

DATE

City of West Richland, 3801 W Van Giesen, West Richland, WA 99353

EXHIBIT A

Scope of Work

City of West Richland

Quad-City Water Right Model and Operating Procedures

March 2016

Background

The Cities of Kennewick, Pasco, Richland, and West Richland (Cities) authorized RH2 Engineering, Inc., (RH2) to prepare a Regional Water Forecast and Conservation Plan (RWFCP) to update the 2010 version of the RWFCP. The Cities share the Quad-City Water Right (QCWR) issued under Surface Water Permit No. S4-30976P on September 15, 2003. The updated RWFCP tabulates the existing, 2021 (6-year), and 2035 (20-year) allocation of the QCWR and describes the mitigation required by the Cities, based on the allocation of the QCWR.

The Cities tabulate and report water supply, QCWR utilization, and mitigation requirements on a quarterly and annual basis. These reports establish that the Cities are not exceeding their existing water rights and that the Cities are meeting the mitigation requirements for the utilization of any water used under the QCWR. The QCWR includes a provision requiring that all consumptive use under the water right be fully mitigated when the flows of the Columbia River do not meet specific target flows. Procedures for complying with the mitigation provision are included in the updated RWFCP.

The Cities requested that RH2 develop a spreadsheet model and operating procedures that document which data sources and analysis needs to be conducted to show that the available mitigation volume is equal to or greater than the required mitigation volume for Columbia River flows.

Task 1 – Data Collection Templates

Objective: Develop a data template for the Cities to complete with the required quarterly information. The template will specify the data source and units for each entry needed in order to perform a water balance and determine net consumptive use.

Approach:

- 1.1 Identify sources of supply, including recharge volumes, broken down by surface and groundwater source, and through interties.
- 1.2 Identify sources of non-revenue water use.
- 1.3 Identify billable metered water use.
- 1.4 Identify return flows from wastewater treatment plants, septic systems, city irrigation, unaccounted for water return, source backflow, infiltration, and recharge.
- 1.5 Compile sources in an Excel template with proper units identified.

Assumptions: *The templates will be based upon facilities and operations in the Cities as identified for 2014 (base year in the updated RWFCP). Changes in facilities and operations will require periodic adjustments to the data collection templates. Some parameters remain constant from year to year and will not be modified in the quarterly report from each city.*

RH2 Deliverables:

- Individual collection templates for the Cities in Excel format.

City of West Richland
 Quad-City Water Right Model and Operating Procedures

Exhibit A
 Scope of Work

Task 2 – Mitigation Model and Operating Procedures

Objective: Create a spreadsheet model template that identifies the minimum instream flow levels at Bonneville and McNary dams that will be used to trigger, if mitigation is necessary, withdrawals and returns from the Cities and net consumption to calculate monthly required mitigation and available mitigation.

Approach:

- 2.1 Create spreadsheet tabs to input data provided by the Cities, Columbia River flow forecasts, and actual Columbia River flow.
- 2.2 Create spreadsheet summary sheets to retrieve data from the individual tabs, summarize the data, and calculate the required mitigation volume for the calendar year, broken out by month.
- 2.3 Develop written operating procedures to describe each step necessary to run the model.
- 2.4 Provide up to three (3) hours of training to Cities' staff on operation of the model. Training is to be held at RH2 Richland.

Assumptions: *This model will be valid only until the next six- (6-) year update of the RWFCP. The Cities' existing water rights, including the QCWR, are sufficient to meet the six- (6-) year (2021) supply requirements of the Cities. The model will rely upon hard coding some parameters that do not change until reexamined during the RWFCP update.*

Provided by City of West Richland:

- Attendance at one (1) three- (3-) hour training session.

RH2 Deliverables:

- Mitigation model in Excel format.
- One (1) PDF copy of written operating procedures.
- One (1) three (3-) hour training session.

Task 3 – 2015 to 2020 Data Support and Annual Reporting

Objective: Assist the Cities by obtaining the data from each city quarterly, performing data quality control, running the model on an annual basis to calculate required mitigation, and comparing to available mitigation volumes.

Approach:

- 3.1 Obtain 2015 data from the Cities, review provided values and units, and populate the mitigation model for 2015. Report the comparison between required and available mitigation water volumes to the Cities.
- 3.2 Obtain data from the Cities on a quarterly basis, review provided values and units, and populate the mitigation model.
- 3.3 Provide the Cities with an annual report each year for 2015-2020 comparing required and available mitigation water volumes based on the data obtained and calculated within subtask 3.2.

City of West Richland
Quad-City Water Right Model and Operating Procedures

Exhibit A
Scope of Work

Assumptions: RH2 can rely on the data provided by the Cities and through the National Oceanic and Atmospheric Administration (NOAA) and the United States Army Corps of Engineers (USACE) websites to populate Cities' withdrawals, returns, and actual Columbia River flows.

Provided by the Cities:

- 2015 data regarding withdrawals and return flows in Excel format.
- Data on a quarterly basis regarding withdrawals and return flows in Excel format.

RH2 Deliverables:

- Annual reports for 2015-2020 in PDF.

Project Schedule

Tasks 1 and 2 will be completed within 60 days of RH2's receipt of a signed contract. Subtask 3.1 will be completed within 90 days of RH2's receipt of a signed contract, and subtasks 3.2 and 3.3 will be completed within 30 days of receipt of data from the Cities for each quarter with an annual report provided within 30 days of receipt of all four quarters' data.

EXHIBIT B

City of West Richland

Quad-City Water Right Model and Operating Procedures

Fee Estimate

Description Classification		Total Hours	Total Labor	Total Subconsultant	Total Expense	Total Cost
Task 1	Data Collection Templates	11	\$ 1,876	\$ -	\$ 65	\$ 1,941
1.1	Identify sources of supply for each city	2	\$ 334	\$ -	\$ 8	\$ 342
1.2	Identify sources of non-revenue water use for each city	1	\$ 167	\$ -	\$ 4	\$ 171
1.3	Identify billable metered water use for each city	2	\$ 334	\$ -	\$ 8	\$ 342
1.4	Identify return flows and infiltration/recharge	2	\$ 334	\$ -	\$ 8	\$ 342
1.5	Compile sources in an Excel template	4	\$ 707	\$ -	\$ 36	\$ 743
Task 2	Mitigation Model and Operating Procedures	32	\$ 5,158	\$ -	\$ 309	\$ 5,467
2.1	Create spreadsheet tabs to input required data	10	\$ 1,686	\$ -	\$ 42	\$ 1,728
2.2	Create spreadsheet summary for calendar year	6	\$ 1,018	\$ -	\$ 25	\$ 1,043
2.3	Develop written operating procedures to run the model	8	\$ 1,227	\$ -	\$ 121	\$ 1,348
2.4	Prepare for and provide one (1) 3-hour training session for the Cities	8	\$ 1,227	\$ -	\$ 121	\$ 1,348
Task 3	2015 to 2020 Data Support and Annual Reporting	100	\$ 16,141	\$ -	\$ 440	\$ 16,581
3.1	Obtain 2015 data and calculate required mitigation volumes	11	\$ 1,752	\$ -	\$ 53	\$ 1,805
3.2	Obtain data on a quarterly basis; compare to typical values for QA purposes	24	\$ 4,040	\$ -	\$ 110	\$ 4,150
3.3	Calculate mitigation and provide annual reports for 2015-2020	65	\$ 10,349	\$ -	\$ 277	\$ 10,626
PROJECT TOTAL		143	\$ 23,175	\$ -	\$ 813	\$ 23,988

EXHIBIT C RH2 ENGINEERING, INC. 2016 SCHEDULE OF RATES AND CHARGES		
RATE LIST	RATE	UNIT
Professional I	\$136	\$/hr
Professional II	\$146	\$/hr
Professional III	\$154	\$/hr
Professional IV	\$167	\$/hr
Professional V	\$175	\$/hr
Professional VI	\$186	\$/hr
Professional VII	\$197	\$/hr
Professional VIII	\$206	\$/hr
Professional IX	\$206	\$/hr
Technician I	\$93	\$/hr
Technician II	\$100	\$/hr
Technician III	\$127	\$/hr
Technician IV	\$135	\$/hr
Administrative I	\$65	\$/hr
Administrative II	\$75	\$/hr
Administrative III	\$89	\$/hr
Administrative IV	\$105	\$/hr
Administrative V	\$128	\$/hr
CAD/GIS System	\$27.50	\$/hr
CAD Plots - Half Size	\$2.50	price per plot
CAD Plots - Full Size	\$10.00	price per plot
CAD Plots - Large	\$25.00	price per plot
Copies (bw) 8.5" X 11"	\$0.09	price per copy
Copies (bw) 8.5" X 14"	\$0.14	price per copy
Copies (bw) 11" X 17"	\$0.20	price per copy
Copies (color) 8.5" X 11"	\$0.90	price per copy
Copies (color) 8.5" X 14"	\$1.20	price per copy
Copies (color) 11" X 17"	\$2.00	price per copy
Technology Charge	2.50%	% of Direct Labor
Mileage	\$0.540	price per mile (or Current IRS Rate)
Subconsultants	15%	Cost +
Outside Services	at cost	



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 97-16, Affirming Prior Actions Taken Related to the City of Richland 457 Plan No. 300042

Department:

Administrative Services

Ordinance/Resolution Number:

97-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 97-16, affirming prior actions taken related to the City of Richland 457 Plan No. 300042.

Summary:

City of Richland 457 Plan No. 300042 serves the City's interest by enabling it to provide retirement security, thereby helping to attract and retain competent individuals. The Plan design has changed several times over the years. Prior to reaffirming the Plan, staff recommends Council ratify and affirm all prior plan resolutions, amendments and administrative actions taken to date by adopting Resolution No. 97-16.

Fiscal Impact:

None

Attachments:

I. Proposed Resolution No. 97-16

RESOLUTION NO. 97-16

A RESOLUTION of the City of Richland affirming prior actions taken related to the City of Richland 457 Plan No. 300042, Deferred Compensation Plan with ICMA Retirement Corporation.

WHEREAS, the City of Richland (“Employer”) has employees rendering valuable services that adhere to the benefit of the City; and

WHEREAS, Employer has established a deferred compensation plan (the “Plan”) for such employees that serves the interest of Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, Employer first established, in 1972, a Deferred Compensation Employment Agreement for the City Manager, administered by ICMA; and

WHEREAS, in 1973, via Resolution No. 829-73, a City Manager 457 Deferred Compensation Plan No. 300042 was adopted with ICMA, which formalized the 1972 Deferred Compensation plan contained in the Employment Agreement; and

WHEREAS, the Plan design has changed over the years through Council Resolutions or Plan Amendments from the inception until current, including the following:

Resolution No. 31-75, Plan to include Division & Department Heads, change of City Manager contribution & other amendments for simplification of language and trust agreement into a single master document;

Resolution No. 45-79, Establishing a Def Comp Plan for Elected Officials at their own expense;

Resolution No. 98-88, Reaffirmation of ICMA as Plan Administrator and execution of new plan documents;

Resolution No. 101-92, Additional Management personnel Included & increase in contribution percentages;

Resolution 77-97, Amendments to IRS Code requiring changes to structure of and allow for enhancements of the benefits of deferred compensation, in addition to plan not allowing loans;

Resolution 65-00, Adoption of the City of Richland Compensation Plan for Unaffiliated Staff and correlating changes to City Deferred Compensation;

2002 Amendments: Change to account Maintenance fee;

2004 Amendments: Reduction in Plan Admin fee and continued elimination of the Mutual Funds Fee contingent on ICMA being exclusive provider of administrative and investment services for the plan and Employer using EZLink;

2004 Amendments: No asset-based or per-participant fees charged, Compensation for Advisory and other Services to the Vantagepoint Funds and Payment from Third-Party Mutual Funds; and

2009 Amendments: No asset-based or per-participant fees charged, Compensation for Advisory and other Services to the Vantagepoint Funds and Payment from Third-Party Mutual Funds, Revenue Requirements, Redemption Fees, Payment Procedures, and Terms of the Agreement.

NOW, THEREFORE, BE IT RESOLVED that Employer hereby ratifies and affirms all prior plan resolutions, amendments and administrative actions for the 457 Plan No. 300042, identified above.

BE IT FURTHER RESOLVED that in all other respects, all prior amendments, agreements and other administrative actions pertaining to the 457 Plan No. 300042 are hereby ratified and affirmed.

ADOPTED by the City Council of the City of Richland at a regular meeting on the 19th day of April, 2016.

ROBERT J. THOMPSON
Mayor

ATTEST:

APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Resolutions – Adoption

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 98-16, Restating and Amending the City of Richland 457 Plan No. 300042, Deferred Compensation Plan, and Authorizing an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC)

Department:

Administrative Services

Ordinance/Resolution Number:

98-16

Document Type:

Resolution

Recommended Motion:

Adopt Resolution No. 98-16, restating and amending the City of Richland 457 Plan No. 300042, Deferred Compensation Plan, and authorizing the Mayor to execute an Administrative Services Agreement with ICMA Retirement Corporation (ICMA-RC) on behalf of the City of Richland.

Summary:

City of Richland 457 Plan No. 300042, Deferred Compensation Plan, serves the City's interest by enabling it to provide retirement security, thereby helping to attract and retain competent individuals. Resolution No. 98-16 consolidates all actions and documents needed to restate and amend the Plan, as well as authorizes an Administrative Services Agreement in accordance with best practices in plan administration. The four actions that are incorporated into the Resolution include:

1. A statement of intent to add the Roth 457 provision (Appendix A) allowing Participants to contribute after-tax funds to the City's same 457 Plan. This is an important tax strategy feature offered by most governmental 457 deferred compensation plans, at no cost to the employer.
2. The resolution is a statement of intent to add a provision for in-service distribution of rolled-in assets (Appendix B). This allows Participants to "roll-over" assets from another qualified retirement plan into the City 457 plan. Participants retain the ability to maintain access to those same assets while employed by the City. The greater the overall asset balance, the greater the ability for the City to negotiate low-cost, high value services for Participants. This feature represents a best practice in plan administration and strategy, without cost to the City.
3. The resolution restates and amends the current 457 Deferred Compensation Plan document (Appendix C) with amendments.
4. The resolution allows the City to enter into an Administrative Services Agreement (ASA) for plan administration (Appendix D). The ASA does not represent a cost to the City. Participants pay for plan administration through reduced investment returns, which the City uses to pay ICMA-RC for the services they provide.

The ASA represents a significant reduction in administration costs charged to Plan participants.

Fiscal Impact:

None

Attachments:

1. Proposed Resolution No. 98-16
2. Appendix A

3. Appendix B

4. Appendix C

5. Appendix D

STATEMENT OF INTENT: PLAN ADMINISTRATION – ROTH PROVISIONS

Plan Number: 30 0042

Name of Employer: City of Richland State: WA

I. Employer Instructions Regarding Plan Administration

The employer instructs ICMA-RC to administer the Plan in accordance with the below elections as of the effective date specified in Section III below.

II. Roth Provisions

a. The Plan will offer Designated Roth Accounts as described in Article X.

☒ Yes (default option) ☐ No

[Note: If you want to offer In-Plan Roth Conversions and/or Roth Elective Deferrals, you must check "Yes" above. If No is selected, skip the remainder of this section.]

b. The Plan will allow In-Plan Roth Conversions as provided in Section 10.05.

☒ Yes (default option) ☐ No

c. Designated Roth Accounts will be available as a source for loans under the Plan (only applicable to plans that offer loans):

☐ Yes ☒ No or N/A (default option)

III. Effective Date

This statement of intent shall be effective as of the following date: 04 / 19 / 2016
Month Day Year

IV. Employer Signature

NAME OF OFFICIAL PLAN COORDINATOR (PLEASE PRINT): Cynthia D. Reents

SIGNATURE: _____

TITLE: City Manager

TELEPHONE NUMBER: _____

DATE: _____

EMAIL ADDRESS: _____

A copy of the completed statement of intent should be returned to ICMA-RC (retain the original for your records):

Fax to:

202-962-4601
ATTN: NBS Analyst

OR

Mail to:

ICMA-RC
ATTN: NBS Analyst
777 North Capitol Street, NE
Washington, DC 20002-4240

**STATEMENT OF INTENT TO ADD ROTH PROVISIONS TO
ICMA-RC's 457 GOVERNMENTAL DEFERRED COMPENSATION PLAN & TRUST**

Plan Number: 30 0042

Name of Employer: City of Richland State: Washington

I. Employer Intention

The Employer intends to offer the Roth Provisions described in the ICMA Retirement Corporation Governmental 457 Deferred Compensation Amendment to Add Roth Provisions (*updated January 2013*), which added Article X to the ICMA-RC 457 Governmental Deferred Compensation Plan & Trust ("ICMA-RC Roth Amendment").

II. Employer Instructions Regarding Plan Administration

The Employer instructs ICMA-RC to begin administering the Roth Provisions as of the Effective Date of this statement of intent.

III. Effective Date

This statement of intent shall be effective as of the date specified below:

April 19, 2016 (date)

IV. Employer Signature

NAME OF OFFICIAL PLAN COORDINATOR (PLEASE PRINT): Cynthia D. Reents

SIGNATURE: _____

TITLE: City Manager

TELEPHONE NUMBER: _____

DATE: _____

EMAIL ADDRESS: _____

A copy of the completed statement of intent should be returned to ICMA-RC (retain the original for your records):

Fax to:

202-962-4601
ATTN: NBU Analyst

OR

Mail to:

ICMA-RC
ATTN: NBU Analyst
777 North Capitol Street, NE
Washington, DC 20002-4240

**ICMA RETIREMENT CORPORATION
GOVERNMENTAL 457 DEFERRED COMPENSATION PLAN & TRUST
AMENDMENT TO ADD ROTH PROVISIONS**

Pursuant to Article XII of the ICMA Retirement Corporation 457 Governmental Deferred Compensation Plan & Trust (the "Plan"), the Plan is hereby amended to add a new Article X regarding Roth contributions. If the Employer affirmatively elects to allow Roth Elective Deferrals and In-Plan Roth Conversions, the provisions of this Amendment shall be effective for Participants as of [the date when ICMA-RC advises that the Roth Provisions are operational] or the date specified by the Employer in the *Statement of Intent to Add Roth Provisions to a ICMA-RC 457 Governmental Deferred Compensation Plan & Trust*, whichever is later. If no election is made by the Employer, the provisions of this section will not be available to Participants.

FIRST

The following is hereby added as a new Article X to the Plan document as follows:

X. ROTH PROVISIONS – This Article X has no effect unless and until the Employer affirmatively elects to permit Roth Elective Deferrals.

10.01 Definitions

- (a) **Designated Roth Account.** A bookkeeping account established and maintained to record the Participant's Roth Elective Deferrals, In-Plan Roth Conversions, rollovers from designated Roth accounts under other eligible retirement plans, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Designated Roth Account.
- (b) **In-Plan Roth Conversion.** A distribution from a Participant's Pre-Tax Account that is rolled over to the Participant's Designated Roth Account under the Plan, pursuant to Code section 402A(c)(4). Notwithstanding anything herein to the contrary, an amount is not eligible for an In-Plan Roth Conversion unless it is distributable under the terms of the Plan and such distribution is an eligible rollover distribution within the meaning of Code section 402(c)(4).
- (c) **Pre-Tax Account.** A bookkeeping account established and maintained to record the portion of the Participant's Account attributable to amounts other than Roth Elective Deferrals, In-Plan Roth Conversions, rollovers from designated Roth accounts under other eligible retirement plans, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Pre-Tax Account.
- (d) **Qualified Roth Contribution Program.** A program described in paragraph (1) of Code section 402A(b), under which a Participant may make Roth Elective Deferrals in lieu of all or a portion of the elective deferrals the Participant is otherwise eligible to make under the Plan.
- (e) **Roth Elective Deferral.** Deferred Compensation contributed pursuant to Section 10.02 by a Participant, which amounts are:
 - (i) designated irrevocably by the Participant at the time of the deferral as a Roth elective deferral that is being made in lieu of all or a portion of the pre-tax elective deferrals the Participant is otherwise eligible to make under the Plan; and
 - (ii) treated by the Employer as includible in the Participant's income at the time the Participant otherwise would have received that amount as Includible Compensation.

10.02 Permitted Roth Elective Deferrals

- (a) As of the effective date of this Article, a Participant shall be permitted to make Roth Elective Deferrals from his or her Includible Compensation in such amount or percentage as may be specified in the Joinder Agreement. A Participant's Roth Elective Deferrals will be allocated to a Designated Roth Account maintained for such deferrals.
- (b) Unless specifically stated otherwise, Roth Elective Deferrals will be treated as Deferred Compensation for all purposes under the Plan.

10.03 Separate Accounting

- (a) Contributions and withdrawals of Roth Elective Deferrals, In-Plan Roth Conversions and rollovers from a designated Roth account under an eligible retirement plan will be credited and debited to a Participant's Designated Roth Account.
- (b) The Plan will maintain a record of the amount of Roth Elective Deferrals, In-Plan Roth Conversions, and rollovers from a designated Roth account under an eligible retirement plan in each Participant's Designated Roth Account.
- (c) Gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Designated Roth Account and the Pre-Tax Account under the Plan.
- (d) No contributions other than Roth Elective Deferrals, In-Plan Roth Conversions, and rollovers from a designated Roth account under an eligible retirement plan and properly attributable income gains and losses thereon will be credited to a Participant's Designated Roth Account.

10.04 Direct Rollovers

- (a) Notwithstanding anything to the contrary in the Plan, a direct rollover of a distribution from a Designated Roth Account under the Plan shall be made only to another designated Roth account under an eligible retirement plan or to a Roth IRA described in section 408A of the Code, and only to the extent the rollover is permitted under the rules of section 402(c) of the Code.
- (b) Notwithstanding anything to the contrary in the Plan, the Plan will accept a rollover contribution to a Designated Roth Account only if it is a direct rollover from another designated Roth account under an eligible retirement plan, or if the rollover is an In-Plan Roth Conversion defined in section 10.05 of this document.
- (c) Eligible rollover distributions from a Participant's Designated Roth Account are taken into account in determining whether the total amount of the Participant's Account under the Plan exceeds \$1,000 for purposes of mandatory distributions from the Plan.

10.05 In-Plan Roth Conversion. Unless otherwise elected by the Employer, as of the effective date of this Article the Plan shall allow for In-Plan Roth Conversions.

- (a) Tax Treatment. The amount of an In-Plan Roth Conversion shall be includible in the Participant's gross income, as though it were not part of a qualified rollover contribution.
- (b) Irrevocability. Any election made by the Participant pursuant to Section 10.05(a) shall be irrevocable.
- (c) Treatment of Loans. Outstanding plan loans shall be excluded from In-Plan Roth Conversions. Notwithstanding anything herein to the contrary, an In-Plan Roth Conversion shall not accelerate or otherwise cause a Participant to default on an outstanding plan loan.

10.06 Availability of Loans from Designated Roth Accounts. A participant's Designated Roth Account balance can be included to determine a Participant loan amount under Article VIII. However, unless the Employer elects otherwise, Designated Roth Accounts will not be available as a source for loans under the Plan.

SECOND

Former Articles X through XIV of the Plan document are hereby re-numbered XI through XV to reflect the addition of the Roth Provisions.



PO BOX 190 • RICHLAND, WA 99352 • CI.RICHLAND.WA.US

April 20, 2016

ICMA-RC
Attention: New Business Analyst
777 North Capital Street, NE
Washington, DC 20002-4240

RE: STATEMENT OF INTENT - IN SERVICE DISTRIBUTION OF ROLLED IN ASSETS

To New Business Analyst:

The City of Richland, WA Plan #300042 would like to add the ability for participants to access rolled in assets in the City's 457 plan, per Resolution No. 98-16, April 19, 2016.

For any questions please contact HR Director Allison Jubb at 509-942-7393.

Regards,

Cynthia D. Reents, ICMA-CM
City Manager

457 Governmental Deferred Compensation Plan & Trust



DEFERRED COMPENSATION PLAN AND TRUST

As Amended and Restated Effective January 1, 2006

Article I. Purpose

The Employer hereby establishes and maintains the Employer's Deferred Compensation Plan and Trust, hereafter referred to as the "Plan." The Plan consists of the provisions set forth in this document.

The primary purpose of this Plan is to provide retirement income and other deferred benefits to the Employees of the Employer and the Employees' Beneficiaries in accordance with the provisions of Section 457 of the Internal Revenue Code of 1986, as amended (the "Code").

This Plan shall be an agreement solely between the Employer and participating Employees. The Plan and Trust forming a part hereof are established and shall be maintained for the exclusive benefit of Participants and their Beneficiaries. No part of the corpus or income of the Trust shall revert to the Employer or be used for or diverted to purposes other than the exclusive benefit of Participants and their Beneficiaries.

Article II. Definitions

- 2.01 Account.** The bookkeeping account maintained for each Participant reflecting the cumulative amount of the Participant's Deferred Compensation, including any income, gains, losses, or increases or decreases in market value attributable to the Employer's investment of the Participant's Deferred Compensation, and further reflecting any distributions to the Participant or the Participant's Beneficiary and any fees or expenses charged against such Participant's Deferred Compensation.
- 2.02 Accounting Date.** Each business day that the New York Stock Exchange is open for trading, as provided in Section 6.06 for valuing the Trust's assets.
- 2.03 Administrator.** The person or persons named in writing to carry out certain nondiscretionary administrative functions under the Plan, as hereinafter described. The Employer may remove any person as Administrator upon 75 days' advance notice in writing to such person, in which case the Employer shall name another person or persons to act as Administrator. The Administrator may resign upon 75 days' advance notice in writing to the Employer, in which case the Employer shall name another person or persons to act as Administrator.
- 2.04 Automatic Distribution Date.** April 1 of the calendar year after the Plan Year the Participant attains age 70½ or, if later, has a Severance Event.
- 2.05 Beneficiary.** The person or persons designated by the Participant in his or her Joinder Agreement who shall receive any benefits payable hereunder in the event of the Participant's death. In the event that the Participant names two or more Beneficiaries, each Beneficiary shall be entitled to equal shares of the benefits payable at the Participant's death, unless otherwise provided in the Participant's Joinder Agreement. If no beneficiary is designated in the Joinder Agreement, if the Designated Beneficiary predeceases the Participant, or if the designated Beneficiary does not survive the Participant for a period of fifteen (15) days, then the estate of the Participant shall be the Beneficiary. If a married Participant resides in a community or marital property state, the Participant shall be responsible for obtaining appropriate consent of his or her spouse in the event the Participant designates someone other than his or her spouse as Beneficiary. The preceding sentence shall not apply with respect to a Deemed IRA under Article IX.
- 2.06 Deemed IRA.** A separate account or annuity established under the Plan that complies with the requirements of Section 408(q) of the Code, the Income Tax Regulations thereunder, and any other IRS guidance.

- 2.07 Deferred Compensation.** The amount of Includible Compensation otherwise payable to the Participant which the Participant and the Employer mutually agree to defer hereunder, any amount credited to a Participant's Account by reason of a transfer under Section 6.09 or 6.10, a rollover under Section 6.11, or any other amount which the Employer agrees to credit to a Participant's Account.
- 2.08 Dollar Limitation.** The applicable dollar amount within the meaning of Section 457(b)(2)(A) of the Code, as adjusted for the cost-of-living in accordance with Section 457(e)(15) of the Code.
- 2.09 Employee.** Any individual who provides services for the Employer, whether as an employee of the Employer or as an independent contractor, and who has been designated by the Employer as eligible to participate in the Plan.
- 2.10 Employer.** _____, which is a political subdivision, agency or instrumentality of the [State/Commonwealth] of _____, described in Section 457(e)(1)(A) of the Code.
- 2.11 457 Catch-Up Dollar Limitation.** Twice the Dollar Limitation.
- 2.12 Includible Compensation.** Includible Compensation of a Participant means "compensation," as defined in Section 415(c)(3) of the Code, for services performed for the Employer. Includible Compensation shall be determined without regard to any community property laws. For purposes of a Participant's Joinder Agreement only and not for purposes of the limitations in Article V, Includible Compensation shall include pre-tax contributions (excluding direct employer contributions) to an integral part trust of the employer providing retiree health care benefits.
- 2.13 Joinder Agreement.** An agreement entered into between an Employee and the Employer, including any amendments or modifications thereof. Such agreement shall fix the amount of Deferred Compensation, specify a preference among the investment alternatives designated by the Employer, designate the Employee's Beneficiary or Beneficiaries, and incorporate the terms, conditions, and provisions of the Plan by reference.
- 2.14 Normal Limitation.** The maximum amount of Deferred Compensation for any Participant for any taxable year (other than amounts referred to in Sections 6.09, 6.10, and 6.11).
- 2.15 Normal Retirement Age.** Age 70½, unless the Participant has elected an alternate Normal Retirement Age by written instrument delivered to the Administrator prior to a Severance Event. A Participant's Normal Retirement Age determines the period during which a Participant may utilize the 457 Catch-Up Dollar Limitation of Section 5.02(b) hereunder. Once a Participant has to any extent utilized the catch-up limitation of Section 5.02(b), his Normal Retirement Age may not be changed.

A Participant's alternate Normal Retirement Age may not be earlier than the earliest date that the Participant will become eligible to retire and receive immediate, unreduced retirement benefits under the Employer's basic defined benefit retirement plan covering the Participant (or a money purchase pension plan in which the Participant also participates if the Participant is not eligible to participate in a defined benefit plan), and may not be later than the date the Participant will attain age 70½. If the Participant will not become eligible to receive benefits under a basic defined benefit retirement plan (or money purchase pension plan, if applicable) maintained by the Employer, the Participant's alternate Normal Retirement Age may not be earlier than 65 and may not be later than age 70½. In no event may a Participant's normal retirement age be different than the normal retirement age under the Employer's other 457(b) plans, if any.

In the event the Plan has Participants that include qualified police or firefighters (as defined under Section 415(b)(2)(H)(ii)(I) of the Code), a normal retirement age may be designated for such qualified police or firefighters that is not earlier than age 40 or later than age 70½. Alternatively, qualified police or firefighters may be permitted to designate a normal retirement age that is between age 40 and age 70½.

- 2.16 Participant.** Any Employee who has joined the Plan pursuant to the requirements of Article IV. For purposes of section 6.11 of the Plan, the term Participant includes an employee or former Employee of the Employer who has not yet received all of the payments of benefits to which he/she is entitled under the Plan.
- 2.17 Percentage Limitation.** 100 percent of the participant's Includible Compensation available to be contributed as Deferred Compensation for the taxable year.
- 2.18 Plan Year.** The calendar year.
- 2.19 Retirement.** The first date upon which both of the following shall have occurred with respect to a participant: Severance Event and attainment of age 65.
- 2.20 Severance Event.** A severance of the Participant's employment with the Employer within the meaning of Section 457(d)(1)(A)(ii) of the Code.

In general, a Participant shall be deemed to have experienced a Severance Event for purposes of this Plan when, in accordance with the established practices of the Employer, the employment relationship is considered to have actually terminated. In the case of a Participant who is an independent contractor of the Employer, a Severance Event shall be deemed to have occurred when the Participant's contract under which services are performed has completely expired and terminated, there is no foreseeable possibility that the Employer will renew the contract or enter into a new contract for the Participant's services, and it is not anticipated that the Participant will become an Employee of the Employer, or such other events as may be permitted under the Code.

- 2.21 Trust.** The Trust created under Article VI of the Plan which shall consist of all compensation deferred under the Plan, plus any income and gains thereon, less any losses, expenses and distributions to Participants and Beneficiaries.

Article III. Administration

- 3.01 Duties of the Employer.** The Employer shall have the authority to make all discretionary decisions affecting the rights or benefits of Participants which may be required in the administration of this Plan. The Employer's decisions shall be afforded the maximum deference permitted by applicable law.
- 3.02 Duties of Administrator.** The Administrator, as agent for the Employer, shall perform nondiscretionary administrative functions in connection with the Plan, including the maintenance of Participants' Accounts, the provision of periodic reports of the status of each Account, and the disbursement of benefits on behalf of the Employer in accordance with the provisions of this Plan.

Article IV. Participation in the Plan

- 4.01 Initial Participation.** An Employee may become a Participant by entering into a Joinder Agreement prior to the beginning of the calendar month in which the Joinder Agreement is to become effective to defer compensation not yet earned, or such other date as may be permitted under the Code. A new employee may defer compensation in the calendar month during which he or she first becomes an employee if a Joinder Agreement is entered into on or before the first day on which the employee performs services for the Employer.
- 4.02 Amendment of Joinder Agreement.** A Participant may amend an executed Joinder Agreement to change the amount of Includible Compensation not yet earned which is to be deferred (including the reduction of such future deferrals to zero). Such amendment shall become effective as of the beginning of the calendar month commencing after the date the amendment is executed, or such other date as may be permitted under the Code. A Participant may at any time amend his or her Joinder Agreement to change the designated Beneficiary, and such amendment shall become effective immediately.

Article V. Limitations on Deferrals

5.01 Normal Limitation. Except as provided in Section 5.02, the maximum amount of Deferred Compensation for any Participant for any taxable year, shall not exceed the lesser of the Dollar Limitation or the Percentage Limitation.

5.02 Catch-Up Limitations.

- (a) *Catch-up Contributions for Participants Age 50 and Over.* A Participant who has attained the age of 50 before the close of the Plan Year, and with respect to whom no other elective deferrals may be made to the Plan for the Plan Year by reason of the Normal Limitation of Section 5.01, may enter into a Joinder Agreement to make elective deferrals in addition to those permitted by the Normal Limitation in an amount not to exceed the lesser of:
- (1) The applicable dollar amount as defined in Section 414(v)(2)(B) of the Code, as adjusted for the cost-of-living in accordance with Section 414(v)(2)(C) of the Code; or
 - (2) The excess (if any) of
 - (i) The Participant's Includible Compensation for the year, or
 - (ii) Any other elective deferrals of the Participant for such year which are made without regard to this Section 5.02(a).

An additional contribution made pursuant to this Section 5.02(a) shall not, with respect to the year in which the contribution is made, be subject to any otherwise applicable limitation contained in Section 5.01 above, or be taken into account in applying such limitation to other contributions or benefits under the Plan or any other plan. This Section 5.02(a) shall not apply in any year to which a higher limit under Section 5.02(b) applies.

- (b) *Last Three Years Catch-up Contribution:* For each of the last three (3) taxable years for a Participant ending before his or her attainment of Normal Retirement Age, the maximum amount of Deferred Compensation shall be the lesser of:
- (1) The 457 Catch-Up Dollar Limitation, or
 - (2) The sum of
 - (i) The Normal Limitation for the taxable year, and
 - (ii) The Normal Limitation for each prior taxable year of the Participant commencing after 1978 less the amount of the Participant's Deferred Compensation for such prior taxable years. A prior taxable year shall be taken into account under the preceding sentence only if (x) the Participant was eligible to participate in the Plan for such year, and (y) compensation (if any) deferred under the Plan (or such other plan) was subject to the Normal Limitation.

5.03 Sick, Vacation and Back Pay. If the Employer so elects, a Participant may defer all or a portion of the value of the Participant's accumulated sick pay, accumulated vacation pay and/or back pay, provided that such deferral does not cause total deferrals on behalf of the Participant to exceed the Dollar Limitation or Percentage Limitation (including any Catch-up Dollar Limitation) for the year of deferral. The election to defer such sick, vacation and/or back pay must be made in a manner and at a time permitted under Section 1.457-4(d) of the Income Tax Regulations.

For Plan Years beginning before January 1, 2009, pursuant to proposed IRS regulations issued under Section 415 of the Code, the Plan may permit deferrals from compensation, including sick, vacation and back pay, so long as the amounts are paid within 2½ months following severance from employment and the other requirements of Sections

457(b) and 415 of the Code are met. For Plan Years beginning on or after January 1, 2009, pursuant to final IRS regulations issued under Section 415 of the Code, the Plan may permit deferrals from compensation, including sick, vacation and back pay, so long as the amounts are paid by the later of: (i) 2½ months following severance from employment, and (ii) the end of the calendar year that includes the date of such severance from employment, and the other requirements of Sections 457(b) and 415 of the Code are met. Additionally, the agreement to defer such amounts must be entered into prior to the first day of the month in which the amounts otherwise would be paid or made available.

- 5.04 Other Plans.** Notwithstanding any provision of the Plan to the contrary, the amount excludible from a Participant's gross income under this Plan or any other eligible deferred compensation plan under Section 457(b) of the Code shall not exceed the limits set forth in Sections 457(b) and 414(v) of the Code.
- 5.05 Excess Deferrals.** Any amount that exceeds the maximum Dollar Limitation or Percentage Limitation (including any applicable Catch-Up Dollar Limitation) for a taxable year, shall constitute an excess deferral for that taxable year. Any excess deferral shall be distributed in accordance with the requirements for excess deferrals under the Code and Section 1.457-4(e) of the Income Tax Regulations or other applicable Internal Revenue Service guidance.
- 5.06 Protection of Person Who Serves in a Uniformed Service.** An Employee whose employment is interrupted by qualified military service under Section 414(u) of the Code or who is on leave of absence for qualified military service under Section 414(u) of the Code may elect to contribute additional Deferred Compensation upon resumption of employment with the Employer equal to the maximum Deferred Compensation that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of Includible Compensation) without the interruption or leave, reduced by Deferred Compensation, if any, actually made for the Employee during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

Article VI. Trust and Investment of Accounts

- 6.01 Investment of Deferred Compensation.** A Trust is hereby created to hold all the assets of the Plan (except Deemed IRA contributions and earnings thereon held pursuant to Article IX) for the exclusive benefit of Participants and Beneficiaries, except that expenses and taxes may be paid from the Trust as provided in Section 6.03. The trustee shall be the Employer or such other person that agrees to act in that capacity hereunder.
- 6.02 Investment Powers.** The trustee or the Administrator, acting as agent for the trustee, shall have the powers listed in this Section with respect to investment of Trust assets, except to the extent that the investment of Trust assets is directed by Participants, pursuant to Section 6.05 or to the extent that such powers are restricted by applicable law.
- (a) To invest and reinvest the Trust without distinction between principal and income in common or preferred stocks, shares of regulated investment companies and other mutual funds, bonds, loans, notes, debentures, certificates of deposit, contracts with insurance companies including but not limited to insurance, individual or group annuity, deposit administration, guaranteed interest contracts, and deposits at reasonable rates of interest at banking institutions including but not limited to savings accounts and certificates of deposit. Assets of the Trust may be invested in securities that involve a higher degree of risk than investments that have demonstrated their investment performance over an extended period of time.
 - (b) To invest and reinvest all or any part of the assets of the Trust in any common, collective or commingled trust fund that is maintained by a bank or other institution and that is available to Employee plans described under Sections 457 or 401 of the Code, or any successor provisions thereto, and during the period of time that an investment through any such medium shall exist, to the extent of participation of the Plans the declaration of trust of such commonly collective, or commingled trust fund shall constitute a part of this Plan.
 - (c) To invest and reinvest all or any part of the assets of the Trust in any group annuity, deposit administration or guaranteed interest contract issued by an insurance company or other financial institution on a commingled

or collective basis with the assets of any other 457 plan or trust qualified under Section 401(a) of the Code or any other plan described in Section 401(a)(24) of the Code, and such contract may be held or issued in the name of the Administrator, or such custodian as the Administrator may appoint, as agent and nominee for the Employer. During the period that an investment through any such contract shall exist, to the extent of participation of the Plan, the terms and conditions of such contract shall constitute a part of the Plan.

- (d) To hold cash awaiting investment and to keep such portion of the Trust in cash or cash balances, without liability for interest, in such amounts as may from time to time be deemed to be reasonable and necessary to meet obligations under the Plan or otherwise to be in the best interests of the Plan.
- (e) To hold, to authorize the holding of, and to register any investment to the Trust in the name of the Plan, the Employer, or any nominee or agent of any of the foregoing, including the Administrator, or in bearer form, to deposit or arrange for the deposit of securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by any other person, and to organize corporations or trusts under the laws of any jurisdiction for the purpose of acquiring or holding title to any property for the Trust, all with or without the addition of words or other action to indicate that property is held in a fiduciary or representative capacity but the books and records of the Plan shall at all times show that all such investments are part of the Trust.
- (f) Upon such terms as may be deemed advisable by the Employer or the Administrator, as the case may be, for the protection of the interests of the Plan or for the preservation of the value of an investment, to exercise and enforce by suit for legal or equitable remedies or by other action, or to waive any right or claim on behalf of the Plan or any default in any obligation owing to the Plan, to renew, extend the time for payment of, agree to a reduction in the rate of interest on, or agree to any other modification or change in the terms of any obligation owing to the Plan, to settle, compromise, adjust, or submit to arbitration any claim or right in favor of or against the Plans to exercise and enforce any and all rights of foreclosure, bid for property in foreclosure, and take a deed in lieu of foreclosure with or without paying consideration therefor, to commence or defend suits or other legal proceedings whenever any interest of the Plan requires it, and to represent the Plan in all suits or legal proceedings in any court of law or equity or before any body or tribunal.
- (g) To employ suitable consultants, depositories, agents, and legal counsel on behalf of the Plan.
- (h) To open and maintain any bank account or accounts in the name of the Plan, the Employer, or any nominee or agent of the foregoing, including the Administrator, in any bank or banks.
- (i) To do any and all other acts that may be deemed necessary to carry out any of the powers set forth herein.

6.03 Taxes and Expenses. All taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws upon the Plan, or in respect to the Trust, or the income thereof, and all commissions or acquisitions or dispositions of securities and similar expenses of investment and reinvestment of the Trust, shall be paid from the Trust. Such reasonable compensation of the Administrator, as may be agreed upon from time to time by the Employer and the Administrator, and reimbursement for reasonable expenses incurred by the Administrator in performance of its duties hereunder (including but not limited to fees for legal, accounting, investment and custodial services) shall also be paid from the Trust.

6.04 Payment of Benefits. The payment of benefits from the Trust in accordance with the terms of the Plan may be made by the Administrator, or by any custodian or other person so authorized by the Employer to make such disbursement. The Administrator, custodian or other person shall not be liable with respect to any distribution of Trust assets made at the direction of the Employer.

6.05 Investment Funds. In accordance with uniform and nondiscriminatory rules established by the Employer and the Administrator, the Participant may direct his or her Accounts to be invested in one (1) or more investment

funds available under the Plan; provided, however, that the Participant's investment directions shall not violate any investment restrictions established by the Employer. Neither the Employer, the Administrator, nor any other person shall be liable for any losses incurred by virtue of following such directions or with any reasonable administrative delay in implementing such directions.

- 6.06 Valuation of Accounts.** As of each Accounting Date, the Plan assets held in each investment fund offered shall be valued at fair market value and the investment income and gains or losses for each fund shall be determined. Such investment income and gains or losses shall be allocated proportionately among all Account balances on a fund-by-fund basis. The allocation shall be in the proportion that each such Account balance as of the immediately preceding Accounting Date bears to the total of all such Account balances as of that Accounting Date. For purposes of this Article, all Account balances include the Account balances of all Participants and Beneficiaries.
- 6.07 Participant Loan Accounts.** Participant loan accounts shall be invested in accordance with Section 8.03 of the Plan. Such Accounts shall not share in any investment income and gains or losses of the investment funds described in Sections 6.05 and 6.06.
- 6.08 Crediting of Accounts.** The Participant's Account shall reflect the amount and value of the investments or other property obtained by the Employer through the investment of the Participant's Deferred Compensation pursuant to Sections 6.05 and 6.06. It is anticipated that the Employer's investments with respect to a Participant will conform to the investment preference specified in the Participant's Joinder Agreement, but nothing herein shall be construed to require the Employer to make any particular investment of a Participant's Deferred Compensation. Each Participant shall receive periodic reports, not less frequently than annually, showing the then current value of his or her Account.
- 6.09 Post-Severance Transfers Among Eligible Deferred Compensation Plans.**

- (a) *Incoming Transfers:* A transfer may be accepted from an eligible deferred compensation plan maintained by another employer and credited to a Participant's or Beneficiary's Account under the Plan if:
- (1) In the case of a transfer for a Participant, the Participant has had a Severance Event with that employer and become an Employee of the Employer;
 - (2) The other employer's plan provides that such transfer will be made; and
 - (3) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer.

The Employer may require such documentation from the predecessor plan as it deems necessary to effectuate the transfer in accordance with Section 457(e)(10) of the Code, to confirm that such plan is an eligible deferred compensation plan within the meaning of Section 457(b) of the Code, and to assure that transfers are provided for under such plan. The Employer may refuse to accept a transfer in the form of assets other than cash, unless the Employer and the Administrator agree to hold such other assets under the Plan.

- (b) *Outgoing Transfers:* An amount may be transferred to an eligible deferred compensation plan maintained by another employer, and charged to a Participant's or Beneficiary's Account under this Plan, if:
- (1) In the case of a transfer for a Participant, the Participant has a Severance Event with the Employer and becomes an employee of the other employer;
 - (2) The other employer's plan provides that such transfer will be accepted;
 - (3) The Participant or Beneficiary and the employers have signed such agreements as are necessary to assure that the Employer's liability to pay benefits to the Participant has been discharged and assumed by the other employer; and

- (4) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer.

The Employer may require such documentation from the other plan as it deems necessary to effectuate the transfer, to confirm that such plan is an eligible deferred compensation plan within the meaning of Section 457(b) of the Code, and to assure that transfers are provided for under such plan. Such transfers shall be made only under such circumstances as are permitted under Section 457 of the Code and the regulations thereunder.

6.10 Transfers Among Eligible Deferred Compensation Plans of the Employer.

- (a) *Incoming Transfers.* A transfer may be accepted from another eligible deferred compensation plan maintained by the Employer and credited to a Participant's or Beneficiary's Account under the Plan if:
 - (1) The Employer's other plan provides that such transfer will be made;
 - (2) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer; and
 - (3) The Participant or Beneficiary whose deferred amounts are being transferred is not eligible for additional annual deferrals in the Plan unless the Participant or Beneficiary is performing services for the Employer.
- (b) *Outgoing Transfers.* A transfer may be accepted from another eligible deferred compensation plan maintained by the Employer and credited to a Participant's or Beneficiary's Account under the Plan if:
 - (1) The Employer's other plan provides that such transfer will be accepted;
 - (2) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer; and
 - (3) The Participant or Beneficiary whose deferred amounts are being transferred is not eligible for additional annual deferrals in the Employer's other eligible deferred compensation plan unless the Participant or Beneficiary is performing services for the Employer.

6.11 Eligible Rollover Distributions.

- (a) *Incoming Rollovers:* An eligible rollover distribution may be accepted from an eligible retirement plan and credited to a Participant's Account under the Plan. The Employer may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of Section 402(c)(8)(B) of the Code. The Plan shall separately account (in one or more separate accounts) for eligible rollover distributions from any eligible retirement plan.
- (b) *Outgoing Rollovers:* Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.
- (c) *Definitions:*
 - (1) *Eligible Rollover Distribution:* An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not

include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Sections 401(a)(9) and 457(d)(2) of the Code; and any distribution made as a result of an unforeseeable emergency of the employee. For purposes of distributions from other eligible retirement plans rolled over into this Plan, the term eligible rollover distribution shall not include the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities), such as after-tax contributions.

- (2) *Eligible Retirement Plan:* An eligible retirement plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Sections 403(a) or 403(b) of the Code, a qualified trust described in Section 401(a) of the Code, or an eligible deferred compensation plan described in Section 457(b) of the Code which is maintained by an eligible governmental employer described in Section 457(e)(1)(A) of the Code, that accepts the distributee's eligible rollover distribution.
- (3) *Distributee:* A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.
- (4) *Direct Rollover:* A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

6.12 Trustee-to-Trustee Transfers to Purchase Permissive Service Credit. All or a portion of a Participant's Account may be transferred directly to the trustee of a defined benefit governmental plan (as defined in Section 414(d) of the Code) if such transfer is (a) for the purchase of permissive service credit (as defined in Section 415(n)(3)(A) of the Code) under such plan, or (b) a repayment to which Section 415 of the Code does not apply by reason of subsection (k)(3) thereof, within the meaning of Section 457(e)(17) of the Code.

6.13 Treatment of Distributions of Amounts Previously Rolled Over From 401(a) and 403(b) Plans and IRAs. For purposes of Section 72(t) of the Code, a distribution from this Plan shall be treated as a distribution from a qualified retirement plan described in Section 4974(c)(1) of the Code to the extent that such distribution is attributable to an amount transferred to an eligible deferred compensation plan from a qualified retirement plan (as defined in Section 4974(c) of the Code).

6.14 Employer Liability. In no event shall the Employer's liability to pay benefits to a Participant under this Plan exceed the value of the amounts credited to the Participant's Account; neither the Employer nor the Administrator shall be liable for losses arising from depreciation or shrinkage in the value of any investments acquired under this Plan.

Article VII. Benefits

7.01 Retirement Benefits and Election on Severance Event.

- (a) *General Rule:* Except as otherwise provided in this Article VII, the distribution of a Participant's Account shall commence as of a Participant's Automatic Distribution Date, and the distribution of such benefits shall be made in accordance with one of the payment options described in Section 7.02. Notwithstanding the foregoing, but subject to the following paragraphs of this Section 7.01, the Participant may elect following a Severance Event to have the distribution of benefits commence on a fixed determinable date other than that described in the preceding sentence, but not later than April 1 of the year following the year of the Participant's Retirement or attainment of age 70½, whichever is later. The Participant's right to change his or her election with respect to commencement of the distribution of benefits shall not be restrained by this Section 7.01.

Notwithstanding the foregoing, the Administrator, in order to ensure the orderly administration of this provision, may establish a deadline after which such election to defer the commencement of distribution of benefits shall not be allowed.

- (b) *Loans*: Notwithstanding the foregoing provisions of this Section 7.01, no election to defer the commencement of benefits after a Severance Event shall operate to defer the distribution of any amount in the Participant's loan account in the event of a default of the Participant's loan.

7.02 Payment Options. As provided in Sections 7.01, 7.04 and 7.05, a Participant may elect to have value of the Participant's Account distributed in accordance with one of the following payment options, provided that such option is consistent with the limitations set forth in Section 7.03:

- (a) Equal monthly, quarterly, semi-annual or annual payments in an amount chosen by the Participant, continuing until his or her Account is exhausted;
- (b) One lump-sum payment;
- (c) Approximately equal monthly, quarterly, semi-annual or annual payments, calculated to continue for a period certain chosen by the Participant;
- (d) Annual Payments equal to the minimum distributions required under Section 401(a)(9) of the Code, including the incidental death benefit requirements of Section 401(a)(9)(G), over the life expectancy of the Participant or over the life expectancies of the Participant and his or her Beneficiary;
- (e) Payments equal to payments made by the issuer of a retirement annuity policy acquired by the Employer;
- (f) A split distribution under which payments under options (a), (b), (c) or (e) commence or are made at the same time, as elected by the Participant under Section 7.01, provided that all payments commence (or are made) by the latest benefit commencement date permitted under Section 7.01;
- (g) Any other payment option elected by the Participant and agreed to by the Employer and Administrator.

A Participant's selection of a payment option under Subsections (a), (c), or (g) above may include the selection of an automatic annual cost-of living increase. Such increase will be based on the rise in the Consumer Price Index for All Urban Consumers (CPI-U) from the third quarter of the last year in which a cost-of-living increase was provided to the third quarter of the current year. Any increase will be made in periodic payment checks beginning the following January.

7.03 Limitation on Options. No payment option may be selected by a Participant under subsections 7.02(a) or (c) unless the amount of any installment is not less than \$100. No payment option may be selected by a Participant under Sections 7.02, 7.04, or 7.05 unless it satisfies the requirements of Sections 401(a)(9) and 457(d)(2) of the Code, including that payments commencing before the death of the Participant shall satisfy the incidental death benefit requirements under Section 401(a)(9)(G) of the Code.

7.04 Minimum Required Distributions. Notwithstanding any provision of the Plan to the contrary, the Plan shall comply with the minimum required distribution rules set forth in Sections 457(d)(2) and 401(a)(9) of the Code, including the incidental death benefit requirements of Section 401(a)(9)(G) of the Code.

7.05 Post-Retirement Death Benefits.

- (a) Should the Participant die after he or she has begun to receive benefits under a payment option, the remaining payments, if any, under the payment option shall continue until the Administrator receives notice of the Participant's death. Upon notification of the Participant's death, benefits shall be payable to the Participant's Beneficiary commencing not later than December 31 of the year following the year of the Participant's death, provided that the Beneficiary may elect to begin benefits earlier than that date.

- (b) In the event that the Beneficiary dies before the payment of death benefits has commenced or been completed, the remaining benefits payable under the payment option applicable to the Beneficiary shall, subject to the requirements set forth in Section 7.04, be paid to an additional beneficiary designated by the Beneficiary. If no additional beneficiary is named, payment shall be made to the Beneficiary's estate in a lump sum.
- (c) In the event that the Participant's estate is the Beneficiary, payment shall be made to the estate in a lump sum.

7.06 Pre-Retirement Death Benefits.

- (a) Should the Participant die before he or she has begun to receive the benefits provided by Section 7.01, the value of the Participant's Account shall be payable to the Beneficiary commencing not later than December 31 of the year following the year of the Participant's death, provided that the Beneficiary may elect to begin benefits earlier than that date.
- (b) In the event that the Beneficiary dies before the payment of death benefits has commenced or been completed, the remaining value of the Participant's Account shall be paid to the estate of the Beneficiary in a lump sum. In the event that the Participant's estate is the Beneficiary, payment shall be made to the estate in a lump sum.

7.07 Unforeseeable Emergencies.

- (a) In the event an unforeseeable emergency occurs, a Participant or Beneficiary may apply to the Employer to receive that part of the value of his or her Account that is reasonably needed to satisfy the emergency need. If such an application is approved by the Employer, the Participant or Beneficiary shall be paid only such amount as the Employer deems necessary to meet the emergency need, but payment shall not be made to the extent that the financial hardship may be relieved through cessation of deferral under the Plan, insurance or other reimbursement, or liquidation of other assets to the extent such liquidation would not itself cause severe financial hardship.
- (b) An unforeseeable emergency shall be deemed to involve only circumstances of severe financial hardship of a Participant or Beneficiary resulting from an illness or accident of the participant or beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in Section 152 of the Code, and, for taxable years beginning on or after January 1, 2005, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code); loss of the Participant's or Beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or the Beneficiary. For example, the imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in section 152 of the Code, and, for taxable years beginning on or after January 1, 2005, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code) may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section 7.07(b), the purchase of a home and the payment of college tuition are not unforeseeable emergencies.

7.08 In-Service Distribution of Rollover Contributions. Effective January 1, 2006, the Employer may elect to allow Participants to receive an in-service distribution of amounts attributable to rollover contributions to the Plan. If the Employer has elected to make such distributions available, a Participant that has a separate account attributable to rollover contributions to the Plan may at any time elect to receive a distribution of all or any portion of the amount held in the rollover account.

7.09 In-Service Distribution to Participants Age 70½ or Older. A Participant who has reached age 70½ and has not yet had a Severance Event, may, at any time, request a distribution of all or a part of his or her Account. A Participant may only receive two (2) such distributions pursuant to this Section 7.09 in any calendar year.

7.10 Distribution De Minimis Accounts. Notwithstanding the foregoing provisions of this Article VII:

- (a) *Mandatory Distribution.* If the value of a Participant's Account is less than \$1,000, the Participant's Account shall be paid to the Participant in a single lump sum distribution, provided that:
 - (1) No amount has been deferred under the Plan with respect to the Participant during the 2-year period ending on the date of the distribution; and
 - (2) There has been no prior distribution under the Plan to the Participant pursuant to this Section 7.10.
- (b) *Voluntary Distribution.* If the value of the Participant's Account is at least \$1,000 but not more than the dollar limit under Section 411(a)(11)(A) of the Code, the Participant may elect to receive his or her entire Account in a lump sum payment if:
 - (1) No amount has been deferred under the Plan with respect to the Participant during the 2-year period ending on the date of the distribution; and
 - (2) There has been no prior distribution under the Plan to the Participant pursuant to this Section 7.10.

Article VIII. Loans to Participants

8.01 Availability of Loans to Participants.

- (a) The Employer may elect to make loans available to Participants in this Plan. If the Employer has elected to make loans available to Participants, a Participant may apply for a loan from the Plan subject to the limitations and other provisions of this Article. However, no loans are available from Deemed IRAs.
- (b) The Employer shall establish written guidelines governing the granting of loans, provided that such guidelines are approved by the Administrator and are not inconsistent with the provisions of this Article, and that loans are made available to all Participants on a reasonably equivalent basis.

8.02 Terms and Conditions of Loans to Participants. Any loan by the Plan to a Participant under Section 8.01 of the Plan shall satisfy the following requirements:

- (a) *Availability.* Loans shall be made available to all Participants on a reasonably equivalent basis.
- (b) *Interest Rate.* Loans must be adequately secured and bear a reasonable interest rate.
- (c) *Loan Limit.* No Participant loan shall exceed the present value of the Participant's Account.
- (d) *Foreclosure.* In the event of default on any installment payment, the outstanding balance of the loan shall be a deemed distribution. In such event, an actual distribution of a plan loan offset amount will not occur until a distributable event occurs in the Plan.
- (e) *Reduction of Account.* Notwithstanding any other provision of this Plan, the portion of the Participant's Account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the Account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan.
- (f) *Amount of Loan.* At the time the loan is made, the principal amount of the loan plus the outstanding balance (principal plus accrued interest) due on any other outstanding loans to the Participant from the Plan and from all other plans of the Employer that are either eligible deferred compensation plans described in section 457(b) of the Code or qualified employer plans under Section 72(p)(4) of the Code shall not exceed the lesser of:

- (1) \$50,000, reduced by the excess (if any) of
 - (i) The highest outstanding balance of loans from the Plan during the one (1) year period ending on the day before the date on which the loan is made; or
 - (ii) The outstanding balance of loans from the Plan on the date on which such loan is made; or
- (2) One-half of the value of the Participant's interest in all of his or her Accounts under this Plan.
- (g) *Application for Loan.* The Participant must give the Employer adequate written notice, as determined by the Employer, of the amount and desired time for receiving a loan. No more than one (1) loan may be made by the Plan to a Participant's in any calendar year. No loan shall be approved if an existing loan from the Plan to the Participant is in default to any extent.
- (h) *Length of Loan.* Any loan issued shall require the Participant to repay the loan in substantially equal installments of principal and interest, at least monthly, over a period that does not exceed five (5) years from the date of the loan; provided, however, that if the proceeds of the loan are applied by the Participant to acquire any dwelling unit that is to be used within a reasonable time (determined at the time of the loan is made) after the loan is made as the principal residence of the Participant, the five (5) year limit shall not apply. In this event, the period of repayment shall not exceed a reasonable period determined by the Employer. Principal installments and interest payments otherwise due may be suspended for up to one (1) year during an authorized leave of absence, if the promissory note so provides, but not beyond the original term permitted under this subsection (h), with a revised payment schedule (within such term) instituted at the end of such period of suspension.
- (i) *Prepayment.* The Participant shall be permitted to repay the loan in whole or in part at any time prior to maturity, without penalty.
- (j) *Promissory Note.* The loan shall be evidenced by a promissory note executed by the Participant and delivered to the Employer, and shall bear interest at a reasonable rate determined by the Employer.
- (k) *Security.* The loan shall be secured by an assignment of the participant's right, title and interest in and to his or her Account.
- (l) *Assignment or Pledge.* For the purposes of paragraphs (f) and (g), assignment or pledge of any portion of the Participant's interest in the Plan and a loan, pledge, or assignment with respect to any insurance contract purchased under the Plan, will be treated as a loan.
- (m) *Other Terms and Conditions.* The Employer shall fix such other terms and conditions of the loan as it deems necessary to comply with legal requirements, to maintain the qualification of the Plan and Trust under Section 457 of the Code, or to prevent the treatment of the loan for tax purposes as a distribution to the Participant. The Employer, in its discretion for any reason, may also fix other terms and conditions of the loan, including, but not limited to, the provision of grace periods following an event of default, not inconsistent with the provisions of this Article and Section 72(p) of the Code, and any applicable regulations thereunder.

8.03 Participant Loan Accounts.

- (a) Upon approval of a loan to a Participant by the Employer, an amount not in excess of the loan shall be transferred from the Participant's other investment fund(s), described in Section 6.05 of the Plan, to the Participant's loan account as of the Accounting Date immediately preceding the agreed upon date on which the loan is to be made.

- (b) The assets of a Participant's loan account may be invested and reinvested only in promissory notes received by the Plan from the Participant as consideration for a loan permitted by Section 8.01 of the Plan or in cash. Uninvested cash balances in a Participant's loan account shall not bear interest. Neither the Employer, the Administrator, nor any other person shall be liable for any loss, or by reason of any breach, that results from the Participant's exercise of such control.
- (c) Repayment of principal and payment of interest shall be made by payroll deduction or, where repayment cannot be made by payroll deduction, by check, and shall be invested in one (1) or more other investment funds, in accordance with Section 6.05 of the Plan, as of the next Accounting Date after payment thereof to the Trust. The amount so invested shall be deducted from the Participant's loan account.
- (d) The Employer shall have the authority to establish other reasonable rules, not inconsistent with the provisions of the Plan, governing the establishment and maintenance of Participant loan accounts.

Article IX. Deemed IRAs

9.01 General. This Article IX of the Plan reflects section 602 of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"), as amended by the Job Creation and Worker Assistance Act of 2002. This Article is intended as good faith compliance with the requirements of EGTRRA and is to be construed in accordance with EGTRRA and guidance issued thereunder. This Article IX shall supersede the provisions of the Plan to the extent that those provisions are inconsistent with the provisions of this Article IX.

Effective for Plan Years beginning after December 31, 2002, the Employer may elect to allow Employees to make voluntary employee contributions to a separate account or annuity established under the Plan that complies with the requirements of Section 408(q) of the Code and any regulations promulgated thereunder (a "Deemed IRA"). The Plan shall establish a separate account for the designated Deemed IRA contributions of each Employee and any earnings properly allocable to the contributions, and maintain separate recordkeeping with respect to each such Deemed IRA.

9.02 Voluntary Employee Contributions. For purposes of this Article, a voluntary employee contribution means any contribution (other than a mandatory contribution within the meaning of Section 411(c)(2) of the Code) that is made by the Employee and which the Employee has designated, at or prior to the time of making the contribution, as a contribution to which this Article applies.

9.03 Deemed IRA Trust Requirements. This Article shall satisfy the trust requirement under Section 408(q) of the Code and the regulations thereto. IRAs established pursuant to this Article shall be held in one or more trusts or custodial accounts (the "Deemed IRA Trusts"), which shall be separate from the Trust established under the Plan to hold contributions other than Deemed IRA contributions. The Deemed IRA Trusts shall satisfy the applicable requirements of Sections 408 and 408A of the Code, which requirements are set forth in section 9.05 and 9.06, respectively, and shall be established with a trustee or custodian meeting the requirements of Section 408(a)(2) of the Code ("Deemed IRA Trustee"). To the extent that the assets of any Deemed IRAs established pursuant to this Article are held in a Deemed IRA Trust satisfying the requirements of this Section 9.03, such Deemed IRA Trust, and any amendments thereto, is hereby adopted as a trust maintained under this Plan with respect to the assets held therein, and the provisions of such Deemed IRA Trust shall control so long as any assets of any Deemed IRA are held thereunder.

9.04 Reporting Duties. The Deemed IRA Trustee shall be subject to the reporting requirements of Section 408(i) of the Code with respect to all Deemed IRAs that are established and maintained under the Plan.

9.05 Deemed Traditional IRA Requirements. Deemed IRAs established in the form of traditional IRAs shall satisfy the following requirements:

- (a) *Exclusive Benefit.* The Deemed IRA account shall be established for the exclusive benefit of an Employee or his or her Beneficiaries.

(b) *Maximum Annual Contributions.*

- (1) Except in the case of a rollover contribution (as permitted by Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3) and 457(e)(16) of the Code), no contributions will be accepted unless they are in cash, and the total of such contributions shall not exceed:

\$3,000 for any taxable year beginning in 2002 through 2004;

\$4,000 for any taxable year beginning in 2005 through 2007; and

\$5,000 for any taxable year beginning in 2008 and years thereafter.

After 2008, the limit will be adjusted by the Secretary of the Treasury for cost-of-living-increases under Section 219(b)(5)(C) of the Code. Such adjustments will be in multiples of \$500.

- (2) In the case of an Employee who is 50 or older, the annual cash contribution limit is increased by:

\$500 for any taxable year beginning in 2002 through 2005; and

\$1,000 for any taxable year beginning in 2006 and thereafter.

- (3) No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Section 408(p) of the Code. Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the 2-year period beginning on the date the Employee first participated in that employer's SIMPLE IRA plan.

- (c) *Collectibles.* If the Deemed IRA Trust acquires collectibles with within the meaning of Section 408(m) of the Code after December 31, 1981, Deemed IRA Trust assets will be treated as a distribution in an amount equal to the cost of such collectibles.

- (d) *Life Insurance Contracts.* No part of the Deemed IRA Trust funds will be invested in life insurance contracts.

(e) *Minimum Required Distributions.*

- (1) Notwithstanding any provision of this Deemed IRA to the contrary, the distribution of the Employee's interest in the account shall be made in accordance with the requirements of Section 408(a)(6) of the Code and the Income Tax Regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the requirements of Q&A-4 of Section 1.401(a)(9)-6T of the Income Tax Regulations (or Section 1.401(a)(9)-6 of the Income Tax Regulations, as applicable), rather than paragraphs (2), (3) and (4) below and Section 9.05(f). The minimum required distributions calculated for this IRA may be withdrawn from another IRA of the Employee in accordance with Q&A-9 of Section 1.408-8 of the Income Tax Regulations.
- (2) The entire value of the account of the Employee for whose benefit the account is maintained will commence to be distributed no later than the first day of April following the calendar year in which such Employee attains age 70½ (the "required beginning date") over the life of such Employee or the lives of such Employee and his or her Beneficiary.
- (3) The amount to be distributed each year, beginning with the calendar year in which the Employee attains age 70½ and continuing through the year of death shall not be less than the quotient obtained by dividing the value of the IRA (as determined under section 9.05(f)(3)) as of the end of the preceding year by the distribution period in the Uniform Lifetime Table in Q&A-2 of Section 401(a)(9)-9 of the Income Tax Regulations, using the Employee's age of his or her birthday in the year. However, if the Employee's sole Beneficiary is his or her surviving spouse and such spouse is more than 10 years younger than the Employee, then the distribution period is determined under the Joint

and Last Survivor Table in Q&A-3 of Section 1.401(a)(9)-9 of the Income Tax Regulations, using the ages as of the Employee's and spouse's birthdays in the year.

- (4) The required minimum distribution for the year the Employee attains age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
- (f) *Distribution Upon Death.*
- (1) *Death On or After Required Beginning Date.* If the Employee dies on or after the required beginning date, the remaining portion of his or her interest will be distributed at least as rapidly as follows:
 - (i) If the Beneficiary is someone other than the Employee's surviving spouse, the remaining interest will be distributed over the remaining life expectancy of the Beneficiary, with such life expectancy determined using the Beneficiary's age as of his or her birthday in the year following the year of the Employee's death, or over the period described in paragraph (1)(iii) below if longer.
 - (ii) If the Employee's sole Beneficiary is the Employee's surviving spouse, the remaining interest will be distributed over such spouse's life or over the period described in paragraph (1)(iii) below if longer. Any interest remaining after such spouse's death will be distributed over such spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death, or, if the distributions are being made over the period described in paragraph (1)(iii) below, over such period.
 - (iii) If there is no Beneficiary, or if applicable by operation of paragraph (1)(i) or (1)(ii) above, the remaining interest will be distributed over the Employee's remaining life expectancy determined in the year of the Employee's death.
 - (iv) The amount to be distributed each year under paragraph (1)(i), (ii), or (iii), beginning with the calendar year following the calendar year of the Employee's death, is the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations. If distributions are being made to a surviving spouse as the sole Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's or Employee's age in the year specified in paragraph 1(i), (ii), or (iii) and reduced by 1 for each subsequent year.
 - (2) *Death Before Required Beginning Date.* If the Employee dies before the required beginning date, his or her entire interest will be distributed at least as rapidly as follows:
 - (i) If the Beneficiary is someone other than the Employee's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Employee's death, over the remaining life expectancy of the Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Employee's death, or, if elected, in accordance with paragraph (2)(iii) below.
 - (ii) If the Employee's sole Beneficiary is the Employee's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Employee's death (or by the end of the calendar year in which the Employee would have attained age 70½, if later), over such spouse's life, or, if elected, in accordance with paragraph (2)(iii) below. If the surviving spouse dies before distributions are required to begin, the

remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with paragraph (2)(iii) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.

- (iii) If there is no Beneficiary, or if applicable by operation of paragraph (2)(i) or (2)(ii) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Beneficiary's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under paragraph (2)(ii) above).
 - (iv) The amount to be distributed each year under paragraph (2)(i) or (ii) is the quotient to be obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations. If distributions are being made to a surviving spouse as the sole Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in paragraph (2)(i) or (ii) and reduced by 1 for each subsequent year.
 - (v) The "value" of the IRA includes the amount of any outstanding rollover, transfer and recharacterization under Q&As-7 and -8 of Section 1.408-8 of the Income Tax Regulations.
 - (vi) If the sole Beneficiary is the Employee's surviving spouse, the spouse may elect to treat the IRA as his or her own IRA. This election will be deemed to have been made if such surviving spouse makes a contribution to the IRA or fails to take required distributions as a Beneficiary.
- (g) *Nonforfeitable.* The interest of an Employee in the balance in his or her Deemed IRA account is nonforfeitable at all times.
- (h) *Reporting.* The Deemed IRA Trustee of a Deemed Traditional IRA shall furnish annual calendar-year reports concerning the status of the Deemed IRA account and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue.
- (i) *Substitution of Deemed IRA Trustee.* If the Deemed IRA Trustee is a non-bank trustee or custodian, the non-bank trustee or custodian shall substitute another trustee or custodian if the non-bank trustee or custodian receives notice from the Commissioner of Internal Revenue that such substitution is required because it has failed to comply with the requirements of Section 1.408-2(e) of the Income Tax Regulations and Section 1.408-2T of the Income Tax Regulations.

9.06 Deemed Roth IRA Requirements. Deemed IRAs established in the form of Roth IRAs shall satisfy the following requirements:

- (a) *Exclusive Benefit.* The Deemed Roth IRA shall be established for the exclusive benefit of an Employee or his or her Beneficiaries.
- (b) *Maximum Annual Contributions.*
 - (1) *Maximum Permissible Amount.* Except in the case of a qualified rollover contribution or recharacterization (as defined in (6) below), no contribution will be accepted unless it is in cash and the total of such contributions to all the Employee's Roth IRAs for a taxable year does not exceed

the applicable amount (as defined in (2) below), or the Employee's compensation (as defined in (8) below) if less, for that taxable year. The contribution described in the previous sentence that may not exceed the lesser of the applicable amount or the Employee's compensation is referred to as a "regular contribution." A "qualified rollover contribution" is a rollover contribution that meets the requirements of Section 408(d)(3) of the Code, except the one-rollover-per-year rule of Section 408(d)(3)(B) does not apply if the rollover contribution is from another IRA other than a Roth IRA (a "nonRoth IRA"). Contributions may be limited under (3) through (5) below.

(2) *Applicable Amount.* The applicable amount is determined under (i) or (ii) below:

- (i) If the Employee is under age 50, the applicable amount is:
 - \$3,000 for any taxable year beginning in 2002 through 2004;
 - \$4,000 for any taxable year beginning in 2005 through 2007; and
 - \$5,000 for any taxable year beginning in 2008 and years thereafter.
- (ii) If the Employee is 50 or older, the applicable amount is:
 - \$3,500 for any taxable year beginning in 2002 through 2004;
 - \$4,500 for any taxable year beginning in 2005;
 - \$5,000 for any taxable year beginning in 2006 through 2007; and
 - \$6,000 for any taxable year beginning in 2008 and years thereafter.

After 2008, the limits in paragraph (2)(i) and (ii) above will be adjusted by the Secretary of the Treasury for cost-of-living increases under Section 219(b)(5)(C) of the Code. Such adjustments will be in multiples of \$500.

- (3) If (i) and/or (ii) below apply, the maximum regular contribution that can be made to all the Employee's Roth IRAs for the taxable year is the smaller amount determined under (i) or (ii).
 - (i) The maximum regular contribution is phased out ratably between certain levels of modified adjusted gross income ("modified AGI," defined in (7) below) in accordance with the following table:

Modified AGI

Filing Status	Full Contribution	Phase-out Range	No Contribution
Single or Head of Household	\$95,000 or less	Between \$95,000 and \$110,000	\$110,000 or more
Joint Return or Qualifying Widower	\$150,000 or less	Between \$150,000 and \$160,000	\$160,000 or more
Married-Separate Return	\$0	Between \$0 and \$10,000	\$10,000 or more

If the Employee's modified AGI for a taxable year is in the phase-out range, the maximum regular contribution determined under this table for that taxable year is rounded up to the next multiple of \$10 and not reduced below \$200.

- (ii) If the Employee makes regular contributions to both Roth and nonRoth IRAs for a taxable year, the maximum regular contribution that can be made to all the Employee's Roth IRAs for that taxable year is reduced by the regular contributions made to the Employee's nonRoth IRAs for the taxable year.
- (4) *Qualified Rollover Contribution Limit.* A rollover from a nonRoth IRA cannot be made to this IRA if, for the year the amount is distributed from the nonRoth IRA, (i) the Employee is married and files a separate return, (ii) the Employee is not married and has modified AGI in excess of \$100,000 or (iii) the Employee is married and together the Employee and the Employee's spouse have modified AGI in excess of \$100,000. For purposes of the preceding sentence, a husband and wife are not treated as married for a taxable year if they have lived apart at all times during that taxable year and file separate returns for the taxable year.
- (5) *SIMPLE IRA Limits.* No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Section 408(p) of the Code. Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the 2-year period beginning on the date the Employee first participated in that employer's SIMPLE IRA plan.
- (6) *Recharacterization.* A regular contribution to a nonRoth IRA may be recharacterized pursuant to the rules in Section 1.408A-5 of the Income Tax Regulations as a regular contribution to this IRA, subject to the limits in (3) above.
- (7) *Modified AGI.* For purposes of (3) and (4) above, an Employee's modified AGI for a taxable year is defined in Section 408A(c)(3)(C)(i) of the Code and does not include any amount included in adjusted gross income as a result of a rollover from a nonRoth IRA (a "conversion").
- (8) *Compensation.* For purposes of (1) above, compensation is defined as wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips and bonuses) and includes earned income, as defined in Section 401(c)(2) of the Code (reduced by the deduction the self-employed individual takes for contributions made to a self-employed retirement plan). For purposes of this definition, Section 401(c)(2) of the Code shall be applied as if the term trade or business for purposes of Section 1402 of the Code included service described in subsection (c)(6). Compensation does not include amounts derived from or received as earnings or profits from property (including but not limited to interest and dividends) or amounts not includible in gross income. Compensation also does not include any amount received as a pension or annuity or as deferred compensation. The term "compensation" shall include any amount includible in the Employee's gross income under Section 71 of the Code with respect to a divorce or separation instrument described in subparagraph (A) of Section 71(b)(2) of the Code. In the case of a married Employee filing a joint return, the greater compensation of his or her spouse is treated as his or her own compensation but only to the extent that such spouse's compensation is not being used for purposes of the spouse making a contribution to a Roth IRA or a deductible contribution to a nonRoth IRA.
- (c) *Collectibles.* If the Deemed IRA Trust acquires collectibles within the meaning of Section 408(m) of the Code after December 31, 1981, Deemed IRA Trust assets will be treated as a distribution in an amount equal to the cost of such collectibles.

- (d) *Life Insurance Contracts.* No part of the Deemed IRA Trust funds will be invested in life insurance contracts.
- (e) *Distributions Before Death.* No amount is required to be distributed prior to the death of the Employee for whose benefit the account was originally established.
- (f) *Minimum Required Distributions.*
 - (1) Notwithstanding any provision of this IRA to the contrary, the distribution of the Employee's interest in the account shall be made in accordance with the requirements of Section 408(a)(6) of the Code, as modified by section 408A(c)(5), and the regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the requirements of section 1.401(a)(9)-6T of the Temporary Income Tax Regulations (taking into account Section 408A(c)(5) of the Code) (or Section 1.401(a)(9)-6 of the Income Tax Regulations, as applicable), rather than the distribution rules in paragraphs (2), (3) and (4) below.
 - (2) Upon the death of the Employee, his or her entire interest will be distributed at least as rapidly as follows:
 - (i) If the Beneficiary is someone other than the Employee's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the year of the Employee's death, over the remaining life expectancy of the Beneficiary, with such life expectancy determined using the age of the beneficiary as of his or her birthday in the year following the year of the Employee's death, or, if elected, in accordance with paragraph (2)(iii) below.
 - (ii) If the Employee's sole Beneficiary is the Employee's surviving spouse, the entire interest will be distributed starting by the end of the calendar year following the calendar year of the Employee's death (or by the end of the calendar year in which the Employee would have attained age 70½, if later), over such spouse's life, or, if elected, in accordance with paragraph (2)(iii) below. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with paragraph (2)(iii) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.
 - (iii) If there is no Beneficiary, or if applicable by operation of paragraph (2)(i) or (2)(ii) above, the entire interest will be distributed the end of the calendar year containing the fifth anniversary of the Employee's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under paragraph 2(ii) above).
 - (iv) The amount to be distributed each year under paragraph (2)(i) or (ii) is the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations. If distributions are being made to a surviving spouse as the sole Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in paragraph (2)(i) or (ii) and reduced by 1 for each subsequent year.

- (3) The “value” of the IRA includes the amount of any outstanding rollover, transfer and recharacterization under Q&As-7 and -8 of Section 1.408-8 of the Income Tax Regulations.
- (4) If the sole Beneficiary is the Employee’s surviving spouse, the spouse may elect to treat the IRA as his or her own IRA. This election will be deemed to have been made if such surviving spouse makes a contribution to the IRA or fails to take required distributions as a Beneficiary.
- (g) *Nonforfeitable.* The interest of an Employee in the balance in his or her account is nonforfeitable at all times.
- (h) *Reporting.* The Deemed IRA Trustee of a Deemed Roth IRA shall furnish annual calendar-year reports concerning the status of the Deemed IRA account and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue.
- (i) *Substitution of Deemed IRA Trustee.* If the Deemed IRA Trustee is a non-bank trustee or custodian, the non-bank trustee or custodian shall substitute another trustee or custodian if the non-bank trustee or custodian receives notice from the Commissioner of Internal Revenue that such substitution is required because it has failed to comply with the requirements of Section 1.408-2(e) of the Income Tax Regulations and Section 1.408-2T of the Income Tax Regulations.

Article X. Non-Assignability

10.01 General. Except as provided in Article VIII and Section 10.02, no Participant or Beneficiary shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder, which payments and rights are expressly declared to be non-assignable and non-transferable.

10.02 Domestic Relations Orders.

- (a) *Allowance of Transfers:* To the extent required under a final judgment, decree, or order (including approval of a property settlement agreement) that (1) relates to the provision of child support, alimony payments, or marital property rights and (2) is made pursuant to a state domestic relations law, and (3) is permitted under Sections 414(p)(11) and (12) of the Code, any portion of a Participant’s Account may be paid or set aside for payment to a spouse, former spouse, child, or other dependent of the Participant (an “Alternate Payee”). Where necessary to carry out the terms of such an order, a separate Account shall be established with respect to the Alternate Payee who shall be entitled to make investment selections with respect thereto in the same manner as the Participant. Any amount so set aside for an Alternate Payee shall be paid in accordance with the form and timing of payment specified in the order. Nothing in this Section shall be construed to authorize any amount to be distributed under the Plan at a time or in a form that is not permitted under Section 457(b) of the Code and is explicitly permitted under the uniform procedures described in Section 10.2(d) below. Notwithstanding the foregoing sentence, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State, then the amount of the Participant’s Account shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Administrator shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order. Any payment made to a person pursuant to this Section shall be reduced by any required income tax withholding.
- (b) *Release from Liability to Participant:* The Employer’s liability to pay benefits to a Participant shall be reduced to the extent that amounts have been paid or set aside for payment to an Alternate Payee to paragraph (a) of this Section and the Participant and his or her Beneficiaries shall be deemed to have released the Employer and the Plan Administrator from any claim with respect to such amounts.

- (c) *Participation in Legal Proceedings:* The Employer and Administrator shall not be obligated to defend against or set aside any judgment, decree, or order described in paragraph (a) or any legal order relating to the garnishment of a Participant's benefits, unless the full expense of such legal action is borne by the Participant. In the event that the Participant's action (or inaction) nonetheless causes the Employer or Administrator to incur such expense, the amount of the expense may be charged against the Participant's Account and thereby reduce the Employer's obligation to pay benefits to the Participant. In the course of any proceeding relating to divorce, separation, or child support, the Employer and Administrator shall be authorized to disclose information relating to the Participant's Account to the Alternate Payee (including the legal representatives of the Alternate Payee), or to a court.
- (d) *Determination of Validity of Domestic Relations Orders:* The Administrator shall establish uniform procedures for determining the validity of any domestic relations order. The Administrator's determinations under such procedures shall be conclusive and binding on all parties and shall be afforded the maximum amount of deference permitted by law.

10.03 IRS Levy. Notwithstanding Section 10.01, the Administrator may pay from a Participant's or Beneficiary's Account balance the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

10.04 Mistaken Contribution. To the extent permitted by applicable law, if any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employer.

10.05 Payments to Minors and Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator, benefits will be paid to such persons as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

10.06 Procedure When Distributee Cannot Be Located. The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer or Administrator's records, (b) notification sent to the Social Security Administration or the Pension Benefit Guarantee Corporation (under their program to identify payees under retirement plans), and (c) the payee has not responded within 6 months. If the Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Trust shall continue to hold the benefits due such person.

Article XI. Relationship to Other Plans and Employment Agreements

This Plan serves in addition to any other retirement, pension, or benefit plan or system presently in existence or hereinafter established for the benefit of the Employer's employees, and participation hereunder shall not affect benefits receivable under any such plan or system. Nothing contained in this Plan shall be deemed to constitute an employment contract or agreement between any Participant and the Employer or to give any Participant the right to be retained in the employ of the Employer. Nor shall anything herein be construed to modify the terms of any employment contract or agreement between a Participant and the Employer.

Article XII. Amendment or Termination of Plan

The Employer may at any time amend this Plan provided that it transmits such amendment in writing to the Administrator at least 30 days prior to the effective date of the amendment. The consent of the Administrator shall not be required in order for

such amendment to become effective, but the Administrator shall be under no obligation to continue acting as Administrator hereunder if it disapproves of such amendment.

The Administrator may at any time propose an amendment to the Plan by an instrument in writing transmitted to the Employer at least 30 days before the effective date of the amendment. Such amendment shall become effective unless, within such 30-day period, the Employer notifies the Administrator in writing that it disapproves such amendment, in which case such amendment shall not become effective. In the event of such disapproval, the Administrator shall be under no obligation to continue acting as Administrator hereunder.

The Employer may at any time terminate this Plan. In the event of termination, assets of the Plan shall be distributed to Participants and Beneficiaries as soon as administratively practicable following termination of the Plan. Alternatively, assets of the Plan may be transferred to an eligible deferred compensation plan maintained by another eligible governmental employer within the same State if (a) all assets held by the Plan (other than Deemed IRAs) are transferred; (b) the receiving plan provides for the receipt of transfers; (c) the Participants and Beneficiaries whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer; and (d) the Participants or Beneficiaries whose deferred amounts are being transferred is not eligible for additional annual deferrals in the receiving plan unless the Participants or Beneficiaries are performing services for the employer maintaining the receiving plan.

Except as may be required to maintain the status of the Plan as an eligible deferred compensation plan under Section 457(b) of the Code or to comply with other applicable laws, no amendment or termination of the Plan shall divest any Participant of any rights with respect to compensation deferred before the date of the amendment or termination.

Article XIII. Applicable Law

This Plan and Trust shall be construed under the laws of the state where the Employer is located and is established with the intent that it meet the requirements of an “eligible deferred compensation plan” under Section 457(b) of the Code, as amended. The provisions of this Plan and Trust shall be interpreted wherever possible in conformity with the requirements of that Section of the Code.

In addition, notwithstanding any provision of the Plan to the contrary, the Plan shall be administered in compliance with the requirements of Section 414(u) of the Code.

Article XIV. Gender and Number

The masculine pronoun, whenever used herein, shall include the feminine pronoun, and the singular shall include the plural, except where the context requires otherwise.

DECLARATION OF TRUST

This Declaration of Trust (the "Group Trust Agreement") is made as of the 19th day of May, 2001, by VantageTrust Company, which declares itself to be the sole Trustee of the trust hereby created.

WHEREAS, the ICMA Retirement Trust was created as a vehicle for the commingling of the assets of governmental plans and governmental units described in Section 818(a)(6) of the Internal Revenue Code of 1986, as amended, pursuant to a Declaration of Trust dated October 4, 1982, as subsequently amended, a copy of which is attached hereto and incorporated by reference as set out below (the "ICMA Declaration"); and

WHEREAS, the trust created hereunder (the "Group Trust") is intended to meet the requirements of Revenue Ruling 81-100, 1981-1 C.B. 326, and is established as a common trust fund within the meaning of Section 391:1 of Title 35 of the New Hampshire Revised Statutes Annotated, to accept and hold for investment purposes the assets of the Deferred Compensation and Qualified Plans held by and through the ICMA Retirement Trust.

NOW, THEREFORE, the Group Trust is created by the execution of this Declaration of Trust by the Trustee and is established with respect to each Deferred Compensation and Qualified Plan by the transfer to the Trustee of such Plan's assets in the ICMA Retirement Trust, by the Trustees thereof, in accord with the following provisions:

- (a) *Incorporation of ICMA Declaration by Reference; ICMA By-Laws.* Except as otherwise provided in this Group Trust Agreement, and to the extent not inconsistent herewith, all provisions of the ICMA Declaration are incorporated herein by reference and made a part hereof, to be read by substituting the Group Trust for the Retirement Trust and the Trustee for the Board of Trustees referenced therein. In this respect, unless the context clearly indicates otherwise, all capitalized terms used herein and defined in the ICMA Declaration have the meanings assigned to them in the ICMA Declaration. In addition, the By-Laws of the ICMA Retirement Trust, as the same may be amended from time-to-time, are adopted as the By-Laws of the Group Trust to the extent not inconsistent with the terms of this Group Trust Agreement.

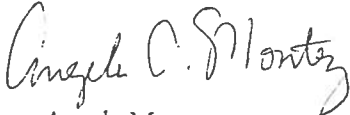
Notwithstanding the foregoing, the terms of the ICMA Declaration and By-Laws are further modified with respect to the Group Trust created hereunder, as follows:

- 1. any reporting, distribution, or other obligation of the Group Trust vis-à-vis any Deferred Compensation Plan, Qualified Plan, Public Employer, Public Employer Trustee, or Employer Trust shall be deemed satisfied to the extent that such obligation is undertaken by the ICMA Retirement Trust (in which case the obligation of the Group Trust shall run to the ICMA Retirement Trust); and
 - 2. all provisions dealing with the number, qualification, election, term and nomination of Trustees shall not apply, and all other provisions relating to trustees (including, but not limited to, resignation and removal) shall be interpreted in a manner consistent with the appointment of a single corporate trustee.
- (b) *Compliance with Revenue Procedure 81-100.* The requirements of Revenue Procedure 81-100 are applicable to the Group Trust as follows:
 - 1. Pursuant to the terms of this Group Trust Agreement and Article X of the By-Laws, investment in the Group Trust is limited to assets of Deferred Compensation and Qualified Plans, investing through the ICMA Retirement Trust.
 - 2. Pursuant to the By-Laws, the Group Trust is adopted as a part of each Qualified Plan that invests herein through the ICMA Retirement Trust.
 - 3. In accord with the By-Laws, that part of the Group Trust's corpus or income which equitably belongs to any Deferred Compensation and Qualified Plan may not be used for or diverted to any purposes other than for the exclusive benefit of the Plan's employees or their beneficiaries who are entitled to benefits under such Plan.

4. In accord with the By-Laws, no Deferred Compensation Plan or Qualified Plan may assign any or part of its equity or interest in the Group Trust, and any purported assignment of such equity or interest shall be void.
- (c) *Governing Law.* Except as otherwise required by federal, state or local law, this Declaration of Trust (including the ICMA Declaration to the extent incorporated herein) and the Group Trust created hereunder shall be construed and determined in accordance with applicable laws of the State of New Hampshire.
- (d) *Judicial Proceedings.* The Trustee may at any time initiate an action or proceeding in the appropriate state or federal courts within or outside the state of New Hampshire for the settlement of its accounts or for the determination of any question of construction which may arise or for instructions.

IN WITNESS WHEREOF, the Trustee has executed this Declaration of Trust as of the day and year first above written.

VANTAGETRUST COMPANY

By: 

Name: Angela Montez

Title: Assistant Secretary

ICMA-RC Services LLC, a wholly owned broker-dealer subsidiary of ICMA-RC, member FINRA/SIPC.



ATTN.: RECORDS MANAGEMENT UNIT

P.O. BOX 96220

WASHINGTON, DC 20090-6220

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BKT000-014-200902-454



MEMORANDUM

TO: ICMA - RC

FROM: Allison Jubb, MOL, SPHR, SHRM-SCP
Human Resources Director

DATE: April 20, 2016

SUBJECT: Employer Contribution amounts for the City of Richland 457
Deferred Compensation Plan #3000042

As part of the City of Richland's 2016 amend and restatement process for all of our ICMA-RC accounts, the City wishes to clarify the employer contribution amounts for each of our employee groups for our 457 account held with ICMA-RC. As 457 Deferred Compensation Plans do not utilize Adoption Agreements to specify employer contribution amounts, we are utilizing this memo to restate and clarify how future employer contributions for all employee groups will be formally determined.

Going forward, the City of Richland ("the Employer") shall contribute on behalf of each Participant the amount identified in the current (or future amended) Compensation Plan for Unaffiliated Employees and/or the Collective Bargaining Agreement (as applicable). Both of these documents are/will be formally approved by the City Council through the normal resolution process.

However, when changes occur, the Employer will provide an executed Resolution by the City Council authorizing specifically the amended the Employer contributions.

Attachment: Current Employer and Employee Contributions

ICMA RETIREMENT CORPORATION
GOVERNMENTAL 457 DEFERRED COMPENSATION
AMENDMENT FOR POST-EGTRRA LEGISLATIVE AND REGULATORY CHANGES

Pursuant to Article XII of the ICMA Retirement Corporation Governmental Deferred Compensation Plan & Trust (the "Plan"), ICMA Retirement Corporation, as Plan Administrator, hereby adopts this Amendment on behalf of all adopting Employers to add a new Appendix A as follows, effective as provided therein.

Appendix A

**ARTICLE I
PREAMBLE**

- 1.01 Applicability.** This Appendix memorializes the operation of the Plan in accordance with the following legislative and regulatory items.
- (a) Pension Protection Act of 2006;
 - (b) Emergency Economic Stabilization Act of 2008;
 - (c) Worker, Retiree, and Employer Recovery Act of 2008;
 - (d) Katrina Emergency Tax Relief Act of 2005; and
 - (e) Gulf Opportunity Zone Act of 2005.
- 1.02 Superseding of Inconsistent Provisions.** This Appendix supersedes the provisions of the Plan and Adoption Agreement to the extent those provisions are inconsistent with the provisions of this Appendix.
- 1.03 Construction.** Except as otherwise provided herein, any reference to "Section" in this Appendix refers only to sections within this Appendix and is not a reference to the Plan. The Article and Section numbering in this Appendix is solely for purposes of this Appendix and does not relate to any Plan article, section, or other numbering designations.

**ARTICLE II
PENSION PROTECTION ACT OF 2006**

- 2.01 Background.** On August 17, 2006, the Pension Protection Act, Pub. L. No. 109-280 ("PPA"), became law. It amended the Code to provide for a number of changes with regard to Code section 401(a) plans and Code section 457 plans. This Article incorporates the relevant provisions of PPA into the Plan.
- 2.02 Required Notice for Participant Distributions.** With respect to any distribution notice and election form that is, under the terms of the Plan, to be delivered 90 days before the date as of which a distribution is to be made, the window for giving Participants such distribution notices and election forms shall be extended to 180 days before the date as of which a distribution is to commence. This Section 2.02 shall be effective for calendar years beginning after December 31, 2006.
- 2.03 Rollover by a Non-Spouse Designated Beneficiary.**
- (a) Unless otherwise elected by the Employer, for Plan Years beginning after December 31, 2006 but on or before December 31, 2009, a non-spouse Beneficiary who qualifies as a "designated beneficiary" under Code section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an Inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.

- (b) Notwithstanding the election made in subsection (a), for Plan Years beginning after December 31, 2009, a non-spouse Beneficiary who qualifies as a “designated beneficiary” under Code section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an Inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.
- (c) Notwithstanding anything herein to the contrary, a death benefit distribution shall not be eligible for transfer to an Inherited IRA to the extent such distribution is a required minimum distribution under Code section 401(a)(9).

2.04 Distributions for Unforeseen Financial Emergencies.

- (a) Unless otherwise elected by the Employer, after August 31, 2007, the determination of any unforeseen emergency will be expanded to include circumstances of severe financial hardship resulting from an illness or accident of a Primary Beneficiary or other similar extraordinary and unforeseeable circumstances of a Primary Beneficiary that result in a severe financial hardship.
- (b) A “Primary Beneficiary” is an individual or individuals who are named as a Beneficiary under the terms of the Plan and who have a right to all or a portion of the Participant’s account balance upon the Participant’s death.

2.05 Distributions for Health and Long-Term Care Insurance for Public Safety Officers.

- (a) If elected by the Employer, for Plan Years beginning after December 31, 2006, Eligible Retired Public Safety Officers may elect after separation from service to have up to \$3,000 distributed tax-free annually from the Plan in order to pay for Qualified Health Insurance Premiums for an accident or health plan (including a self-insured plan) or a qualified long-term care insurance contract. The Plan shall make such distributions directly to the provider of the accident or health plan or qualified long-term care insurance contract.
- (b) The term “Eligible Retired Public Safety Officer” means an individual who, by reason of disability or attainment of normal retirement age, is separated from service as a Public Safety Officer with the employer who maintains the eligible retirement plan from which distributions pursuant to this Article are made. The term “Public Safety Officer” has the same meaning given such term by section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968.
- (c) The term “Qualified Health Insurance Premiums” means premiums for coverage for the Eligible Retired Public Safety Officer, his spouse, and dependents, by an accident or health insurance plan or qualified long-term care insurance contract (as defined in Code section 7702(B)).

2.06 Rollovers to Roth IRAs. Effective for distributions after December 31, 2007, a Participant may elect to have any portion of an Eligible Rollover Distribution paid directly to a Roth IRA described in Code section 408A.

ARTICLE III EMERGENCY ECONOMIC STABILIZATION ACT OF 2008

3.01 Background. On October 3, 2008, the Emergency Economic Stabilization Act of 2008, Pub. L. No. 110-343 (“EESA”), became law. With regard to retirement plans, EESA generally permits plans to allow repayments of certain prior qualified distributions for home purchases for participants affected by certain 2008 Midwestern severe storms, tornadoes, and flooding and to permit repayments of prior qualified distributions for home purchases. This Article incorporates the relevant provisions of EESA into the Plan.

3.02 Qualified Disaster Recovery Assistance Distributions and Repayment Thereof. The provisions relating to qualified disaster recovery assistance distributions and repayment thereof set forth in section 702 of EESA shall apply to the Plan.

- 3.03 Repayment of Prior Qualified Distributions for Home Purchases to Plan.** The provisions relating to repayment of prior qualified distributions for home purchases set forth in section 702 of EESA shall apply to the Plan.

**ARTICLE IV
WORKER, RETIREE, AND EMPLOYER RECOVERY ACT OF 2008**

- 4.01 Background.** On December 23, 2008, the Worker, Retiree, and Employer Recovery Act of 2008, Pub. L. No. 110-458 ("WRERA"), became law. WRERA amended Code section 401(a)(9) to suspend required minimum distributions for 2009. It is also possible that legislation will be enacted in the future that suspends required minimum distributions for 2010 or a later year. This Article incorporates the relevant provisions of WRERA into the Plan and describes the Plan terms that will apply in the event that required minimum distributions are suspended in a year subsequent to 2009.
- 4.02 Application of Minimum Distribution Requirements.** The minimum distribution requirements of section 401(a)(9) of the Code shall only apply to the Plan to the extent that such requirements are applicable by law for a year.
- 4.03 Special Rule for Scheduled Installment Payments.** All installment payments scheduled to be distributed to a Participant prior to the effective date of a suspension of the required minimum distribution provisions of Code section 401(a)(9) shall be distributed as scheduled unless the Participant affirmatively elects to have the payments stopped. Notwithstanding the foregoing, for purposes of this Section 4.03, the effective date of the suspension of the required minimum distribution provisions for 2009 shall be deemed January 6, 2009.

**ARTICLE V
KATRINA EMERGENCY TAX RELIEF ACT OF 2005
AND GULF OPPORTUNITY ZONE ACT OF 2005**

- 5.01 Background.** On September 23, 2005, the Katrina Emergency Tax Relief Act of 2005, Pub. L. No. 109-73 ("KETRA"), became law, and on December 21, 2005, the Gulf Opportunity Zone Act of 2005, Pub. L. No. 109-135 ("GOZA"), became law. Generally, KETRA and GOZA permit plans to allow repayments of certain prior qualified distributions for home purchases for Participants affected by Hurricanes Katrina, Rita, and/or Wilma. This Article incorporates the relevant provisions of KETRA and GOZA into the Plan.
- 5.02 Qualified Hurricane Distributions and Repayment Thereof.** The provisions relating to qualified hurricane distributions and repayment thereof set forth in section 1400Q(a) of the Code shall apply to the Plan.
- 5.03 Repayment of Prior Qualified Distributions for Home Purchases to Plan.** The provisions relating to repayment of prior qualified distributions for home purchases set forth in Code section 1400Q(b) shall apply to the Plan.



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL 457 DEFERRED COMPENSATION
PLAN & TRUST AMENDMENT FOR
THE HEROES EARNINGS ASSISTANCE AND RELIEF TAX ACT OF 2008**

Pursuant to Section XII of the ICMA Retirement Corporation 457 Governmental Deferred Compensation Plan & Trust (the "Plan") to add a new Appendix B as follows, effective as provided therein.

Appendix B

**ARTICLE I
PREAMBLE**

- 1.01 Applicability. This Appendix memorializes the operation of the Plan in accordance with the Heroes Earnings Assistance and Relief Tax Act.
- 1.02 Superseding of Inconsistent Provisions. This Appendix supersedes the provisions of the Plan and Adoption Agreement to the extent those provisions are inconsistent with the provisions of this Appendix.
- 1.03 Construction. Except as otherwise provided herein, any reference to "Section" in this Appendix refers only to sections within this Appendix and is not a reference to the Plan. The Article and Section numbering in this Appendix is solely for purposes of this Appendix and does not relate to any Plan article, section, or other numbering designations.

**ARTICLE II
ACCRUAL OF ADDITIONAL BENEFITS**

- 2.01 Death Benefits with Respect to Qualified Military Service. In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as defined in Code section 414(u)) with respect to the Employer, his/her Beneficiary shall have a Nonforfeitable Interest in all employer contributions to the Participant to the extent that he/she would have had had the Participant resumed and then terminated employment on account of death.
- 2.02 Benefit Accruals with Respect to Qualified Military Service. Notwithstanding any provision of the Plan to the contrary, effective as elected by the Employer but no earlier than January 1, 2007, if the Employer so elects, Participants who die or become Disabled while

performing qualified military service (as defined in Code section 414(u)) with respect to the Employer shall receive Plan contributions as permitted under Code section 414(u)(9).

2.03 Benefit Accruals with Respect to Differential Wage Payments. If the Employer so elects, effective as elected by the Employer but no earlier than January 1, 2009, Plan contributions shall be made based on differential wage payments (as such term is defined in Code section 3401(h)(2)).

2.04 Deemed Severance from Employment.

- (a) Unless otherwise elected by the Employer, effective January 1, 2009, a Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services (as defined in chapter 43 of title 38, United States Code) for more than 30 days.
- (b) If a Participant receives a distribution pursuant to subsection (a), then the Participant shall not be permitted to defer compensation during the six-month period beginning on the date of the distribution.

(c) If a Participant receives a distribution which could be attributable to:

(i) a deemed severance from employment described in subsection (a); or

(ii) another distribution event under the Plan,

then the distribution shall be considered made pursuant to the distribution event referenced in paragraph (ii), and the Participant shall not be subject to the limitation on Deferred Compensation as set forth in subsection (b).



ICMA RETIREMENT CORPORATION
GOVERNMENTAL 457 DEFERRED COMPENSATION PLAN & TRUST
ROTH PROVISIONS AMENDMENT
(OCTOBER 2014)

Res. 98-16, Appendix C
Plan # 300042
April 19, 2016
Council Meeting

Pursuant to Article XIII of the ICMA Retirement Corporation 457 Governmental Deferred Compensation Plan & Trust (the "Plan"), ICMA Retirement Corporation, as Plan Administrator, hereby adopts this Amendment on behalf of all adopting Employers to provide for In-Plan Roth Conversions of otherwise nondistributable amounts pursuant to the American Taxpayer Relief Act of 2012 ("ATRA"). This Amendment shall modify and restate Article X of the Plan, which provides for Roth Elective Deferrals and In-Plan Roth Conversions. This Amendment is effective as of January 1, 2013, or, if later, the date that the Employer elects to allow Roth Elective Deferrals and In-Plan Roth Conversions under the Plan.

Article X. Roth Provisions

This Article X has no effect unless and until the Employer affirmatively elects to offer Designated Roth Accounts.

10.01 Definitions. The following definitions shall apply for purposes of this Article X.

- (a) *Designated Roth Account.* A bookkeeping account established and maintained to record the Participant's Roth Elective Deferrals, In-Plan Roth Conversions, rollovers from designated Roth accounts under other eligible retirement plans, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Designated Roth Account.
- (b) *In-Plan Roth Conversion.* (1) A distribution from a Participant's Pre-Tax Account that is rolled over to the Participant's Designated Roth Account under the Plan, as described in Code section 402A(c)(4)(B); or (2) a transfer from an amount in the Participant's Pre-Tax Account not otherwise distributable from the Plan to the Participant's Designated Roth Account under the Plan, as described in Code section 402A(c)(4)(E), to the extent permitted by Section 10.05(e).
- (c) *Pre-Tax Account.* A bookkeeping account established and maintained to record the portion of the Participant's Account attributable to amounts other than Roth Elective Deferrals, In-Plan Roth Conversions, rollovers from designated Roth accounts under other eligible retirement plans, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Pre-Tax Account.
- (d) *Qualified Roth Contribution Program.* A program described in paragraph (1) of Code section 402A(b), under which a Participant may make Roth Elective Deferrals in lieu of all or a portion of the elective deferrals the Participant is otherwise eligible to make under the Plan.
- (e) *Roth Elective Deferrals.* Deferred Includible Compensation contributed pursuant to Section 10.02 by a Participant, which amounts are:
 - (1) designated irrevocably by the Participant at the time of the deferral election as a Roth elective deferral that is being made in lieu of all or a portion of the pre-tax deferrals the Participant is otherwise eligible to make under the Plan; and
 - (2) treated by the Employer as includible in the Participant's income at the time the Participant otherwise would have received that amount as Includible Compensation.

10.02 Permitted Roth Elective Deferrals

- (a) As of the effective date, a Participant shall be permitted to make Roth Elective Deferrals from his or her Includible Compensation in such amount or percentage as may be specified in the Joinder Agreement. A Participant's Roth Elective Deferrals will be allocated to a separate Designated Roth Account maintained for such deferrals as defined in Section 10.01(a) above.
- (b) Unless specifically stated otherwise, Roth Elective Deferrals will be treated as Deferred Compensation for all purposes under the Plan.

10.03 Separate Accounting

- (a) Contributions and withdrawals of Roth Elective Deferrals, In-Plan Roth Conversions and rollovers from a designated Roth account under an eligible retirement plan will be credited and debited to a Participant's Designated Roth Account.
- (b) The Plan will maintain a record of the amount of Roth Elective Deferrals, In-Plan Roth Conversions, and rollovers from a designated Roth account under an eligible retirement plan in each Participant's Designated Roth Account.
- (c) Gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Designated Roth Account and Pre-Tax Account under the Plan.
- (d) No contributions other than Roth Elective Deferrals, In-Plan Roth Conversions, and rollovers from a designated Roth account under an eligible retirement plan and properly attributable earnings thereon will be credited to each Participant's Designated Roth Account.

10.04 Direct Rollovers

- (a) Notwithstanding anything to the contrary in the Plan, a direct rollover of a distribution from a Designated Roth Account under the Plan shall be made only to another designated Roth account under an eligible retirement plan described in section 402A(e)(1) of the Code or to a Roth IRA described in section 408A of the Code, and only to the extent the rollover is permitted under the rules of section 402(c) of the Code.
- (b) Notwithstanding anything to the contrary in the Plan, unless otherwise provided by the Employer in the Adoption Agreement, the Plan will accept a rollover contribution to a Designated Roth Account only if it is a direct rollover from another designated Roth account under an eligible retirement plan described in section 402A(e)(1) of the Code, or if the rollover is an In-Plan Roth Conversion defined in Section 10.05.
- (c) Eligible rollover distributions from a Participant's Designated Roth Account are taken into account in determining whether the total amount of the Participant's Account balances under the Plan exceeds \$1,000 for purposes of mandatory distributions from the Plan.

10.05 In-Plan Roth Conversions. Unless otherwise elected by the Employer, as of the effective date of this Article the Plan shall allow for In-Plan Roth Conversions.

- (a) *Tax Treatment.* The amount of an In-Plan Roth Conversion shall be includible in the Participant's gross income, as though it were not part of a qualified rollover contribution.
- (b) *Irrevocability.* Any election made by the Participant pursuant to Section 10.05(a) to do an In-Plan Roth Conversion shall be irrevocable.
- (c) *Treatment of Loans.* Outstanding plan loans shall be excluded from In-Plan Roth Conversions. Notwithstanding anything herein to the contrary, an In-Plan Roth Conversion shall not accelerate or otherwise cause a Participant to default on an outstanding plan loan.
- (d) *Spousal Consent.* Notwithstanding anything herein to the contrary, if the Plan requires spousal consent for a distribution, a married Participant shall not be required to obtain spousal consent in connection with an election to make an In-Plan Roth Conversion.
- (e) *In-Plan Roth Conversions of Non-Distributable Amounts.* A Participant may transfer, as part of an In-Plan Roth Conversion, an amount that is not otherwise distributable from the Participant's Pre-Tax Account to the Participant's Designated Roth Account. Such transfer shall be treated as a distribution which was contributed in a qualified rollover contribution within the meaning of Code section 408A(e). Any distribution restrictions that were applicable to the amount before the In-Plan Roth Conversion shall apply to such amount (and earnings and losses thereon) in the Participant's Designated Roth Account. If the Participant's Account or a portion of the Account is subject to a vesting schedule, an In-Plan Roth Conversion is available only if the Account or portion of the Account is fully vested. The Participant may not transfer under this Section 10.05(e) any portion of the Account that is partially vested.

10.06 Availability of Loans from Designated Roth Accounts. A Participant's Designated Roth Account balance can be included to determine a Participant loan amount under Article VIII. However, unless the Employer elects otherwise, Designated Roth Accounts will not be available as a source for loans under the Plan.

By the addition of Article X regarding Roth Provisions, former Articles X (Non-Assignability) through XIV (Gender and Number) of the Plan have been re-numbered XI through XV.

Res. 98-16 Appendix D
Plan # 300042
April 19, 2016
Council Meeting

ADMINISTRATIVE SERVICES AGREEMENT

Between

ICMA Retirement Corporation

and

City of Richland

Type: 457

Account #: 300042

ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement (“Agreement”), made as of the 1st day of May, 2016 (herein referred to as the “Inception Date”), between the International City Management Association Retirement Corporation (“ICMA-RC”), a nonprofit corporation organized and existing under the laws of the State of Delaware, and the City of Richland (“Employer”), a municipal corporation existing under the laws of the State of Washington with an address of P.O. Box 190, Richland, Washington 99352.

RECITALS

Employer acts as public plan sponsor of a retirement plan (“Plan”), and in that capacity, has responsibility to obtain administrative services and investment alternatives for the Plan; and

VantageTrust is a group trust established and maintained in accordance with New Hampshire Revised Statutes Annotated section 391:1 and Internal Revenue Service Revenue Ruling 81-100, 1981-1 C.B. 326, which provides for the commingled investment of retirement funds held by various state and local governmental units for their employees; and

ICMA-RC acts as investment adviser to VantageTrust Company, LLC, the Trustee of VantageTrust; and

ICMA-RC has designed, and VantageTrust offers, a series of separate funds (the “Funds”) for the investment of plan assets as referenced in VantageTrust’s principal disclosure document, “Making Sound Investment Decisions: A Retirement Investment Guide” and the accompanying VantageTrust Fund Fees and Expenses document (“Retirement Investment Guide”); and

The Funds are available only to public employers and only through VantageTrust and ICMA-RC; and

In addition to serving as investment adviser to VantageTrust, ICMA-RC provides a range of services to public employers for the operation of employee retirement plans including, but not limited to, communications concerning investment alternatives, account maintenance, account recordkeeping, investment and tax reporting, transaction processing, benefit disbursement, and asset management.

AGREEMENTS

1. Appointment of ICMA-RC

Employer hereby appoints ICMA-RC as Administrator of the Plan to perform all nondiscretionary functions necessary for the administration of the Plan. The functions to be performed by ICMA-RC shall be those set forth in Exhibit A to this Agreement.

2. Adoption of Trust

Employer has adopted the Declaration of Trust of VantageTrust Company and agrees to the commingled investment of assets of the Plan within VantageTrust. Employer agrees that the investment, management, and distribution of amounts deposited in VantageTrust shall be subject to the Declaration of Trust, as it may be amended from time to time and shall also be subject to terms and conditions set forth in disclosure documents (such as the Retirement Investment Guide or Employer Bulletins) as those terms and conditions may be adjusted from time to time.

3. Exclusivity Agreement

Employer agrees that for the initial term, or any succeeding term of this Agreement as specified in Section 10, so long as ICMA-RC continues to perform in all material respects the services to be performed by it under this Agreement, Employer shall not obtain plan administration from anyone other than ICMA-RC, with the exception that Employer may maintain a different 457 plan provider for City of Richland International Association of Fire Fighter (IAFF) members only and in which non-IAFF members may not participate. Employer acknowledges that ICMA-RC has agreed to the compensation to be paid to ICMA-RC under this Agreement in the expectation that ICMA-RC will be able to offset costs allocable to performing this Agreement with revenues arising from Employer's exclusive use of ICMA-RC at the rates provided herein throughout the initial or any succeeding term.

4. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities as Administrator of the Plan, including information needed to allocate individual participant accounts to Funds in VantageTrust, and information as to the employment status of participants, and participant ages, addresses, and other identifying information (including tax identification numbers). Employer also agrees that it will notify ICMA-RC in a timely manner regarding changes in staff as it relates to various roles. This is to be completed through the online EZLink employer contact options. ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the Employer or any information relating to an individual participant or beneficiary that is furnished by such participant or beneficiary, and ICMA-RC shall not be responsible for any error arising from its reliance on such information. ICMA-RC will provide reports,

statements and account information to the Employer through EZLink, the online plan administrative tool.

Employer is required to send in contributions through EZLink, the online plan administration tool provided by ICMA-RC. Alternative electronic methods may be allowed, but must be approved by ICMA-RC for use. Contributions may not be sent through paper submittal documents.

To the extent Employer selects third-party funds that do not have fund profile information provided to ICMA-RC through our electronic data feeds from external sources (such as Morningstar) or third party fund providers, the Employer is responsible for providing to ICMA-RC timely fund investment updates for disclosure to Plan participants. Such updates may be provided to ICMA-RC through the Employer's investment consultant or other designated representative.

Failure to provide timely fund profile update information, including the source of the information, may result in a lack of fund information for participants, as ICMA-RC will remove outdated fund profile information from the systems that provide fund information to Plan participants.

5. Certain Representations and Warranties

ICMA-RC represents and warrants to Employer that:

- (a) ICMA-RC is a non-profit corporation with full power and authority to enter into this Agreement and to perform its obligations under this Agreement. The ability of ICMA-RC to serve as investment adviser to VantageTrust is dependent upon the continued willingness of VantageTrust for ICMA-RC to serve in that capacity. Employer shall be notified if ICMA-RC ceases to serve as investment adviser to VantageTrust. Employer has the option of terminating the Agreement as a result of such change.
- (b) ICMA-RC is an investment adviser registered as such with the U.S. Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, as amended. The Agreement may be immediately terminated if ICMA-RC ceases to be an investment adviser registered with the SEC.
- (c) ICMA-RC shall maintain and administer the Plan in accordance with the requirements for eligible deferred compensation plans under Section 457 of the Internal Revenue Code and other applicable federal law; provided, however, that ICMA-RC shall not be responsible for the eligible status of the Plan in the event that the Employer directs ICMA-RC to administer the Plan or disburse assets in a manner inconsistent with the requirements of Section 457 or otherwise causes the Plan not to be carried out in accordance with its terms. Further, in the event that the Employer uses its

own customized plan document, ICMA-RC shall not be responsible for the eligible status of the Plan to the extent affected by terms in the Employer's plan document that differ from those in ICMA-RC's standard plan document. ICMA-RC shall not be responsible for monitoring state or local law or for administering the Plan in compliance with local or state requirements unless Employer notifies ICMA-RC of any such local or state requirements.

Employer represents and warrants to ICMA-RC that:

- (d) Employer is organized in the form and manner recited in the opening paragraph of this Agreement with full power and authority to enter into and perform its obligations under this Agreement and to act for the Plan and participants in the manner contemplated in this Agreement. Execution, delivery, and performance of this Agreement will not conflict with any law, rule, regulation or contract by which the Employer is bound or to which it is a party.
- (e) Employer understands and agrees that ICMA-RC's sole function under this Agreement is to act as recordkeeper and to provide administrative, investment or other services at the direction of Plan participants, the Employer, its agents or designees in accordance with the terms of this Agreement. Under the terms of this Agreement, ICMA-RC does not render investment advice, is not the Plan Administrator or Plan Sponsor as those terms are defined under applicable federal, state, or local law, and does not provide legal, tax or accounting advice with respect to the creation, adoption or operation of the Plan and its related trust. ICMA-RC does not perform any service under this Agreement that might cause ICMA-RC to be treated as a "fiduciary" of the Plan under applicable law, except, and only, to the extent that ICMA-RC provides investment advisory services to individual participants enrolled in Guided Pathways.
- (f) Employer acknowledges and agrees that ICMA-RC does not assume any responsibility with respect to the selection or retention of the Plan's investment options. Employer shall have exclusive responsibility for the Plan's investment options, including the selection of the applicable mutual fund share class. Where applicable, Employer understands that the VT Retirement Income Advantage Fund is an investment option for the Plan and that the fund invests in a separate account available through a group variable annuity contract. By entering into this Agreement, Employer acknowledges that it has received the Important Considerations document and the Retirement Investment Guide and that it has read the information therein concerning the VT Retirement Income Advantage Fund.
- (g) Employer acknowledges that certain such services to be performed by ICMA-RC under this Agreement may be performed by an affiliate or

agent of ICMA-RC pursuant to one or more other contractual arrangements or relationships, and that ICMA-RC reserves the right to change vendors with which it has contracted to provide services in connection with this Agreement without prior notice to Employer.

- (h) Employer acknowledges that it has received ICMA-RC's Fee Disclosure Statement, prepared in substantial conformance with ERISA regulations regarding the disclosure of fees to plan sponsors.
- (i) Employer approves the use of its Plan in ICMA-RC external media, publications and materials. Examples include press releases announcements and inclusion of the general plan information in request for proposal responses.

6. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings involving the garnishment of benefits or the transfer of benefits pursuant to the divorce or separation of participants in the Plan. Unless Employer notifies ICMA-RC otherwise, Employer consents to the disbursement by ICMA-RC of benefits that have been garnished or transferred to a former spouse, current spouse, or child pursuant to a domestic relations order or child support order.

7. Compensation and Payment

ICMA-RC's compensation under this Agreement shall be as set forth in subsection (b) below.

- (a) **Participant Fees.** Plan participant accounts shall be assessed an asset-based fee to cover the costs of record-keeping and other services provided by ICMA-RC, and other costs associated with the Plan as directed by the Employer. The Employer shall work with ICMA-RC to determine the appropriate amount of the gross asset-based fee to be charged to participant accounts, which may be increased or decreased from time to time at the direction of the Employer.
- (b) **Revenue Requirement.** ICMA-RC shall receive total annual aggregate revenue of 0.06% of Plan assets under ICMA-RC's administration for providing recordkeeping, participant education, and other services to the Plan. ICMA-RC shall deduct such revenue from amounts collected through the application the Participant Fee prior to the allocation of funds to the Administrative Allowance Account described in Section 7(d).
- (c) **Compensation for Management Services to VantageTrust.** Employer acknowledges that, in addition to amounts payable under this Agreement, ICMA-RC receives fees from VantageTrust for investment advisory

services and plan and participant services furnished to VantageTrust. These fees are described in the Retirement Investment Guide and ICMA-RC's fee disclosure statement.

- (d) **Administrative Allowance Account.** Amounts collected through the application of the asset-based fee described in section 7(a) above in excess of the revenue specified in subsection 7(b) above shall be held in the Plan in an Administrative Allowance Account as a Plan asset. At the commencement of this contract, the amount of additional revenue collected by ICMA-RC shall be .08% of assets per year. Each quarter ICMA-RC shall produce a report that shows: the amounts collected from participant accounts as asset-based fees; the methodology used in the calculation of the fees collected from participant accounts; the calculation used to determine the amount of revenue collected by ICMA-RC during the period prior to allocation of the remaining asset-based fees to the Administrative Allowance Account; and the amount allocated to the Administrative Allowance Account. Employer understands that the Plan's administrative allowance is to be used only to pay for reasonable plan administrative expenses of the Plan or allocated to Plan participants at the instruction of the Employer.
- (d) **Revenue Received From Investment Options.** Neither ICMA-RC nor the Employer shall receive recordkeeping revenue directly from investment options made available under the Plans. ICMA-RC shall be compensated from fees collected from participant accounts through the application of the asset-based fee described in section (a) above. In the event that and Plan investment options do generate direct recordkeeping revenue to ICMA-RC, ICMA-RC shall reduce the asset-based fee charged against the assets invested in the investment option in question by the same amount, resulting in an outcome that would be similar to the investment option in question not paying any recordkeeping revenue, after the administration fee is assessed.
- (d) **Redemption Fees.** Redemption fees imposed by outside mutual funds in which Plan assets are invested are collected and paid to the mutual fund by ICMA-RC. ICMA-RC remits 100% of redemption fees back to the specific mutual fund to which redemption fees apply. These redemption fees and the individual mutual fund's policy with respect to redemption fees are specified in the prospectus for the individual mutual fund and referenced in the Retirement Investment Guide.
- (e) **Payment Procedures.** All payments to ICMA-RC pursuant to this Section 7 shall be paid out of Plan participant accounts pursuant to Sections 7(a) and (b) above, to the extent not paid by the Employer. In the event that the Employer agrees to pay amounts owed pursuant to this Section 7 directly, any amounts unpaid and outstanding after 30 days of invoice to the Employer shall be withdrawn from Plan assets.

The compensation and payment set forth in this Section 7 is contingent upon (a) the Employer's use of ICMA-RC's EZLink system for contribution processing and submitting contribution funds by ACH or wire transfer on a consistent basis over the term of this and (b) ICMA-RC's receipt of a fully executed copy of this Administrative Services Agreement.

The compensation and payment set forth in this Section 7 is further contingent upon the Employer retaining the VT PLUS Fund as the stable value option for the Plan. The VT PLUS Fund shall be provided to the Plan with a management fee of .21% of assets per year.

Employer further acknowledges and agrees that compensation and payment under this Agreement shall be subject to re-negotiation in the event that the Employer chooses to implement additional funds not on ICMA-RC's mutual fund platform.

8. Contribution Remittance

Employer understands that amounts invested through VantageTrust are to be remitted directly to VantageTrust in accordance with instructions provided to Employer by ICMA-RC and are not to be remitted to ICMA-RC. In the event that any check or wire transfer is incorrectly labeled or transferred to ICMA-RC, ICMA-RC may return it to Employer with proper instructions.

9. Indemnification

ICMA-RC shall not be responsible for any acts or omissions of any person with respect to the Plan or its related trust, other than ICMA-RC in connection with the administration or operation of the Plan. Employer shall indemnify ICMA-RC against, and hold ICMA-RC harmless from, any and all loss, damage, penalty, liability, cost, and expense, including without limitation, reasonable attorney's fees, that may be incurred by, imposed upon, or asserted against ICMA-RC by reason of any claim, regulatory proceeding, or litigation arising from any act done or omitted to be done by any individual or person with respect to the Plan or its related trust, excepting only any and all loss, damage, penalty, liability, cost or expense resulting from ICMA-RC's negligence, bad faith, or willful misconduct.

10. Term

This Agreement shall be in effect and commence on May 1, 2016 ("Inception Date"). The term of this Agreement will commence on the Inception Date and extend three (3) years from that date through December 31, 2019. This Agreement will be renewed automatically effective January 1 of each succeeding year up to a maximum of three (3) annual extensions (total life of the contract not to exceed December 31, 2022), unless written notice of termination is provided by either party to the other no less than 60 days before the end of such Agreement year. The Employer understands and agrees that, in the event the Employer terminates this Agreement (or replaces the VT PLUS Fund as an

investment option in its investment line-up), ICMA-RC retains full discretion to release Plan assets invested in the VT PLUS Fund in an orderly manner over a period of up to 12 months from the date ICMA-RC receives written notification from the Employer that it is initiating withdrawals from the VT PLUS Fund.

11. Amendments and Adjustments

- (a) This Agreement may be amended by written instrument signed by the parties.
- (b) ICMA-RC may amend this agreement by providing 60 days' advance written notice to the Employer prior to the effective date of such proposed amendment. Such amendment shall become effective unless, within the 60-day notice period, the Employer notifies ICMA-RC in writing that it objects to such amendment. This provision shall not apply to any of the material terms of this Agreement. Material terms include, but are not limited to, the term of the Agreement, the substantive portions of the Compensation expressed in Section 7, and the general scope of services.
- (b) The parties agree that enhancements may be made to administrative and operations services under this Agreement. The Employer will be notified of enhancements through the Employer Bulletin, quarterly statements, electronic messages or special mailings. Likewise, if there are any reductions in fees, these will be announced through the Employer Bulletin, quarterly statement, electronic messages or special mailing.

12. Notices

All notices required to be delivered under this Agreement shall be in writing and shall be delivered, mailed or e-mailed to the location of the relevant party set forth below or to such other address or to the attention of such other persons as such party may hereafter specify by notice to the other party.

ICMA-RC: Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C., 20002-4240

Facsimile: (202) 962-4601

Employer: at the office set forth in the first paragraph hereof, or to any other address or e-mail address designated by the Employer to receive the same by written notice similarly given.

Each such notice, request or other communication shall be effective: (i) if given by facsimile, when transmitted to the applicable facsimile number and there is appropriate confirmation of receipt; (ii) if given by mail or e-mail, upon transmission to the designated address with no indication that such address is invalid or incorrect; or (iii) if given by any other means, when actually delivered at the aforesaid address.

13. Complete Agreement

This Agreement shall constitute the complete and full understanding and sole agreement between ICMA-RC and Employer relating to the object of this Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. This Agreement supersedes all written and oral agreements, communications or negotiations among the parties. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

13. Titles

The headings of Sections of this Agreement and the headings for each of the attached schedules are for convenience only and do not define or limit the contents thereof.

14. Incorporation of Schedules

All Schedules (and any subsequent amendments thereto), attached hereto, and referenced herein, are hereby incorporated within this Agreement as if set forth fully herein.

15. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions. Jurisdiction and venue for any action relating to the interpretation, enforcement, or any dispute arising from this Agreement shall be in Benton County Superior Court or the applicable federal court for the City of Richland. ICMA-RC expressly submits to personal jurisdiction in Benton County Superior Court or applicable federal court for the City of Richland.

[Signature Page to Follow]

In Witness Whereof, the parties hereto certify that they have read and understand this Agreement and all Schedules attached hereto and have caused this Agreement to be executed by their duly authorized officers as of the Inception Date first above written.

CITY OF RICHLAND

By _____
Cynthia D. Reents, ICMA-CM Date
City Manager

INTERNATIONAL CITY MANAGEMENT
ASSOCIATION RETIREMENT CORPORATION

By _____
Erica McFarquhar
Assistant Secretary

Please return fully executed contract to: New Business Services
ICMA-RC
777 North Capitol Street NE
Suite 600
Washington DC 20002-4240

Exhibit A

Administrative Services

The administrative services to be performed by ICMA-RC under this Agreement shall be as follows:

- (a) Participant enrollment services, including providing a welcome package and enrollment kit containing instructions and notices necessary to implement the Plan's administration. Employees will enroll online or through a paper form. ICMA-RC will provide an enrollment link through the general ICMA-RC web site. Employer will also make available the online enrollment link in their Intranet site or via email to new employees. Employer can also enroll employees through EZLink.
- (b) Establishment of participant accounts for each employee participating in the Plan for whom ICMA-RC receives appropriate enrollment instructions. ICMA-RC is not responsible for determining if such Plan participants are eligible under the terms of the Plan.
- (c) Allocation in accordance with participant directions received in good order of individual participant accounts to investment funds offered under the Plan.
- (d) Maintenance of individual accounts for participants reflecting amounts deferred, income, gain or loss credited, and amounts distributed as benefits.
- (e) Maintenance of records for all participants for whom participant accounts have been established. These files shall include enrollment instructions (provided to ICMA-RC through Account Access or EZLink), beneficiary designation instructions and all other documents concerning each participant's account.
- (f) Provision of periodic reports to the Employer through EZLink. Participants will have access to account information through Investor Services, Voice Response System, Account Access and through quarterly statements that can be delivered electronically through Account Access or by postal service.
- (g) Communication to participants of information regarding their rights and elections under the Plan.
- (h) Making available Investor Services Representatives through a toll-free telephone number from 8:30 a.m. to 9:00 p.m. Eastern Time, Monday through Friday (excluding holidays and days on which the securities markets or ICMA-RC are closed for business (including emergency closings), to assist participants.
- (i) Making available access to ICMA-RC's web site, to allow participants to access certain account information and initiate plan transactions at any

time. Account access is normally available 24 hours a day, seven days a week except during scheduled maintenance periods designed to ensure high-quality performance. The scheduled maintenance window is outlined at <https://harper1.icmarc.org/login.jsp>

- (j) Distribution of benefits as agent for the Employer in accordance with terms of the Plan. Participants who have separated from service can request distributions through Account Access or via form.
- (k) Upon approval by the Employer that a domestic relations order is an acceptable qualified domestic relations order under the terms of the Plan, ICMA-RC will establish a separate account record for the alternate payee and provide for the investment and distribution of assets held there under.
- (l) Loans may be made available on the terms specified in the Loan Guidelines, if loans are adopted by the Employer. Participants can request loans through Investor Services or Account Access.
- (m) Guided Pathways® – Participant Advice and Guidance may be made available through a third party vendor on the terms specified on ICMA-RC's website. Participants are not charged any additional fees for receiving Fund Advice or Asset Class Guidance under Guided Pathways.
- (n) ICMA-RC will determine appropriate delivery method (electronic and/or print) for plan sponsor/participant communications and education based on a number of factors (audience, effectiveness, etc.).
- (o) If desired by Employer, ICMA-RC will distribute (on an annual basis, to all employees) Retirement Readiness Reports at no additional cost to Plan Sponsor. Employer understands that the report's accuracy and effectiveness is dependent upon the level of information that Employer is willing to provide in conjunction with development of this report.
- (p) ICMA-RC shall make available the services of a staff Financial Planner, who shall provide on-site seminars to participants at least twice per year, and be available to provide counseling to interested participants in conjunction with those seminar meeting dates. The times and dates of the seminars shall be determined by the City in consultation with ICMA-RC.
- (q) ICMA-RC shall provide on-site enrollment and retirement plan counseling to interested employees at least three times per year, delivered by an ICMA-RC staff Retirement Plan Specialist. The times and dates of the counseling availability days shall be determined by the City in consultation with ICMA-RC.



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Items for Approval

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:

Authorize Travel for Mayor Thompson and Councilmember Lemley

Department:
City Manager

Ordinance/Resolution Number:

Document Type:
General Business Item

Recommended Motion:

Authorize Travel for Mayor Thompson to attend the EMAB Board meeting, May 9-11; ECA Peer Exchange, May 12-13 and Councilmember Lemley to attend the AWC Annual Conference, June 21-23.

Summary:

Mayor Thompson plans to attend the Environmental Management Advisory Board (EMAB) from May 9th - 11th in South Carolina. He further plans to attend the Energy Communities Alliance (ECA) Peer Exchange in Washington, DC, May 12-13, 2016. Councilmember Lemley plans to attend the Association of Washington Cities Annual Conference in Everett, Washington from June 21-23, 2016.

The EMAB Board will hold their meeting in South Carolina on May 10th and 11th. Mayor Thompson is a member of the Board and represents the Energy Communities Alliance.

The Energy Communities Alliance Peer Exchange will focus on the Department of Energy (DOE)-Environmental Management (EM) Fiscal Year 2017 Cleanup budget and the future of cleanup. They will also include a preview of Administration and DOE project management changes and workforce development. The peer exchange will provide an opportunity for members to hear directly from senior DOE officials and members of Congress on the effects of the FY17 budget on cleanup across the Environmental Management Complex.

The Association of Washington Cities Conference will be held in Everett and will have a city-focused agenda with general sessions, workshops, mobile tours and networking opportunities. The Keynote speaker will focus on creating a climate resilient city; constructed ecosystems designed around principles of human ecology. They will engage the participant in the nature of green cities.

Richland Municipal Code, Sections 1.01.040 and 2.26.062, require Council approval when Councilmembers request permission for out-of-state travel, when expenses exceed \$500 or when travel requires an overnight stay.

Fiscal Impact:

The EMAB Board will cover Mayor Thompson's expenses to attend the board meeting. Estimated expenses for Mayor Thompson to attend the ECA Peer Exchange are \$1,645. Estimated expenses for Councilmember Lemley to attend the AWC Annual Conference are \$1,224. ECA Will reimburse up to \$1,300 to attend the Peer Exchange. There are enough funds in Council's Travel and Tuition line items to cover expenses.

Attachments:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Expenditures - Approval

Key Element: Key I - Financial Stability & Operational Effectiveness

Subject:

Expenditures from March 28, 2016 - April 8, 2016 for \$4,311,966.23 including Check Nos. 232691-233076, Wire Nos. 6126-6136, Payroll Check Nos. 103774-104752, and Payroll Wire/ACH Nos. 9396-9416

Department:

Administrative Services

Ordinance/Resolution Number:

Document Type:

Expenditures

Recommended Motion:

Approve the expenditures from March 28, 2016 to April 8, 2016 in the amount of \$4,311,966.23.

Summary:

Breakdown of Expenditures:

Check Nos.	232691-233076	1,380,115.37
Wire Nos.	6126-6136	759,834.12
Payroll Check Nos.	103774-104752	23,929.63
Payroll Wires/ACH	9396-9416	2,148,087.11
TOTAL		\$4,311,966.23

Fiscal Impact:

Yes

Total Disbursements: \$4,311,966.23.

Attachments:

1. Wire Transfers
2. Voucher Listing Report

VOUCHER LISTING REPORT
SUMMARY OF WIRE TRANSFERS
MARCH 7, 2016 - APRIL 8, 2016

Payee	Wire Description	Amount
Claim Wires - Wire No. 6126 to 6136		
AW Rehn Insurance	Fire Health Reimbursement Account	20,437.50
Cashmere Valley Bank	Interest Payment - Reata LID	2,717.80
Conover	Section 125	4,487.31
Department of Licensing	Firearms Online Pmt for Concealed Licenses	868.00
Payment Processing, Inc.	Landfill Merchant Service Fees	928.45
Richland Golf Management Corporation	Col. Pt. Operating Reimb	171,101.73
US Bank Trust	Principal & Interest - Public Facilities District	312,350.00
Zenith Administrators/Matrix/Sedgwick	Insurance Claims	246,943.33
	Total Claim Wire Transfers	\$ 759,834.12
Payroll Wires & Direct Deposits (ACH) - Wire No. 9396 to 9416		
Payroll Wires *see description below	Total Payroll Wire Transfers & Deposits	\$ 2,148,087.11
Total Claim & Payroll Wires/ACH		\$ 2,907,921.23

*Payroll Wires - transactions represent; employee payroll, payment of benefits, payroll taxes and other related payroll benefits.



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
FUND 001 GENERAL FUND					
Division: 000 UNASSIGNED					
BARHAM, DEBBY		16-058 BARHAM	232702	16-058 2016 WMCA ANNL CONF	\$674.24
BERGER, KEVIN		16-127 BERGER	233035	16-127 FBI ADV ELECT CRSE	\$1,516.15
CITY OF RICHLAND		032916	232886	CASHIER SHORTAGE-BLASDEL	\$10.00
DSS TWELVE INC		ORD 29-14	232911	BUSINESS LICENSE REFUND-DENIED	\$40.00
HUSA, E. IVAR		16-120 HUSA	233051	16-120 INTERGRAPH WCUG CNF	\$699.26
LIBRARY REFUND		LIBRARY REFUND	232776	BROOKS-RETURNED LOST BOOK	\$12.95
				MILLER-RETURNED MATERIAL	\$12.95
				BROOKS-RETURNED LOST BOOK	\$17.99
				CASEY-RETURNED LOST BOOK	\$20.00
				REFUND LIBRARY MATERIAL/LITTLE	\$19.00
SDS TWELVE INC		ORD 29-14	232989	BUSINESS LICENSE REFUND-DENIED	\$40.00
WA STATE DEPARTMENT OF REVENUE		REFUND BNG #10	233020	REFUND OF BROKERED NATURAL GAS	\$10,000.00
WASHINGTON STATE PATROL		I16006075	233022	BACKGROUND CHECKS-FEB 2016	\$929.25
UNASSIGNED TOTAL ****					\$13,991.79
Division: 001 CITY COUNCIL					
ENTERPRISE RENT A CAR		03/16-45WA423	232743	JENSEN/COUNCIL	\$109.85
SANDY'S TROPHIES INC		103745	232791	PLAQUE-MANHATTAN BOX	\$62.88
CITY COUNCIL TOTAL ****					\$172.73
Division: 100 CITY MANAGER					
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$42.80
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$52.05
CITY MANAGER TOTAL ****					\$94.85
Division: 101 CITY CLERK					
BARHAM, DEBBY		032216	232702	GOVQA TRNG REFRESH	\$5.00
		16-058 BARHAM		16-058 WMCA ANNL CNF	\$12.96
CITY OF RICHLAND			232723	16-058 WMCA ANNL CNF	\$674.24
TRI CITY HERALD	S016848	2253322	233011	ORD 04-16 020216 - PW	\$24.72
	S016848	2253415		ORD 06-16 020216 - PW	\$24.72
	S016848	2253476		ORD 09-16 020216 - PW	\$27.19
	S016848	2259380		PHN 021616 - PPF AD #000225938	\$44.49
	S016848	2282881		ORD 03-16 ADMIN SRVS	\$27.19
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$33.83
CITY CLERK TOTAL ****					\$874.34
Division: 102 CITY ATTORNEY					
BELL BROWN & RIO PLLC		743	232862	PROSECUTION SRVCS-MARCH	\$21,667.70
		752		PROSECUTION SRVCS-APRIL	\$21,667.70
BENTON COUNTY TREASURER		JANUARY 2016	232705	DISTRICT COURT/OPD COSTS JAN	\$56,502.39



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CITY OF RICHLAND		16-133 HARRISON	232723	16-133 PRIMA MEETING	\$274.32
KENYON DISEND PLLC		183847	232770	FRONTIER COMM V COR	\$19,576.68
		183848		BROKERED NATURAL GAS TAX	\$90.60
KINTZLEY, HEATHER		16-071 KINTZLEY	232771	16-071 ARCHIVES OS COM MTG	\$142.56
MENKE JACKSON BEYER LLP		02/2016-021	232778	DUANE SMITH SITE PLAN COMMENTS	\$1,053.00
		02/2016-065		GENERAL (CITY ATTY)	\$918.35
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$87.65
WEST PUBLISHING CORPORATION DBA		833557518	232829	INFORMATION CHARGES-FEB 2016	\$2,251.66
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$53.84
CITY ATTORNEY TOTAL ****					\$124,286.45
Division:	110	ASSISTANT CITY MANAGER			
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$38.68
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$35.26
ASSISTANT CITY MANAGER TOTAL ****					\$73.94
Division:	111	COMMUNICATIONS & MARKETING			
PITNEY BOWES INC		1278325-MR16	232978	1ST QTR 2016 PB SORTER/POSTAGE	\$8,702.13
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$41.89
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$13.01
				PHONE CHARGES 3/23-4/22/16	\$13.14
				PHONE CHARGES 3/23-4/22/16	\$0.27
COMMUNICATIONS & MARKETING TOTAL ****					\$8,770.44
Division:	112	CABLE COMMUNICATIONS			
B & H PHOTO VIDEO PRO-AUDIO	P056358	108489401	232857	PEARSTONE MINI MALE CABLE 6'	\$5.98
	P056358			EIKO DYS/DYV/BHC/5 LAMP 600W/1	\$26.85
	P056358			EIKO FTK LAMP 500W/120V	\$74.85
	P056358			SENAL SMH-500 STUDIO HEADPHONE	\$99.98
	P056358			PROTAPE GAFFERS TAPE BLACK 2"	\$150.00
CAROL SUE BUSKE (AKA SUE MILLER BUSKE)		13965	232716	CABLE FRANCHISE CONSULTING	\$4,310.00
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$14.36
CABLE COMMUNICATIONS TOTAL ****					\$4,682.02
Division:	113	HANFORD COMMUNITIES			
LUNDGREN, REGINA E		RCH-SB-452	232777	SPEAKERS BUREAU-JAN	\$320.00
		RCH-SB-455		SPEAKERS BUREAU-FEB	\$320.00
		RCH-SB-461	232956	SPEAKERS BUREAU-MAR	\$320.00
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$9.27
HANFORD COMMUNITIES TOTAL ****					\$969.27
Division:	120	FIRE			
BENTON COUNTY FIRE DIST 1		2016-27	232864	2016 ERS USER FEES-3 STATIONS	\$5,014.07
BENTON RURAL ELECTRIC ASSOCIATION		02/16-74170526	232866	COLLINS RD RADIO TOWER-ELECTRI	\$98.90
BI STATE OCCUPATIONAL SAFETY & HEALTH		2335-B	232712	VACCINES/MEDICAL	\$180.00



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CALLBACK STAFFING SOLUTIONS LLC		3414	232875	STAFFING CALLBACK SRVCS-MAR	\$119.98
CITY OF RICHLAND		16-104 LONDON	232723	16-104 FIRE INST CRED	\$469.23
D&D TELECOMMUNICATION PROPERTIES LLC		220	232902	PERRY MONUMENT RD RENT-APRIL	\$737.93
DEROUSIE, JOE		16-132 DEROUSIE	233044	16-132 NW LEADER SEMINAR	\$31.00
FEDERAL EXPRESS CORP		5-348-33516	232920	SCBA PARTS-SHIPPING	\$4.90
FRONTIER		03/16 2530045365	232925	SILVER CLOUD PHONE LINE	\$66.64
GALLS, LLC	P056139	004987231	232750	S511 SILRAY BADGE, PER RICHLAN	\$144.44
	P056139			S511 GLDRAY BADGE, PER RICHLAN	\$144.44
	P056139			S511 GLDRAY BADGE, PER RICHLAN	\$144.44
	P056139			S511 SILRAY BADGE, PER RICHLAN	\$288.88
	P056139			S511 SILRAY BADGE, PER RICHLAN	\$1,011.07
	P056139			S511 SILRAY BADGE, PER RICHLAN	\$144.44
HAMPTON INN		462451A	232929	PROMOTIONAL EVAL LODGING	\$211.92
JT AUTOMOTIVE PARTS INC DBA		354676	232943	PRE-MIX FUEL FOR SMALL TOOLS	\$338.31
KNIGHT, SHAUNA		032316	233061	WRKNG UNCH-HUNTINGTON/GUEST	\$16.75
OXARC INC		F329691	232973	ANNUAL FIRE EXT MAINT-ST 71	\$239.90
		F329692		ANNUAL FIRE EXT MAINT-ST 73	\$184.52
		F329693		ANNUAL FIRE EXT MAINT-ST 72	\$58.53
		F329694		ANNUAL FIRE EXT MAINT-ST 74	\$130.98
PACIFIC NW FIRE INVESTIGATION CONFERENCE		2016PNWFIC RAMSAY	232975	2016 PNWFIC REG FEE-RAMSAY	\$425.00
		2016PNWFIC WROOLI		2016 PNWFIC REG FEE-WROOLIE	\$425.00
SEA WESTERN INC	P056371	190260	232990	ESTIMATED SHIPPING FEES	\$13.58
	P056371			HAIX FIRE HUNTER XTREME, 14"	\$380.10
UNITED PARCEL SERVICE	S016851	000986641146	233013	GROUND PKG W/INSURANCE TO PACI	\$89.33
UPTOWN CLEANERS		72765	233014	LINEN/UNIFORM LAUNDRY SRVCS	\$341.11
		72822		LINEN/UNIFORM LAUNDRY SRVCS	\$303.31
		72925		LINEN/UNIFORM LAUNDRY SRVCS	\$292.01
		72982		LINEN/UNIFORM LAUNDRY SRVCS	\$292.00
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$245.62
	P056410			WIRELESS ACCOUNT NO 542076425	\$853.85
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$191.18
FIRE TOTAL ****					\$13,633.36
Division:	130	POLICE			
101 CLEANERS		02/16-9427360	232691	UNIFORM LAUNDRY SRVCS-FEB	\$124.47
AT&T WIRELESS		02/16-28724328888	232701	287243288881 01/27-02/26/16	\$62.60
				287243288881 01/27-02/26/16	\$12.67
BENTON COUNTY SHERIFF'S OFFICE		02/16-CUSTODY	232865	CUSTODY COSTS-FEB 2016	\$58,850.04
BERGER, KEVIN		16-127 BERGER	233035	16-127 FBI ADV ELEC CRS	\$14.90
CAR WASH PARTNERS INC DBA		114024	232877	RPD VEHICLE WASHES-FEB 2016	\$9.84
CITY OF RICHLAND		16-126 JUDGE	233043	16-126 FBI ADV ELEC CRS	\$406.00
		16-127 BERGER		16-127 FBI ADV ELEC CRS	\$1,516.15



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CUTTING EDGE TRAINING LLC		030216	232732	PURSUIT DECISION MAKING-JANSEN	\$114.00
DAY MANAGEMENT CORPORATION DBA		406580	232905	MIC REPAIR	\$532.14
DELTA HEATING & COOLING INC		24125	232738	PREVENTATIVE MAINT-HVAC RANGE	\$194.29
ERICKSON ORCHARDS INC		04/16-00064	232915	MONTHLY STORAGE 15-18349 APRIL	\$65.00
FRONTIER	S016832	03/16 2530035792	232749	TELEPHONE CHARGES 3/7/16 - 4/6	\$636.63
JANSEN, DAMON		16-131 JANSEN	233052	16-131 PURSUIT DCSN MKNG	\$14.00
KADLEC REGIONAL MEDICAL CENTER		001198159	232947	FOX MED CLRNC 15-25368	\$843.54
		001512060		TISDALE MED CLRNC 16-01452	\$360.08
		001627424		KECK MED CLRNC 16-01632	\$102.57
		001663146		CIMMIYOTTI MED CLRNC 16-01097	\$117.57
		001695442		HOSTETLER MED CLRNC 16-01632	\$102.57
		001703066		MCFARLIN MED CLRNC 15-26229	\$117.57
		100093143		LARIOS MED CLRNC 16-00075	\$154.66
		100101802		EVANS MED CLRNC 16-03391	\$154.81
		100186692		MORALES MED CLRNC 15-26169	\$102.57
		100201498		LARA MED CLRNC 15-15996	\$154.68
		100203565		BARNES NAY MED CLRNC 15-23627	\$360.48
		100259436		SOMEN MED CLRNC 15-25512	\$102.57
		100276288		SANDOVAL MED CLRNC 16-01658	\$102.57
MILLER, RYAN		3707-193729	233064	HEADLIGHT VEH 2409	\$15.51
RECALL SECURE DESTRUCTION SERVICES INC		7346048878	232981	SHREDDING SRVCS-FEB	\$149.65
RIVER CITY TOWING INC		14581	232785	TOW CHARGE	\$48.87
		14585	232984	TOW CHARGE	\$48.87
		14586		TOW CHARGE	\$48.87
		14598		TOW CHARGE	\$48.87
SAN DIEGO POLICE EQUIPMENT CO	P056253	621724	232790	CCI-53966 SPEER GOLD DOT 45ACP	\$1,289.83
	P056253	621769		FED-AE223J FEDERAL .223 55GR F	\$6,859.21
	P056248	621770		FED-AE223J FEDERAL .223 55GR F	\$2,601.29
SOFTWARE ONE INC	P056275	US-PSI-466456	232993	PRO PLUS SHRD SVR ALNG SUBS VL	\$5,418.71
TASER INTERNATIONAL	P056332	S11431200	233003	ESTIMATED SHIPPING	\$14.07
	P056332			#26500 X26 DATAPORT KIT	\$185.18
THE ABY MFG GROUP INC DBA	P056244	0116469-IN	233004	#154-R LIEUTENANT BADGE DOME P	\$170.00
	P056244			#154-R SERGEANT BADGE DOME PIN	\$340.00
	P056244			FREIGHT	\$16.00
	P056244			INSURANCE	\$15.00
	P056244			PACKING FEE	\$5.90
TRANS UNION RISK & ALTERNATIVE DATA		02/16-204527	232809	RPD RECORDS SEARCH - FEB	\$111.00
TREASURE VALLEY COFFEE CO		105638	233010	RPD COFFEE DELIVERY	\$119.69
TTB, LLC DBA		2378	232811	VEHICLE WASHES-FEB (57)	\$299.25
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$3,685.19
WA STATE CRIMINAL JUSTICE TRAINING		201125973	233019	LE ACADEMY/INVEST BASICS	\$500.00



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
WA STATE CRIMINAL JUSTICE TRAINING		201126014	233019	COLL INVEST ADV-DOSS/EDWARDS	\$200.00
WASHINGTON ASN OF SHERIFFS & POLICE CHIEFS		DUES2016-00505	233021	ASSOCIATE DUES-COBB	\$75.00
WASHINGTON STATE PATROL		00060329	233022	ACCESS USER FEE 01/1-03/31/16	\$534.00
		I16006075		BACKGROUND CHECKS-FEB 2016	\$69.50
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$319.99
				PHONE CHARGES 3/23-4/22/16	\$7.14
POLICE TOTAL ****					\$88,525.56
Division:	210	ADMINISTRATIVE SERVICES			
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$49.01
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$20.93
ADMINISTRATIVE SERVICES TOTAL ****					\$69.94
Division:	211	FINANCE			
ALLIED ENVELOPE	P056395	167191	232848	INSIDE DELIVERY & STACKING OF	\$54.30
	P056395			RETURN ENVELOPE WITH SECURITY	\$759.66
	P056395	167192		INSIDE DELIVERY & STACKING OF	\$54.30
	P056395			UTILITY BILLING STATEMENT, 20#	\$406.98
	P056395	167194		INSIDE DELIVERY & STACKING OF	\$54.30
	P056395			WINDOW ENVELOPE, REVERSE FLAP,	\$620.92
DAILY JOURNAL OF COMMERCE	S016828	3310489	232734	LEGAL AD FOR COST ALLOCATION P	\$138.60
MARTIN BUSINESS SYSTEMS		14534	232958	UB LOANS/LANDFILL #9 ENVELOPES	\$507.13
				UB LOANS/LANDFILL #9 ENVELOPES	\$261.55
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$100.71
	P056410			WIRELESS ACCOUNT NO 542076425	(\$9.51)
	P056410			WIRELESS ACCOUNT NO 542076425	\$38.74
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$138.91
				PHONE CHARGES 3/23-4/22/16	\$0.22
				PHONE CHARGES 3/23-4/22/16	\$79.41
FINANCE TOTAL ****					\$3,206.22
Division:	212	PURCHASING			
MID COLUMBIA ENGINEERING INC	S016692	ST008248	232961	JACQUE MULLINS, BUYER 1	\$1,188.00
	S016692	ST008263		JACQUE MULLINS, BUYER 1	\$1,188.00
ROBINSON, CATHY		16-152 ROBINSON	233071	16-152 WAPELRA WORKSHOP	\$46.00
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$20.95
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$45.60
				PHONE CHARGES 3/23-4/22/16	\$62.00
PURCHASING TOTAL ****					\$2,550.55
Division:	213	INFORMATION TECHNOLOGY			
CITY OF RICHLAND		16-055 ESPINOSA	232723	16-055 ESRI DVLPR SUMMIT	\$232.00
DAILY JOURNAL OF COMMERCE	S016841	3310569	232903	LEARNING MANAGEMENT SYSTEM RFP	\$136.40
ESPINOSA, DAVE		16-055-ESPINOSA	232744	16-055 ESRI DVLPR SUMMIT	\$53.95



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
GRUMBLING, KEVIN		16-156 GRUMBLING	233049	16-156 REG BROADBAND SUMMIT	\$281.20
UNITED PARCEL SERVICE	S016839	000986641136	232814	GROUND PKG TO NEWEGG FOR IT	\$4.07
	S016851	000986641146	233013	WEIGHT CORRECTION FOR PKG TO	(\$0.23)
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$232.38
VISION TECHNOLOGY SOLUTIONS LLC DBA	S016344	32196	232821	ADDENDUM #1 - EXTRA WORK PERFO	\$1,350.00
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$261.68
INFORMATION TECHNOLOGY TOTAL ****					\$2,551.45
Division:	220	HUMAN RESOURCES			
BI STATE OCCUPATIONAL SAFETY & HEALTH		2335-B	232712	VACCINES/MEDICAL	\$175.00
				VACCINES/MEDICAL	\$640.00
		2421-B		VACCINES/MEDICAL	\$570.00
CITY OF RICHLAND		16-052 PAULSEN	232723	16-052 LERA CONF	\$636.22
		16-053 RETTIG		16-053 LERA CONF	\$618.00
HARRINGTON'S TROPHIES		75256	232930	BLOOD-TURNIP AWARD-RICK SIMON	\$9.23
JUBB, ALLISON		031716	232767	GOLD GIFT BOX FOR EMP BRKFST	\$15.13
		031716 BRKFST		CHOC COINS-EMP BRKFST	\$14.69
		031716 SUPPLIES		SUPPLIES-PROJECTOR ADT/CRD	\$19.99
MID COLUMBIA ENGINEERING INC	S016696	ST008247	232961	STEPHANIE DEWEY, HR GENERALIST	\$587.25
	S016696	ST008262		STEPHANIE DEWEY, HR GENERALIST	\$374.63
MOON, TAE-IM PHD		032016	232964	PSYCH EVALUATION-PREMBERTON	\$800.00
NASH, KATIE		032816	233066	WATER BOTTLES-RFP INTRVWS	\$11.34
RETTIG, JESSICA		16-053-RETTIG	232784	16-053 LERA CONF	\$354.39
TRANS UNION LLC		02651255	233008	CREDIT REPORTS-FEBRUARY	\$54.30
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$60.60
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$74.97
HUMAN RESOURCES TOTAL ****					\$5,015.74
Division:	300	COMMUNITY &DEVELOPMENT SERVICE			
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$114.59
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$21.18
COMMUNITY &DEVELOPMENT SERVICE TOTAL ****					\$135.77
Division:	301	DEVELOPMENT SERVICES			
TRI CITY HERALD	S016848	2072016	233011	DETERMINATION OF NON-SIGNIFICA	\$64.27
	S016848	2267883		NOTICE OF PUBLIC HEARING RAN O	\$44.49
	S016848	2296849		NOTICE OF PUBLIC HEARING RAN O	\$46.96
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$506.84
WATER SOLUTIONS INC		12932	232827	3 WTR MACHINES - MAR 2016	\$16.29
				3 WTR MACHINES - MAR 2016	\$39.63
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$21.24
				PHONE CHARGES 3/23-4/22/16	\$117.20



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
DEVELOPMENT SERVICES TOTAL ****					\$856.92
Division:	302	REDEVELOPMENT			
ROGER BROOKS INTERNATIONAL, INC		13694	232786	WATERFRONT CONSULTING SVCS	\$3,450.00
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$51.08
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$6.51
				PHONE CHARGES 3/23-4/22/16	\$20.87
REDEVELOPMENT TOTAL ****					\$3,528.46
Division:	303	LIBRARY			
CASCADE NATURAL GAS CORP		03/16 61897100006	232879	NAT GAS 955 NRTHGT 02/17-03/17	\$812.52
EMILY MOLITOR		124	232741	ERGONOMIC EVALUATION	\$550.00
EQUINOX SOFTWARE INC	P056427	3854	232914	Equinox Sequoia Service June 1	\$15,300.00
FRONTIER	S016832	03/16 509943315	232749	TELEPHONE CHARGES 3/4/16 - 4/3	\$376.54
NORTHWEST PLAYGROUND EQUIPMENT INC	P056331	39295	232971	KCDA DISCOUNT 5%	(\$270.20)
	P056331			FREIGHT	\$477.84
	P056331			#STEEL POSTS UPGRADE PAIR OF	\$651.60
	P056331			#IMBARIMBA YELLOW XYLOPHONE I	\$4,561.20
	P056331			#MALLET CLEAR FIRM HEAD WITH	\$191.14
TECHNOLOGY UNLIMITED INC		302237	232801	CANNON MS300 ANNUAL MAINT	\$966.54
TRAVELERS		6769F7144/2016 CH	233009	LIBRARY ART INS POLICY-ADD/CH	\$25.00
UNIQUE MANAGEMENT SERVICES INC		421834	232813	COLLECTION SRVCS-FEB	\$1,038.20
WASHINGTON STATE PATROL		I16006043	232825	VOLUNTEER BACKGROUND CHECKS	\$12.00
XEROX CORPORATION		083776113	232833	W7225 BASE CHRG/PRINTS-FEB	\$178.31
		083776114		W7225 BASE CHRG/PRINTS-FEB	\$314.99
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$158.29
LIBRARY TOTAL ****					\$25,343.97
Division:	330	PARKS & RECREATION ADMIN			
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$983.96
PARKS & RECREATION ADMIN TOTAL ****					\$983.96
Division:	331	PARKS & REC - RECREATION			
BUCKSKIN GOLF CLUB		SC04002/2016	232873	YOUTH BBALL REFEREES-2016	\$4,158.72
CAMARENA, DANA		FEB 2016	232715	SALSA INSTRUCTOR-FEB	\$761.29
DAHL, STEPHANIE MARIE		WINTER 2015	232733	PRESCHOOL CLASS #10264 WNTR 15	\$1,131.66
MASON, PATTI L		FEBRUARY 2016	232959	FITNESS CLASSES - FEBRUARY	\$897.93
MILLER, JO ANN		FEB 2016	232779	DANCE INSTRUCTOR-FEB	\$598.48
		MAR 2016	232962	DANCE INSTRUCTOR-MAR	\$606.65
SUSAN KATHLEEN VITULLI		02/2016	232799	PAINTING CLASS #10267 & 10268	\$960.00
		03/2016		PAINTING CLASS #10405	\$573.75
SZENDRE, JOLENE		FEBRUARY 2016	233002	YOGA CLASS #10101-FEB 2016	\$314.90
		JANUARY 2016		YOGA CLASS #10100-JAN 2016	\$366.01
URM STORES INC		C31029419	233015	MR BUNNY SNACKS	\$74.60



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
WHITE LOTUS ENTERPRISES		FEBRUARY 2016	233026	KARATE INSTRUCTOR-FEB 2016	\$119.83
		JANUARY 216		KARATE INSTRUCTOR-JAN 2016	\$51.36
XEROX CORPORATION		083659470	233030	W7855 BASE CHRG/PRINTS-FEB	\$231.35
				W7855 BASE CHRG/PRINTS-FEB	\$163.89
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$6.51
				PHONE CHARGES 3/23-4/22/16	\$100.81
				PHONE CHARGES 3/23-4/22/16	\$39.04
PARKS & REC - RECREATION TOTAL ****					\$11,156.78
Division:	335	PARKS & REC - PARKS&FACILITIES			
ABM JANITORIAL NORTHWEST		9182763	232693	JANITORIAL SRVCS-MARCH	\$9,417.47
		9198644		JANITORIAL SRVCS-WINDOWS-MARCH	\$187.71
		9203930		JANITORIAL SRVCS-CARPTETS-MARC	\$202.65
AIREFCO INC		3571455	232846	CO DIGITAL/FILTER	\$104.07
APOLLO SHEET METAL INC		28248	232698	COOLING TOWER	\$97.74
ARAMARK UNIFORM SERVICES INC	S016837	02/16-934962000	232853	LINEN CHARGES FOR FEBRUARY 201	\$325.02
BENTON COUNTY SHERIFF'S OFFICE		01/16-WORKCREW II	232704	WORKCREW II-JANUARY 2016	\$6,718.32
BOYD'S TREE SERVICE LLC		4426	232713	RIVER CLEANUP	\$7,573.57
BUILDERS HARDWARE & SUPPLY CO INC		S3444182.001	232714	BHS ACCESS CONTROL-KEYPAD	\$338.85
CASCADE NATURAL GAS CORP		03/16-75226321539	232879	NAT GAS 2710 DUPORTAIL	\$526.58
		03/16-80577100003		NAT GAS 200 BLDG 02/12-03/16	\$4,356.10
		03/16-90577100002		NAT GAS 300 BLDG 02/12-03/16	\$6,728.27
CITY OF RICHLAND		02/2016-24	232722	#24 LANDFILL FEES	\$5,000.44
		02/2016-30		#30 LANDFILL CHARGES	\$60.00
COLUMBIA GRAIN & FEED INC		140021	232727	BAGGER KIT	\$117.15
		140390	232895	REPAIR CHAIN SAW	\$415.82
EFC EQUIPMENT LLC		4882	232740	REPAIR BLOWER	\$178.53
EWING IRRIGATION PRODUCTS INC		1021889	232745	TURFACE MOUND CLAY	\$215.46
		1048837		MARLEX/HUNTER ULTRA	\$712.00
		1059557		TURFEX	\$423.49
		1059559	232917	PVC CEMENT/PRIMER/COUPLING	\$61.27
		1068733	232745	910 CARSON 10" GREEN BOX	\$19.15
		1074466	232917	DIGGING/TRENCHING SHOVEL	\$100.27
		1094400		CONTROLLER REPAIR	\$27.15
		993874		SPORTLINE CHALK	\$760.37
FREMAREK INC DBA		0573748-IN	232924	WAVE 3D URINAL SCREENS	\$947.97
GRAINGER	S016829	9044272871	232928	MTR 3, PH 1 HP ITEM #2N980	\$399.17
IRRIGATION SPECIALISTS INC		1168432-01	232938	TRIMMER/SPRINKLER HEAD/WRENCH	\$107.95
		1168698-01		WRENCH/TRIMMER/SPRINKLER HEAD	\$113.54
KENNEWICK INDUSTRIAL & ELECTRICAL SUPPLY		71318	232769	IRRIGATION SUPPLIES	\$132.06
PLAYCORE WISCONSIN INC DBA	P056182	PJI-0030846	232751	ADJUST FOR TAX	\$0.02
	P056182			GT-Impax - materials to repair	\$1,340.12



City Of Richland

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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
REXEL INC DBA		I982755	232982	TYM MX3200	\$13.37
ROTO ROOTER		419691	232788	SERVICE AT LIFT STATION	\$412.68
		471712	232987	SERVICE AT LIFT STATION	\$499.56
SHANNON & WILSON INC	P056082	7970	232793	CONSULTANT AGREEMENT FOR WELL	\$2,648.00
STONEWAY ELECTRIC SUPPLY		08939	232998	METAL HALIDE LAMPS	\$342.95
		S101522454.001	232797	MERSEN FUSE 600V	\$66.19
		S101522454.002		MERSEN FUSE 600V	\$52.95
		S101539436.001		PHILLIPS LAMP	\$208.34
		S101550285.001		LEVITON/JAR DISC/ELEC BLST	\$140.44
		S101554766.001		CULLY/ARLINGTON/OZ	\$64.27
		S101556529.001	232998	RED DOT HTGZ3	\$66.35
		S101567826.001		FLUORESCENT LAMPS	\$49.04
		S101569939.001		FLUORESCENT LAMPS	\$126.52
THE DRAIN SURGEON		34549	232802	SNAKE MAIN LINE-JEFFERSON PARK	\$146.61
THE PERSONAL TOUCH CLEANING INC		60725	232803	JANITOR SERVICES-BLDG 100-FEB	\$2,125.19
		60726		JANITOR SERVICES-BLDG 200-FEB	\$635.14
		60727		JANITOR SERVICES-BLDG 300-FEB	\$489.97
		60781		JANITOR SERVICES-LIBRARY-FEB	\$4,166.04
VEGETATION CONTROL SERVICE INC DBA	P056369	841	232818	TREE WORKS MNTC 3/08/2016-3/08	\$800.00
WILBUR ELLIS COMPANY	S016786	9666485	232831	MILESTONE	\$752.06
	S016815	9711562	233027	ESPLANADE 200 SC	\$646.02
	S016815	9714282		GALLERY SC	\$657.03
WILDWOOD PLAYGROUNDS NW	S016764	9703	232832	ENGINEERED WOOD FIBER, 100 CY,	\$2,269.25
	S016764			FREIGHT	\$1,735.97
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$102.19
PARKS & REC - PARKS&FACILITIES TOTAL ****					\$66,924.41
Division:	900	NON-DEPARTMENTAL			
ARBAUGH & ASSOCIATES INC		1514	232699	ARBAUGH CONTRACT FEES-FEB'16	\$1,481.59
CITY OF PASCO	P056274	M031516	232885	COP-ANNUAL ANIMAL CONTROL SERV	\$20,301.91
STATE AUDITOR'S OFFICE		L112968	232796	AUDIT SERVICES-FEB 2016	\$2,787.34
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$45.53
NON-DEPARTMENTAL TOTAL ****					\$24,616.37
GENERAL FUND Total ***					\$403,015.29
FUND	101	CITY STREETS			
Division:	401	STREETS MAINTENANCE			
ADVANCED SIGNAL & CONTRACTING LLC	P056301	2449	232694	RAILROAD CROSSING INSPECTIONS-	\$320.00
AMERICAN ROCK PRODUCTS INC	P056397	263021	232849	5-SACK CONCRETE MIX, 3/4	\$195.48
	P056397			ENVIRONMENTAL FEE	\$2.17
	P056397			2.00%-N.C.A.=M.B.-534	\$28.67



City Of Richland

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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
AMERICAN ROCK PRODUCTS INC	P056397	263021	232849	UNDER 4 YD ORDER CHARGE	\$108.60
	P056397	263458		5/8" MINUS TOP COURSE 6	\$144.37
BEAVER BARK & ROCK	P056396	733483	232860	CONCRETE, 5 BAX MIX, 0.75 YD	\$141.16
HERTZ EQUIPMENT RENTAL CORP		28531924-001	232933	LIQUID PROPANE	\$19.07
STRIPE RITE INC	P056260	40164	232798	SUPPLY TRAFFIC CONTROL FOR THE	\$374.67
	P056260			FURNISH & INSTALL EXTRUDED CUR	\$2,644.41
THE SHERWIN WILLIAMS CO		3989-5	232804	SANDING SPONGE/3" FOAM BRUSH	\$10.65
		6521 3		20" TIP EXT/YELLOW PAINT	\$142.42
TRAFFIC SAFETY SUPPLY CO INC	S016777	109473	233007	36" SIGN-UP CROSSBRACE, FOR 36	\$159.64
	S016777			ROLL UP SIGN, FLAGGER SYMBOL,	\$164.53
	S016777			ROLL UP SIGN, ROAD WORK AHEAD,	\$329.06
	S016777			.080 SIGN BLANK, 12" X 18", NO	\$122.18
	S016777			ADJUST TAX	(\$0.01)
	S016777			ROLL UP SIGN, DOUBLE TRANSITIO	\$586.01
	S016777			.080 SIGN BLANK, 18" X 18", NO	\$350.24
	S016777			FREIGHT	\$110.50
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$95.82
WESTERN CONCRETE ACCESSORIES		32194	233025	DIMOND BLADE/CLEAR COAT	\$105.55
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$26.03

STREETS MAINTENANCE TOTAL ****

\$6,181.22

CITY STREETS Total ***

\$6,181.22

FUND 110

LIBRARY

Division:

000

LIBRARY REFUND

LIBRARY REFUND

232776

CARTERBY-RETURNED BOOK

\$6.99

DOTSON/RETURNED LOST BOOK

\$25.95

AMADOR-RETURNED BOOK

\$11.00

CARLSON-RETURNED LIBRARY BOOK

\$10.99

FELTS-RETURNED LOST BOOK

\$10.95

RAINES-RETURNED BOOK-REFUND

\$9.00

DONOFRIO-RETURNED LOST BOOK

\$12.99

BROWN/RETURNED LIBRARY BOOK

\$7.99

LANDSMAN-RETURNED LOST BOOK

\$13.95

JONES/RETURNED LOST BOOK

\$5.50

CURRAN/RETURNED LOST BOOK

\$5.00

JOHANSEN/RETURNED LIBRARY BOOK

\$4.99

RISTE/RETURNED LIBRARY BOOK

\$3.99

HAMMOND/RETURNED LOST MAGAZINE

\$3.95

LINDERMAN-RETURNED BOOKS

\$16.94

FLUHARTY-RETURNED LOST BOOK

\$7.99

ALIK-RETURNED DVD

\$29.98



City Of Richland

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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
LIBRARY REFUND		LIBRARY REFUND	232776	BERTSCH-REFUND LOST BOOK FEES	\$49.25
				MCDUFFIE REFUND RETURNED BOOK	\$46.35
				EVERETT LIB-MATERIALS RETURNED	\$39.95
				VAN DYKEN/REFUND LIBRARY FEE	\$36.95
				WALKER-RETURNED BOOKS REFUND	\$33.90
				PERLOT-RETURNED BOOK	\$11.86
				PEREZ-MATERIALS RETURNED	\$29.99
				CELEBRATE WORLD/RETURN	\$60.00
				PARAZIN-REFUND LOST BOOK FEES	\$19.95
				MACKEBON-REFUND LOST BOOK FEES	\$18.99
				JOHNSON-BOOK RETURNED	\$18.99
				MINISTER'S DAUGHTER/RETURN	\$16.95
				REFUND LIBRARY FEES/CHAPMAN	\$16.00
				HOLIMAN-RETURNED LOST BOOK	\$15.00
				TURNER-REFUND LOST BOOK FEES	\$31.32
				REFUND BOOK FEES/LABRECQUE	\$15.95
UNASSIGNED TOTAL ****					\$649.55
LIBRARY Total ***					\$649.55
FUND 112	INDUSTRIAL DEVELOPMENT FUND				
Division:	305	ECONOMIC DEVELOPMENT			
ARBAUGH & ASSOCIATES INC		1514	232699	ARBAUGH CONTRACT FEES-FEB'16	\$151.19
TRI CITY REGIONAL CHAMBER OF COMMERCE		41899	232810	TCRCC MEMBER DUES 2016	\$5,250.00
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	(\$9.51)
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$28.70
ECONOMIC DEVELOPMENT TOTAL ****					\$5,420.38
INDUSTRIAL DEVELOPMENT FUND Total ***					\$5,420.38
FUND 117	CRIMINAL JUSTICE SALES TAX				
Division:	131	CJST POLICE ACTIVITY			
MICROSOFT CORPORATION	P056327	USA-0354662	232960	COVER, SP4 TYPE COVER 3 BLACK,	\$119.99
	P056327			PORT REPLICATOR (DOCK) FOR PRO	\$184.61
	P056327			TABLET, SURFACE PRO3 i7 512 B	\$2,010.78
SAN DIEGO POLICE EQUIPMENT CO	P056253	621724	232790	CCI-53966 SPEER GOLD DOT 45ACP	\$1,000.00
	P056253	621769		FED-AE223J FEDERAL .223 55GR F	\$1,500.00
	P056248	621770		FED-AE223J FEDERAL .223 55GR F	\$2,600.00
WA STATE CRIMINAL JUSTICE TRAINING		201125921	232822	BASIC LE ACADEMY-CARMONA/LIONE	\$3,187.00
		201125973	233019	LE ACADEMY/INVEST BASICS	\$3,287.00
CJST POLICE ACTIVITY TOTAL ****					\$13,889.38
CRIMINAL JUSTICE SALES TAX Total ***					\$13,889.38



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
FUND 150		HOTEL/MOTEL FUND			
Division:	307	HOTEL/MOTEL TAX			
THREE RIVERS ROAD RUNNERS		C190-15	232805	C190-15 H/M RUN FEST SPNSRSHP	\$1,255.00
				HOTEL/MOTEL TAX TOTAL ****	\$1,255.00
				HOTEL/MOTEL FUND Total ***	\$1,255.00
FUND 153		COMMUNITY DEV BLOCK GRANT			
Division:	308	CDBG PROGRAM			
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$6.51
				PHONE CHARGES 3/23-4/22/16	\$6.80
				CDBG PROGRAM TOTAL ****	\$13.31
				COMMUNITY DEV BLOCK GRANT Total ***	\$13.31
FUND 154		HOME FUND			
Division:	309	HOME PROGRAM			
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$6.80
				HOME PROGRAM TOTAL ****	\$6.80
				HOME FUND Total ***	\$6.80
FUND 301		STREETS CAPITAL CONSTRUCTION			
Division:	402	ARTERIAL STREETS			
BEAVER BARK & ROCK		730602	232703	CONCRETE	\$277.99
BERGER ABAM ENGINEERS INC	S054546	313806	232711	DUPORTAIL BRIDGE -	\$37,199.17
	S054546	314117		DUPORTAIL BRIDGE -	\$117,772.86
CULBERT CONSTRUCTION INC	P055330	C104-15/FINAL	232901	STEVENS DR EXTENSION - ROADWAY	\$32,187.24
DAILY JOURNAL OF COMMERCE	S016841	3311165	232903	SLURRY SEAL WITH MICROSURFACIN	\$284.70
	S016841	3311166		ASPHALT RUBBERIZED CHIP SEAL	\$280.80
DAVID H BOWLS		115981020400017	232904	DUPORTAIL EXTENSION-TEMP ESMNT	\$370.00
		115981020400018		DUPORTAIL EXTENSION-TEMP ESMNT	\$600.00
FINANCIAL CONSULTING SOLUTION GROUP	P056415	2513-21603031	232922	DUPORTAIL BRIDGE-TIGER GRANT	\$7,540.00
TRI CITY HERALD		2321145	233011	CALL FOR BID-CHIP SEAL	\$268.46
		2321188		CALL FOR BID-SLURRY SEAL	\$273.16
				ARTERIAL STREETS TOTAL ****	\$197,054.38
				STREETS CAPITAL CONSTRUCTION Total ***	\$197,054.38
FUND 380		PARK PROJECT CONSTRUCTION			
Division:	337	PARKS & REC PROJECTS			
HERTZ EQUIPMENT RENTAL CORP	P056323	227701	232755	SCISSOR LIFT, 26', ELEC, STD,	\$8,123.28
STONEWAY ELECTRIC SUPPLY		S101551870.001	232797	CLAMP TIE/STEEL CITY BOX	\$59.79



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
STONEWAY ELECTRIC SUPPLY		S101552430.001	232797	STEEL CITY BOX	\$4.68
		S101554240.001		RED DOT 1/2 HUBS	\$13.15
TOPPER INDUSTRIES INC	P056232	9682	232806	DECKING FOR COL POINT:	\$12,869.10
	P056232			FREIGHT	\$488.70
PARKS & REC PROJECTS TOTAL ****					\$21,558.70
PARK PROJECT CONSTRUCTION Total ***					\$21,558.70
FUND 385	GENERAL GOVT CONSTRUCTION				
Division:	900	NON-DEPARTMENTAL			
ARCHITECTS WEST INC	S016407	8479	232854	CITY HALL PRE-DESIGN AND MASTE	\$1,660.60
	S016407			CITY HALL PRE-DESIGN AND MASTE	\$2,490.90
NON-DEPARTMENTAL TOTAL ****					\$4,151.50
GENERAL GOVT CONSTRUCTION Total ***					\$4,151.50
FUND 401	ELECTRIC UTILITY FUND				
Division:	000				
ADVANCED PAGING & COMMUNICATIONS INC	P056164	18084	232845	KNOB ICOM F70 VOLUME CONTROL	\$146.39
CONSOLIDATED ELECTRICAL DISTRIBUTORS INC	S016791	3627-557833	232898	BALLAST, ELECTRONIC, DIMMABLE	\$1,908.54
	P056255	3627-558040	232730	ELBOW,PVC,6",90,48" RADIUS	\$462.64
	P056255			ELBOW,PVC,4",30,18" RADIUS	\$74.72
	P056255			TAX ADJUSTMENT	(\$0.01)
	P056255			CONDUIT,PVC,5",SCH 40,20 FT	\$952.42
	P056255			CONDUIT,PVC,6",SCH 40,20 FT	\$2,853.36
KAMAN INDUSTRIAL TECHNOLOGIES	S016790	C45608	232768	LUBRICANT, SILICONE, DOW #4	\$1,838.33
PACIFIC METERING INC	P056347	16-0307-6347	232974	METER,RING, EKSTROM STAINLESS	\$1,651.00
WESCO DISTRIBUTION INC	P056265	677193	232828	SLEEVE ACSR AUTOMATIC, #4 & #2	\$165.62
	P056265	677194		SLEEVE INSULATED, #6-#2,	\$64.07
	P056265	679574	233023	SLEEVE,INSULATED, #6 STRANDED,	\$41.27
	P056265	679575		SLEEVE 2/0 TRIPLEX NEUTRAL, #1	\$102.63
	P056265			SLEEVE ACSR AUTOMATIC, 1/0,	\$210.96
	P056265			SLEEVE, COPPER #6 - 1/0 STR,	\$104.04
	P056265			TAX ADJUSTMENT	(\$0.02)
	P056265	679576		TAX ADJUSTMENT	(\$0.01)
	P056265			SLEEVE SHRINK,1.100-.375 X 12"	\$886.18
	P056265			SLEEVE SHRINK, .750-.220 X 9",	\$668.98
	P056264	679577		CONN,FARGO,DIS FARGO GA-9400GL	\$1,175.05
	P056264			CONN,DIST., #8-2 AL TO AL OR	\$828.08
TOTAL ****					\$14,134.24
Division:	501	BUSINESS SERVICES			
ARBAUGH & ASSOCIATES INC		1514	232699	ARBAUGH CONTRACT FEES-FEB'16	\$846.62



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Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CITY OF RICHLAND		16-121 SCOTT	232723	16-121 XFMR TRNG MEYERS	\$1,112.60
UNITED PARCEL SERVICE	S016839	000986641136	232814	GROUND PKG TO ABB FOR MPP SHOP	\$5.71
	S016839			WEIGHT CORRECTION FOR PKG TO A	\$0.20
	S016851	000986641146	233013	GROUND PKG TO EBERLE DESIGN FO	\$5.74
	S016851			GROUND PKG TO CAMPBELL COMPANY	\$3.76
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$108.16
	P056112	9762368416	233018	WIRELESS DATACARD FOR R. HAMMO	\$62.09
WATER SOLUTIONS INC		12932	232827	3 WTR MACHINES - MAR 2016	\$30.97
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$125.59
				PHONE CHARGES 3/23-4/22/16	\$107.64
				PHONE CHARGES 3/23-4/22/16	\$56.11
				PHONE CHARGES 3/23-4/22/16	\$131.39
				PHONE CHARGES 3/23-4/22/16	\$57.30
BUSINESS SERVICES TOTAL ****					\$2,653.88
Division:	502	ELECTRICAL ENGINEERING			
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$182.07
ELECTRICAL ENGINEERING TOTAL ****					\$182.07
Division:	503	POWER OPERATIONS			
ALLAN ELECTRIC INC		39153	232847	1012 PERKINS-EL REPAIR	\$284.36
AMERICAN ROCK PRODUCTS INC	P056398	262512	232849	5/8" MINUS TOP COURSE 6, INVOI	\$74.77
	P056398			1-1/4 MINUS BASE COURSE	\$69.71
ANIXTER INC	S016770	3129156-00	232852	COOPER ELBOW #FEF083A040	\$521.50
	S016770	3129156-01		COOPER ELBOW #LFEP215TFECA06AT	\$391.07
	S016792	3146523-00		BUCKADJUSTER MODEL #9-8	\$1,039.30
BEAVER BARK & ROCK		731719	232860	MOON ROCK	\$18.99
BOYD'S TREE SERVICE LLC	P056239	4449	232713	TREE PRUNING SERVICE FROM	\$7,267.88
	P056239	4462	232870	TREE PRUNING SERVICE FROM	\$6,944.88
CITY OF RICHLAND		02/2016-1901	232722	#1901 DROP BOX DISP/HAULING	\$452.08
COAST CRANE COMPANY		DI/072838	232891	RENT 560E BOOM TRUCK	\$1,089.00
		DI/073263		RENT 1195 BOOM TRUCK	\$2,822.56
COLUMBIA GRAIN & FEED INC		139985-	232895	SHOP WORK #09554	\$131.76
CULBERT CONSTRUCTION INC	P055330	C104-15/FINAL	232901	C/O #7B OVERAGE ON CONTRACT	\$618.59
	P055330			STEVENS DR EXTENSION - ROADWAY	\$618.60
	P055330			STEVENS DR EXTENSION - ROADWAY	\$618.60
	P055330			C/O #7B OVERAGE ON CONTRACT	\$618.60
FARWEST LINE SPECIALTIES LLC	S016805	206965	232918	KLEIN TOOL KNIFE 44006 ITEM#7	\$815.10
	S016805			SHIPPING	\$12.41
	S016805			KLEIN TOOL KNIFE 44007 ITEM #	\$155.60
HI-LINE HOLDING COMPANY LLC DBA	S016803	10004088	232934	SMALL PARTS BAG W/SNAP ITEM #H	\$70.15
	S016803			RATCHET CABLE CUTTER-GUY STRAN	\$402.84



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
HI-LINE HOLDING COMPANY LLC DBA	S016803	10004088	232934	WIDE OPENING CANVAS TOOL BAGE	\$456.70
	S016803			FREIGHT	\$71.99
L&M TRUCK SALES INC		53218	232950	RENT BUCKET	\$3,103.65
ROWAND MACHINERY CO		196644	232988	RENT JOHN DEERE 310SL HL	\$705.90
		197610		KEYS	\$40.25
SENSOR LINK CORPORATION	S016794	57682	232792	SENSORLINK SINGLE READ AMPSTIK	\$1,244.56
SHERMAN & REILLY INC	S016814	18357	232991	UNDERGROUND CONNECTOR FOR	\$741.74
	S016814			FREIGHT	\$8.51
TYNDALE ENTERPRISES INC	P056096	1047192	232812	FIRE RETARDANT CLOTHING-2016	\$3,030.56
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$409.11
POWER OPERATIONS TOTAL ****					\$34,851.32
Division:	504	SYSTEMS DIVISION			
ALLAN ELECTRIC INC	S016761	39193	232847	REPLACE METER SOCKET AT 1295 G	\$938.09
	S016761	39194		REPLACE METER SOCKET AT 255	\$938.09
HDR ENGINEERING INC	P055184	479288-H	232932	4-YR WORK PLAN PER CONTRACT 75	\$14,465.96
	P055184			4-YR WORK PLAN PER CONTRACT 75	\$5,173.92
SPX TRANSFORMER SOLUTIONS INC	S016809	039639	232996	BREATHERR, 8K GAL, ARDB2, PART	\$3,698.92
	S016809			FREIGHT	\$40.51
	S016809			ADJUST TAX	(\$0.01)
STORAGE BATTERY SYSTEMS INC	S016799	566343	232999	BATTERY, TUBULAR PLATE 2VOLT 2	\$3,840.00
	S016799			FREIGHT ESTIMATE	\$590.00
UTILITIES UNDERGROUND LOCATION CENTER		6020194	232816	UTILITIES LOCATE SERVICE	\$216.72
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$328.32
SYSTEMS DIVISION TOTAL ****					\$30,230.52
Division:	505	ENERGY POLICY MGMT			
BENTON COUNTY AUDITOR/WEATHERWISE	P056407	100160 LIEN	232863	M WAGNON-RECORD LIEN, AC# 1001	\$73.00
	P056407	111260 LIEN		T LEMKE-RECORD LIEN, AC# 11126	\$73.00
	P056407	120480 RELEASE		S CLARK-LIEN RELEASE, AC# 1204	\$73.00
	P056407	151480 RELEASE		R HANNAN-LIEN RELEASE, AC# 151	\$73.00
	P056407	201460 LIEN		D REZENDES-RECORD LIEN, AC# 20	\$73.00
	P056407	390170 RELEASE		J ROGERS-LIEN RELEASE, AC# 390	\$73.00
	P056407	620340 RELEASE		T KRASNER-LIEN RELEASE, AC# 62	\$73.00
	P056407	641680 LIEN		L STEVENS-RECORD LIEN, AC# 641	\$73.00
	P056407	653820 RELEASE		J HARTLEY-LIEN RELEASE, AC# 65	\$73.00
	P056407	800780 RELEASE		R SILVER JR-LIEN RELEASE, AC#	\$73.00
	P056407	825480 LIEN		J VANCE-RECORD LIEN, AC# 82548	\$73.00
CITY OF RICHLAND		150100	232887	805 WINSLOW-REBATE-INS	\$538.00
		20680		410 BENHAM-REBATE-HP	\$1,000.00
		231440	232724	1328 WRIGHT-REBATE-INS/HP	\$1,570.70
		722260		338 SKAGIT-REBATE-HP/PTCS	\$1,250.00



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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CITY OF RICHLAND		722980	232887	415 SKAMANIA-REBATE-HP	\$1,000.00
		970799		225 VAN GIESEN-REBATE-HP	\$800.00
COLEMAN OIL COMPANY		09ES-11128-FY2016	232893	917 AARON-REBATE-COMM LIGHTING	\$1,400.00
DAYCO HEATING & AIR		44607	232737	427 SCOT-REBATE-HP/PTCS	\$1,000.00
DELTA HEATING & COOLING INC		24149	232907	364 WESTMORELAND-REBATE-HP	\$1,000.00
		24150		920 SNOW-REBATE-DHP	\$800.00
	P056313	24151		EE LOAN: C SLOCOMBE, 410 BENHA	\$7,075.29
		24152		134 HILLS WEST WAY-REBATE-HP	\$1,000.00
		24153		203 GW WAY-REBATE-HP	\$1,000.00
		24154		687 BIG SKY-REBATE-HP	\$1,000.00
ENERGY NORTHWEST		09ES-11128-FY2016	232742	350 HILL ST-REBATE-COMM LGHTNG	\$876.76
IWI INC		80750	232759	911 WRIGHT-REBATE-INSULATION	\$400.00
JACOBS & RHODES INC		35963	232939	118 FAIRWOOD CT-REBATE-HP	\$1,000.00
M CAMPBELL & COMPANY INC	P056324	65110	232957	EE LOAN: R BOEDEKER, 415 SKAMA	\$17,672.48
MR INSULATION CO INC	P056220	105080	232966	EE LOAN: F WHITE, 805 WINSLOW	\$2,693.28
PERFECTION GLASS		9939645312	232782	1613 SAGE CT-REBATE-WINDOWS	\$195.00
		9939647114		1033 WILLARD-REBATE-WINDOWS	\$465.87
		9939647532	232977	34 VALLEY VIEW CIR-REBATE-WIND	\$151.77
RICHLAND SEVENTH DAY ADVENTIST CHURCH		WEPT-1807MCMURRAY	232983	1807 MCMURRAY-REBATE-CUSTOM PR	\$3,599.00
SMI GROUP XVIII LLC		09ES-11128-FY2016	232795	1038 BATTELLE-REBATE-COMM LGHT	\$4,620.00
TOTAL ENERGY MANAGEMENT INC	P056336	54884	232807	EE LOAN: J TOLAR, 338 SKAGIT -	\$11,042.45
	P056312	54896		EE LOAN: C WEIDERT-HAWKINS, 10	\$4,767.54
ENERGY POLICY MGMT TOTAL ****					\$68,721.14
Division:	506	TECHNICAL SERVICES			
STONEMAN ELECTRIC SUPPLY		S101554249.001	232998	HACKSAW/BITS	\$32.58
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$158.75
TECHNICAL SERVICES TOTAL ****					\$191.33
ELECTRIC UTILITY FUND Total ***					\$150,964.50
FUND	402	WATER UTILITY FUND			
Division:	000				
HD FOWLER COMPANY INC	P056267	I4150703	232752	COUP ROMAC 501-7.20X7.20X5	\$1,094.47
	P056267			CLAMP STEEL, 3/4" X 4", ROMAC	\$70.44
	P056267			CLAMP STEEL 1-1/4" X 4", ROMAC	\$49.89
	P056267			VALVE, MJ KIT FOR 6" FITTINGS,	\$38.90
PARKSON CORPORATION	P056038	C244-15/PYMT 2	232976	PYMT 2-RETAINAGE	(\$6,055.34)
TOWNSEND CONTROLS & ELECTRIC LLC	P056019	257-15/PYMT 2	233006	PYMT 2-RETAINAGE	(\$623.09)
UNASSIGNED TOTAL ****					(\$5,424.73)
Division:	410	WATER CAPITAL PROJECTS			
APOLLO INC		D000-10402	232696	INSTALL 3 WAY VALVE AT WTP	\$834.43



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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CONCRETE SPECIAL TIES INC		18907	232729	PLUG/SALT/GLOVES	\$130.21
DAILY JOURNAL OF COMMERCE	S016841	3310891	232903	DUPORTAIL STREET WELL PHASE 2	\$308.10
FRONTIER FENCE INC	S016731	37623	232926	CHLORINE BUILDING ADDITIONAL F	\$2,606.40
LINDSAY SALES HOLDING COMPANY DBA	P052094	5888	232775	HORN RAPIDS IRRIGATION PUMP	\$200.00
PARKSON CORPORATION	P056038	C244-15/PYMT 2	232976	WATER TREATMENT PLANT CHLORINA	\$131,521.89
TOWNSEND CONTROLS & ELECTRIC LLC	P056020	238-15/PYMT 2	233006	WTP PLC UPGRADES -CONTRACT #23	\$55,924.96
	P056019	257-15/PYMT 2		WTP CHLORINE CONVERSION - HYPO	\$13,533.57
TRI CITY HERALD		2314689	233011	CALL FOR BID-DUPORTAIL WELL	\$282.59
WATER CAPITAL PROJECTS TOTAL ****					\$205,342.15
Division:	411	WATER ADMINISTRATION			
ARBAUGH & ASSOCIATES INC		1514	232699	ARBAUGH CONTRACT FEES-FEB'16	\$544.26
CITY OF KENNEWICK		12202	232720	REGIONAL WATER FORECAST FEB 16	\$1,102.78
WATER ADMINISTRATION TOTAL ****					\$1,647.04
Division:	412	WATER OPERATIONS			
ARAMARK UNIFORM SERVICES INC	S016837	02/16-934962000	232853	LINEN CHARGES FOR FEBRUARY 201	\$60.38
BENTON FRANKLIN HEALTH DISTRICT		7887	232707	WATER SAMPLES	\$2,505.00
BENTON RURAL ELECTRIC ASSOCIATION		02/16-38510	232710	KENNEDY BOOSTER STATION	\$2,294.40
CITY OF RICHLAND		16-075 ANDREWS	233043	16-075 WWUC MEETING	\$242.44
CORRECT EQUIPMENT INC	S016808	32820	232899	FREIGHT ESTIMATE- TO BE ADJUST	\$292.00
	S016808			CHLORINATION TABLETS, 55 LB PA	\$5,755.20
LAB/COR INC		160167-2460	232772	WATER SAMPLES	\$450.00
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$133.62
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$65.74
WATER OPERATIONS TOTAL ****					\$11,798.78
Division:	413	WATER MAINTENANCE			
AMERICAN ROCK PRODUCTS INC	P056397	236457	232849	TAX ADJUSTMENT	\$0.01
	P056397			5/8" MINUS TOP COURSE 6	\$830.52
	P056397	263007		5/8" MINUS TOP COURSE 6	\$140.04
	P056397	263602		5/8" MINUS TOP COURSE 6	\$145.58
	P056397	264440		TAX ADJUSTMENT	(\$0.01)
	P056397			5/8" MINUS TOP COURSE 6	\$134.69
AT&T WIRELESS		02/16-28724328888	232701	287243288881 01/27-02/26/16	\$57.67
BEAVER BARK & ROCK		732502	232703	CONCRETE	\$108.58
		732730		CONCRETE	\$108.58
CITY OF RICHLAND		02/2016-26	232722	#26 LANDFILL FEES	\$34.25
COLUMBIA GRAIN & FEED INC		140162	232727	CUT OFF SAW FILTERS	\$138.79
		140269	232895	CUT OFF SAW FILTERS	\$48.15
ENNIS, MIKE		2016 CDL	233045	2016 CDL REIMBURSEMENT	\$102.00
FASTENAL COMPANY		WARIC55387	232746	BOLTS	\$186.38
		WARIC55473		BOLTS	\$16.43



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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
FASTENAL COMPANY		WARIC55665	232919	TAP BIT/TAPE	\$41.91
		WARIC55747		CUTTING WHEELS	\$32.47
FRONTIER FENCE INC	S016731	37623	232926	WTP FENCE REPLACEMENT AND LOCK	\$1,171.79
GRAINGER	S016829	9042988056	232928	REPLACEMENT TUB CUTTING ITEM #	\$89.92
	S016829	9049013551		BRASS BALL ITEM #1PZB5	\$289.31
HD FOWLER COMPANY INC		I4123588	232931	LUG/GASKET/BOLT SET/PVC	\$384.31
		I4145830	232752	COUPLING/GASKET/RING/BOLTS	\$264.94
		I4157747	232931	FIRE HOSE PLUGS/RES MAINT	\$248.26
KAMAN INDUSTRIAL TECHNOLOGIES		M83200	232768	OMEGA ELEMENT/HUB	\$200.07
NORCO INC		18115093	232970	PROTECTIVE COVER-ENG DRIVE	\$194.39
UTILITIES UNDERGROUND LOCATION CENTER		6020194	232816	UTILITIES LOCATE SERVICE	\$36.12
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$236.90
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$20.64
WATER MAINTENANCE TOTAL ****					\$5,262.69
WATER UTILITY FUND Total ***					\$218,625.93
FUND 403	WASTEWATER UTILITY FUND				
Division:	420	SEWER ADMINISTRATION			
CITY OF RICHLAND		02/16 ACCT 8	232725	AMON BASIN REVEGETATION - COMP	\$2,284.65
SEWER ADMINISTRATION TOTAL ****					\$2,284.65
Division:	421	SEWER CAPITAL PROJECTS			
AMERICAN ROCK PRODUCTS INC	P056378	263119	232849	1-1/4 MINUS BASE COURSE (HANFO	\$138.16
	P056378			1-1/4 MINUS BASE COURSE (HANFO	\$161.00
CH2M HILL ENGINEERS INC	S054283	381059793	232883	MOD. #2 CONSTRUCTION MANAGEMEN	\$13,619.75
IMT INC		7097	232757	WWTF SOLIDS UPGRADE M15320	\$202.50
JUB ENGINEERS INC	P053972	99018	232766	MOD. #3 ADDITIONAL HYDRAULIC	\$666.51
	P053972	99704	232946	MOD. #3 ADDITIONAL HYDRAULIC	\$5,185.98
NW POWER INC	P055965	29	232781	C/O #1- ADDITIONAL MATERIAL &	\$2,000.43
	P055965			GENERATOR INSTALLATION @ MONTA	\$5,716.52
SEWER CAPITAL PROJECTS TOTAL ****					\$27,690.85
Division:	422	SEWER OPERATIONS			
AMERIGAS		3049389441	232695	GENERATOR PROPANE-LIFT STATION	\$49.98
		3050220727	232850	PROPANE-WASTEWATER	\$52.49
BENTON FRANKLIN HEALTH DISTRICT		7916	232708	WW PHOSPHATE/NITRATE/TKN	\$116.00
BI STATE OCCUPATIONAL SAFETY & HEALTH		2335-B	232712	VACCINES/MEDICAL	\$105.00
CENTRAL HOSE & FITTINGS INC		428789	232717	HOSES-SOLIDS BLDG	\$59.63
		429171		HOSE PARTS FOR YARD HYD-DAFT	\$21.82
CERIUM NETWORKS INC	P056235	052921	232882	CISCO IE 3000 SWITCH(S) FOR WW	\$5,183.26
CITY OF RICHLAND		02/2016-25	232722	#25 BIOSOLIDS LANDFILL FEES	\$2,657.98
COMPLETE PEST PREVENTION INC		29927	232728	WWTF RODENT/INSECT TREATMENT	\$108.60



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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
COMPLETE PEST PREVENTION INC		A4371	232728	WWTF RODENT TRAPS	\$256.30
FEDERAL EXPRESS CORP		5-355-97323	232920	SHIP PRETREAT SAMPLER-REPAIR	\$85.82
FISHER SCIENTIFIC COMPANY, LLC		9095087	232923	WWTF-SODIUM HYDROX	\$72.18
		9561855		WWTF-ORION INKJET PRINTER	\$625.08
		9649068		WWTF-PAPER FOR ORION PRINTER	\$15.73
HERTZ EQUIPMENT RENTAL CORP		28514414-001	232755	WWTF-SAW CUT MACHINE RENTAL	\$106.43
IRRIGATION SPECIALISTS INC		1167643-01	232758	PVC/BUSHING/NIPPLE	\$26.74
JT AUTOMOTIVE PARTS INC DBA		355670	232943	OIL FLTRS FOR AIR COMP-OPS BLD	\$9.12
KAMAN INDUSTRIAL TECHNOLOGIES		M85902	232948	COMPACTOR GEARBOX BEARINGS	\$71.24
POLYDYNE INC	P056349	1033559	232980	EMULSION POLYMER, CLARIFLOC C6	\$5,060.00
ROGERS MACHINERY COMPANY INC		1018636	232787	DIGESTER BLDG COMPRESSOR RPR	\$741.60
STONEWAY ELECTRIC SUPPLY		S101566177.001	232998	PARTS FOR INSTALL OF HP-OPS BL	\$32.36
		S101569649.001		CONDUIT/HUB-INFLUENT VFD #4	\$84.39
TRI CITY HERALD	S016848	2259535	233011	RE-APPLICATION FOR PERMIT TO	\$301.43
UNITED PARCEL SERVICE	S016839	000986641136	232814	ADDITIONAL HANDLING CHARGES FO	\$10.50
	S016839			2 NDA PKGS TO ALS FOR WWTP OPS	\$91.82
USA BLUEBOOK		884891	232815	HOSES/ADAPTERS/COUPLERS	\$905.28
		890371	233016	WWTP-CLEANER/TONGS/PIPETES	\$526.94
		891155		FLUSHING HYD W/SELF-DRN VLV	\$445.38
		895620		COREPRO 15' SAMPLER	\$295.70
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$160.92
WA STATE DEPARTMENT OF ECOLOGY		2016-BA0020419	232823	BIOSOLIDS PERMIT-2ND HALF	\$5,379.24
WASTE MANAGEMENT		0094185-1819-8	232826	POL SERVICE COMPOST PAD	\$107.85
		0094334-1819-2		POL SERVICE COMPOST PAD	\$106.97
WESTERN MATERIALS		PAS00298694-001	232830	WALL BLOCK-CLARIFIER PRKNG	\$1,588.27
		PAS00300942-001		RETURN WALL BLOCK/PALLET DPST	(\$449.60)
		PAS00300945-001		WALL BLOCK-CLARIFIER PRKNG PAD	\$10.10
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$106.29

SEWER OPERATIONS TOTAL ****

\$25,128.84

Division: 423 SEWER MAINTENANCE

AT&T WIRELESS		02/16-28724328888	232701	287243288881 01/27-02/26/16	\$42.80
BEAVER BARK & ROCK		732693	232703	CONCRETE PIPE REPAIR	\$125.95
TACOMA SCREW PRODUCTS INC		22139209	232800	NUTS/BOTS-SOLIDS BLDG VALVES	\$218.30
		22139372		CAULKING GUN-AERATION BASIN	\$172.67
UTILITIES UNDERGROUND LOCATION CENTER		6020194	232816	UTILITIES LOCATE SERVICE	\$36.12
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$170.46
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$1.39

SEWER MAINTENANCE TOTAL ****

\$767.69

WASTEWATER UTILITY FUND Total ***

\$55,872.03

FUND 404 SOLID WASTE UTILITY FUND



City Of Richland

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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
Division: 000					
WASTEWORX REFUND		4309	232756	REFUND CREDIT-LANDFILL-4309	\$29.87
				UNASSIGNED TOTAL ****	\$29.87
Division: 431 SOLID WASTE ADMINISTRATION					
JOYCE ZIKER PARKINSON PLLC	P056416	43573	232942	HORN RAPIDS LANDFILE-LEGAL SRV	\$4,150.50
				SOLID WASTE ADMINISTRATION TOTAL ****	\$4,150.50
Division: 432 SOLID WASTE COLLECTION					
BI STATE OCCUPATIONAL SAFETY & HEALTH		2421-B	232712	VACCINES/MEDICAL	\$420.00
CLAYTON WARD COMPANY		912004	232726	CURBSIDE RECYCLING-FEBRUARY	\$6,707.34
TOTER INC	S016706	65398496	232808	SHIPPING	\$2,389.20
	S016706			TOTER 96 GALLON EVE II	\$29,438.85
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$55.78
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$22.23
				SOLID WASTE COLLECTION TOTAL ****	\$39,033.40
Division: 433 SOLID WASTE DISPOSAL					
ARAMARK UNIFORM SERVICES INC	S016837	02/16-934962000	232853	LINEN CHARGES FOR FEBRUARY 201	\$100.13
BENTON COUNTY SHERIFF'S OFFICE		01/16-WORKCREW II	232704	WORKCREW II-JANUARY 2016	\$959.60
BENTON FRANKLIN HEALTH DISTRICT		2016-LANDFILL	232708	2016 SW LANDFILL OP PERMIT	\$3,500.00
COMPLETE PEST PREVENTION INC		29941	232897	PEST CONTROL SRVCS-FEB	\$97.74
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$60.28
WASTE MANAGEMENT		0094332-1819-6	232826	POL SERVICE-LANDFILL-FEB	\$122.26
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$45.98
				SOLID WASTE DISPOSAL TOTAL ****	\$4,885.99
				SOLID WASTE UTILITY FUND Total ***	\$48,099.76
FUND 405 STORMWATER UTILITY FUND					
Division: 441 STORMWATER					
BENTON FRANKLIN HEALTH DISTRICT		2016 DECANT	232708	2016 DECANT FACILITY OP PERMIT	\$1,100.00
CITY OF RICHLAND		02/2016-17	232722	#17 STREET SWEEPINGS	\$300.00
SUNBELT RENTALS INC		59064669-002	233001	12" CHIPPER-RENTAL	\$352.76
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$29.80
				STORMWATER TOTAL ****	\$1,782.56
				STORMWATER UTILITY FUND Total ***	\$1,782.56
FUND 407 MEDICAL SERVICES FUND					
Division: 121 AMBULANCE					
BENTON COUNTY FIRE DIST 1		2016-27	232864	2016 ERS USER FEES-3 STATIONS	\$1,671.35
BOUND TREE MEDICAL LLC		82045312	232867	SAFETY GLASSES/GLOVES	\$210.67
		82049367		LIFEPAK PAPER/IVE/CATHETER	\$601.85



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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
BOUND TREE MEDICAL LLC		82049368	232867	GERMICIDAL WIPES	\$17.78
		82050880		MASIMO CBLS/PULSE OXIMETER	\$76.01
		82052379		MASIMO SENSOR NEONATAL	\$21.17
		82053853		SPLINTER FORCEP	\$3.27
		82053854		IV/IV SYRINGE/CATHETERS	\$802.38
		82058085		MASIMO CBLS	\$72.75
		82062259		IV SET/IV CATH/DEFIB PADS	\$1,246.72
		82062260		IV SET/ELECTRODES/SALINE	\$865.97
		82063454		ADHESIVE O2 SENSOR	\$66.76
		82064933		MASIMO CBL SET/SENSORS	\$272.57
		82067882		VERSED	\$76.58
		82067883		LORAZEPAM	\$110.22
		82069253		AMIODARONE/SODIUM BICARB	\$99.75
		82070467		BD VACUTAINER	\$35.27
		82070468		EXTRICATION COLLAR/SALINE	\$525.17
		82070469		ENDOTRACHEAL TUBES	\$398.87
COLUMBIA BASIN COLLEGE		82072187		SODIUM BICARBONATE	\$29.58
		82072188		SALINE	\$133.00
	P056426	26639	232894	ALS OTEP FEES - SPRING QTR 201	\$52.20
	P056426	26821		ALS OTEP - WINTER QTR 2016	\$50.40
COLUMBIA INDUSTRIES SUPPORT LLC	P056426	26834		ACLS / PALS - WINTER QTR 2016	\$302.40
		0032377	232896	ON SITE SHREDDING WO #42996	\$30.81
FEDERAL EXPRESS CORP		5-340-89594	232920	MED SUPPLY-SHIPPING	\$6.15
LIFE ASSIST INC		740244	232953	DIPHENHYDRAMINE/EPINEPHRINE	\$148.60
		740597		SOLUMEDROL/PELICAN CASE	\$379.66
OXARC INC		00945PP	232973	MEDICAL OXYGEN	\$51.56
		02216PP		MEDICAL OXYGEN	\$67.09
		02960PP		MEDICAL OXYGEN	\$57.64
		03083PP		O2 TANK LEASE-2/16-2/17	\$101.54
		R399279		CYLINDER LEASE	\$24.47
STERICYCLE INC		3003332383	232997	BIO WASTE DISPOSAL FEE	\$86.48
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$368.42
AMBULANCE TOTAL ****					\$9,065.11
MEDICAL SERVICES FUND Total ***					\$9,065.11
FUND 501	CENTRAL STORES FUND				
Division:	000				
WALTER E NELSON CO	P056208	302523	232824	TOWEL, MULTI-FOLD,WHITE, 2-PLY	\$1,615.97
	P056208			TISSUE, TOILET LARGE ROLL 2PLY	\$1,454.37
	P056208			TISSUE, TOILET ROLL, 2PLY,	\$1,350.77
	P056208			CUP STYROFOAM, 6OZ, 25 CUPS/	\$256.30



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
WALTER E NELSON CO	P056208	302523	232824	TOWEL,SINGLEFOLD, WHITE, 1-PLY	\$1,876.61
	P056208			TOWEL, ROLL, PERFORATED, 2-PLY	\$231.32
	P056208			DELIVERY SURCHARGE	\$5.43
	P056208			ADJUST TAX	(\$0.01)
	P056208	302990		TISSUE, TOILET ROLL, 2PLY,	\$900.51
UNASSIGNED TOTAL ****					\$7,691.27
CENTRAL STORES FUND Total ***					\$7,691.27

FUND 502 EQUIPMENT MAINTENANCE FUND

Division: 214 EQUIPMENT MAINTENANCE

ARAMARK UNIFORM SERVICES INC	S016837	02/16-934962000	232853	LINEN CHARGES FOR FEBRUARY 201	\$263.97
ASE		ORD-1223067-MG9TY	232700	ASE TESTING-JAVAUX	\$110.00
		ORD-129006-45K4RD		ASE TESTING-HUSKEY	\$110.00
		CL77924	232892	CARD LOCK FUEL 3/21-3/27	\$9,652.56
COLEMAN OIL COMPANY		CL78320		CARD LOCK FUEL 3/28-3/31	\$6,991.27
		9044510452	232928	WARNING LIGHT AMBER ITEM #3JYP	\$391.57
GRAINGER JT AUTOMOTIVE PARTS INC DBA	S016829	353769	232760	FILTERS VEH 3332 WO 42312	\$95.01
		354510		FILTERS VEH 6585 WO 42180	\$99.30
		354761		BULB VEH 3228 WO 42190	\$29.32
		354769	232943	WIRE VEH 7143 WO 42408	\$30.26
		354770		PRI WIRE VEH 7143 WO 42408	\$7.05
		354777	232760	WIRE VEH 3331 WO 42323	\$16.82
		354888		FILTERS VEH 1211 WO 42074	\$16.93
		354921		BRK PADS VEH 1204 WO 42320	\$227.22
		354966		FILTERS VEH 1375 WO 42275	\$25.59
		354967		FILTERS VEH 2419 WO 42274	\$16.56
		354980		FILTERS VEH 3275 WO 42255	\$79.80
		354981		FILTERS VEH 3243 WO 42254	\$79.45
		354983		FILTERS VEH 3187 WO 42256	\$17.54
		354986		FILTERS VEH 2386 WO 42257	\$40.14
		354987		FILTERS VEH 3204 WO 42259	\$106.78
		354988		FILTERS VEH 3298 WO 42260	\$39.36
		354990		FILTERS VEH 2435 WO 42258	\$16.56
		355040		AIR GUN VEH 3320 WO 42241	\$6.51
		355074		FILTERS VEH 6589 WO 42266	\$49.05
		355078		FREIGHT VEH 6585 WO 42180	\$14.41
		355093		SUPPLIES VEH 3320 WO 42241	\$27.89
		355149		FILTERS VEH 2411 WO 42052	\$16.93
		355181		FILTERS VEH 6562 WO 42276	\$49.36
		355200		BRL CLN VEH 3320 WO 42241	\$9.34
		355240		BATT PRTS VEH 2411 WO 42326	\$137.98



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
JT AUTOMOTIVE PARTS INC DBA		355249	232760	BAT H/DWN VEH 2411 WO 42326	\$5.19
		355257		ROTORS VEH 1105 WO 42307	\$235.84
		355282		ENG PARTS VEH 3264 WO 42298	\$389.60
		355283		ATF VEH 3264 WO 42298	\$46.39
		355284		BRK FLD VEH 2359 WO 42228	\$17.66
		355285		FILTERS VEH 6562 WO 42340	\$20.86
		355286		FILTERS VEH 3244 WO 42288	\$145.52
		355287		FILTERS VEH 3310 WO 42295	\$111.25
		355289		FILTERS VEH 3284 WO 42290	\$134.07
		355290		FILTERS VEH 3283 WO 42289	\$134.07
		355291		FILTERS VEH 3285 WO 42291	\$134.07
		355292		FILTERS VEH 3292 WO 42292	\$177.84
		355294		FILTERS VEH 3309 WO 42294	\$125.44
		355295		FILTERS VEH 3308 WO 42293	\$125.44
		355296		FILTERS VEH 3311 WO 42296	\$125.44
		355297		FILTERS VEH 3315 WO 42297	\$127.72
		355303	232943	BRK FLUID VEH 4131 WO 42287	\$17.66
		355316	232760	S/BELT VEH 1105 WO 42307	\$29.57
		355329		BELT VEH 1105 WO 42307	\$14.89
		355339		THERM VEH 2370 WO 42308	\$30.33
		355354		HOSES VEH 2411 WO 42326	\$68.40
		355365		CAP VEH 3264 WO 42298	\$17.83
		355391		BRK PADS VEH 1211 WO 42319	\$166.49
		355486		FILTERS VEH 1102 WO 42050	\$19.48
		355487		B/PARTS VEH 1105 WO 42307	\$118.33
		355492		BATT TERM VEH 4114 WO 42317	\$84.27
		355497		BRK CLNR VEH 3335 WO 42309	\$28.08
		355509		BRK/PARTS VEH 1102 WO 42318	\$236.25
		355514	232943	AIR FILTR VEH 6595 WO 42426	\$13.49
		355520	232760	FILTERS VEH 1204 WO 42061	\$19.48
		355581		WIRE VEH 3293 WO 42328	\$15.74
		355619	232943	OIL SEAL VEH 4131 WO 42287	\$106.91
		355623	232760	FILTERS VEH 2409 WO 42066	\$16.93
		355624		FILTERS VEH 2433 WO 42076	\$28.30
		355625		FILTER VEH 2430 WO 42075	\$19.33
		355626		FILTER VEH 1382 WO 42070	\$19.48
		355627		ENG PARTS VEH 3235 WO 42322	\$261.91
		355628	232943	FILTERS VEH 3235 WO 42331	\$16.94
		355629	232760	FILTER VEH 1205 WO 42073	\$25.59
		355632		FILTER VEH 1380 WO 42069	\$15.32
		355633		FILTER VEH 2434 WO 42068	\$16.56



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
JT AUTOMOTIVE PARTS INC DBA		355634	232760	FILTER VEH 1203 WO 42063	\$19.48
		355635		FILTER VEH 1208 WO 42064	\$19.48
		355636		FILTER VEH 1201 WO 42060	\$19.48
		355638		FILTERS VEH 1384 WO 42058	\$19.33
		355639		FILTER VEH 2406 WO 42057	\$12.85
		355642		FILTER VEH 2327 WO 42056	\$17.35
		355645		DEF VEH 3335 WO 42329	\$10.85
		355646		DEF VEH 3333 WO 42324	\$21.70
		355666		MISC PTS VEH 5041 WO 42278	\$57.21
		355667		W/BLADES VEH 1206 WO 42327	\$25.49
		355671		WHL NUT VEH 2381 WO 42167	\$47.89
		355676	232943	TLR ADPTR VEH 3278 WO 42338	\$71.64
		355678	232760	FILTERS VEH 1107 WO 42342	\$19.48
		355687	232943	TRLR EYE VEH 4131 WO 42287	\$84.27
		355688		TRLR EYE VEH 3228 WO 42190	\$100.56
		355703	232760	BRK PARTS VEH 1107 WO 42341	\$290.12
		355712		ALT VEH 3235 WO 42322	\$311.91
		355713		CORE VEH 3235 WO 42322	(\$19.55)
		355720		CORE CREDIT	(\$47.78)
		355772		BRAKES VEH 2409 WO 42347	\$140.60
		355786		DISC VEH 2409 WO 42347	\$39.00
		355860	232943	DEF VEH 3333 WO 42152	\$10.85
		355870		FITTINGS VEH 5033 WO 42283	\$186.64
		355871		WW BLADES VEH 1205 WO 42357	\$25.49
		355883		FILTERS VEH 6566 WO 42353	\$42.98
		355904		DEF VEH 3335 WO 42329	\$21.70
		355905		BULB VEH 5038 WO 41946	\$12.65
		355911		BULB VEH 3309 WO 42362	\$9.67
		355926		TLR ADPTR VEH 4131 WO 42287	\$8.13
		356035		TLR ADPTR VEH 2399 WO 42370	\$12.48
		356062		BRK CLEAN VEH 3284 WO 42357	\$46.81
		356076		STROBE LT VEH 6600 WO 42377	\$77.53
		356104		DISCPADS VEH 2355 WO 42219	\$90.45
		356132		SOLENOID VEH 7143 WO 42414	\$67.48
		356144		PAINT VEH 2399 WO 42370	\$53.56
		356149		FLTR GSKT VEH 1375 WO 42360	\$10.46
		356157		SPRT BR VEH 1375 WO 42360	\$97.73
		356164		FILTERS VEH 3307 WO 42379	\$16.44
		356201		TRANS FIL VEH 7146 WO 42374	\$12.84
		356215		PLIERS VEH 1375 WO 42360	\$16.06
		356221		DIE GRINDR VEH 3322 WO 4237	\$97.72



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
JT AUTOMOTIVE PARTS INC DBA		356235	232943	WW BLADE VEH 3292 WO 42292	\$22.33
		356236		BRK CLEAN VEH 3292 WO 42304	\$28.08
		356251		DEF VEH 3335 WO 42384	\$21.70
		356297		BRAKES VEH 3307 WO 42378	\$340.88
		356306		BRK CLEAN VEH 7143 WO 42414	\$18.72
		356307		HOSE VEH 2411 WO 42388	\$60.44
		356335		SHOP SUPPLY HOSE CLAMPS	\$60.38
		356391		BULB VEH 1202 WO 42421	\$15.25
		356392		BRK CLEAN VEH 3306 WO 42230	\$28.08
		356395		DEF VEH 7152 WO 42406	\$28.74
NEW PIG CORPORATION		21882008-00	232780	SPILL KIT VEH 3335 WO 42151	\$426.00
OXARC INC		04247PP	232973	SHOP SUPPLIES/GASSES	\$426.03
ROWAND MACHINERY CO		194648	232988	FILTERS VEH 7142 WO 41752	\$548.06
RUSS DEAN INC		52110	232789	RPR GRB TRCK VEH 3203 WO 42365	\$10,287.68
SHERMAN & REILLY INC		18159	232794	WHL CNTR VEH 6543 WO 42101	\$1,032.55
		18197		TAX CORRECTION INV #18159	\$2.86
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$42.80
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$73.75

EQUIPMENT MAINTENANCE TOTAL ****

\$37,881.85

EQUIPMENT MAINTENANCE FUND Total ***

\$37,881.85

FUND 503

EQUIPMENT REPLACEMENT FUND

Division:

215

EQUIPMENT REPLACEMENT

DAY MANAGEMENT CORPORATION DBA	P056374	577816	232905	SALES TAX @ 8.6%	\$772.36
	P056374			2015 VEHICLE UP-FIT FOR PATROL	\$8,980.89
JOHN DEERE EXCHANGE	P056257	115130741	232906	SALES TAX 8.6%	\$567.45
	P056257			ONE (1) NEW JOHN DEERE COMMERC	\$6,598.23
ZIONS BANK	P056381	2016/PYMT 6	232834	WESTMARK BRUSH TRUCK #5042 ANN	\$44,285.98

EQUIPMENT REPLACEMENT TOTAL ****

\$61,204.91

EQUIPMENT REPLACEMENT FUND Total ***

\$61,204.91

FUND 505

PUBLIC WORKS ADMIN & ENGINEER

Division:

450

PW ADMIN & ENGINEERING

ABADAN INC		ARIN062195	232692	ASBUILTS	\$3.80
AT&T WIRELESS		02/16-28724328888	232701	287243288881 01/27-02/26/16	\$62.60
				287243288881 01/27-02/26/16	\$92.96
ATTORNEY & NOTARY SUPPLY OF WA INC		2016 LOPEZ-2	232856	NOTARY STAMP/BOND-LOPEZ	\$8.69
BENTON COUNTY TREASURER		3093	232706	BC IMAGES-FEB 2016	\$19.00
CITY OF RICHLAND		16-147 GILES	233043	16-147 CSI COURSE	\$398.42
VERIZON WIRELESS	P056410	9761257627	232820	WIRELESS ACCOUNT NO 542076425	\$578.80



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
WATER SOLUTIONS INC		12932	232827	3 WTR MACHINES - MAR 2016	\$76.01
XO HOLDINGS LLC DBA		0281560054	233031	PHONE CHARGES 3/23-4/22/16	\$198.54
PW ADMIN & ENGINEERING TOTAL ****					\$1,438.82
PUBLIC WORKS ADMIN & ENGINEER Total ***					\$1,438.82
FUND 520	HEALTH CARE/BENEFITS PLAN				
Division:	222	EMPLOYEE BENEFIT PROGRAM			
CITY OF RICHLAND		16-140 JUBB	233043	16-140 SITE VST-CIGNA/PRMRA	\$488.66
		16-141 PARKER		16-141 SITE VST-CIGNA/PRMRA	\$695.38
JUBB, ALLISON		16-140-JUBB	233056	16-140 SITE VST-CIGNA/PRMRA	\$79.70
LIFE INSURANCE COMPANY OF NORTH AMERICA		04/2016-FLI051384	232954	FLI051384 PREMIUMS-APRIL	\$9,339.65
		04/2016-LK030278		LK030278 PREMIUMS-APRIL	\$10,554.73
		04/2016-OK807703		OK807703 PREMIUMS-APRIL	\$2,051.27
PARKER, RACHELL		16-141-PARKER	233068	16-141 SITE VST-CIGNA/PRMRA	\$50.61
REHN & ASSOCIATES INC		FEB 2016	232783	HRA PREMIUMS-FEBRUARY	\$309.75
SUMMIT LAW GROUP PLLC		78135	233000	ACA ISSUES-FEB	\$171.50
VERDE SERVICES INC		1058537	232819	2016 COBRA RENEWAL	\$300.00
		1078965		1ST QTR 2016 FLEX BENEFIT PLAN	\$890.00
EMPLOYEE BENEFIT PROGRAM TOTAL ****					\$24,931.25
HEALTH CARE/BENEFITS PLAN Total ***					\$24,931.25
FUND 522	POST EMP HEALTHCARE PLAN				
Division:	224	POST EMPLOYMENT BENEFITS PRGM			
HEALTHCARE ACTUARIES LLC		2016020	232753	GASB VALUATION UPDATES 2015	\$2,375.00
POST EMPLOYMENT BENEFITS PRGM TOTAL ****					\$2,375.00
POST EMP HEALTHCARE PLAN Total ***					\$2,375.00
FUND 611	FIREMAN'S PENSION				
Division:	216	FIRE PENSION			
ANDERS, PETER		APRIL 2016	232851	MEDICARE PREMIUM/ANDERS	\$104.90
BAKER, MARSHALL R			232858	MEDICARE PREMIUM/BAKER	\$104.90
BOWLS, DAVID		022616DB	232835	NON COVERED DENTAL 1/19/16	\$160.00
		031016DB		NON COVERED DENTAL 3/2-3/11	\$160.00
		APRIL 2016	232869	MEDICARE PREMIUM/BOWLS	\$104.90
CANFIELD, HARRY R			232876	MEDICARE PREMIUM/CANFIELD	\$104.90
CARRICK, HENRY			232878	MEDICARE PREMIUM/CARRICK	\$104.90
CLARK, FRANK M			232888	MEDICARE PREMIUM/CLARK	\$104.90
DOWNS, DANNY			232909	MEDICARE PREMIUM/DOWNS	\$121.80
ELIASON, CURTIS			232913	MEDICARE PREMIUM/ELIASON	\$104.90



City Of Richland

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From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
ESTY, RAYMOND J		APRIL 2016	232916	MEDICARE PREMIUM/ESTY	\$104.90
FERRIANS, ALLEN LARRY			232921	MEDICARE PREMIUM/FERRIANS	\$105.80
GRANDRIDGE EYE CLINIC		030216DB	232836	NON COVERED MED 3/2/16	\$125.00
HEALTHCARE ACTUARIES LLC		2016020	232753	GASB VALUATION UPDATES 2015	\$500.00
		2016024		GASB ACTUARIAL STUDIES	\$1,750.00
HEASTON & THOMPSON VISION CLINIC		022916CW	232837	NON COVERED VISION 2/29	\$37.00
HOUCHIN, EARL		APRIL 2016	232936	MEDICARE PREMIUM/HOUCHIN	\$104.90
JOHNSON, NEILS E			232940	MEDICARE PREMIUM/JOHNSON	\$104.90
JONES, HAROLD			232941	MEDICARE PREMIUM/JONES	\$104.90
KEYS, JACK D			232949	MEDICARE PREMIUM/KEYS	\$129.30
LAHTI, ROGER P		031616RL	232838	NON COVERED RX 3/16/16	\$78.69
		031716RL		NON COVERED MED 3/3-3/17	\$195.00
		APRIL 2016	232951	MEDICARE PREMIUM/LAHTI	\$104.90
MITCHELL, RAYMOND L			232963	MEDICARE PREMIUM/MITCHELL	\$105.80
MULROY, JAMES P			232967	MEDICARE PREMIUM/MULROY	\$121.80
MURRAY, DAVID			232968	MEDICARE PREMIUM/MURRAY	\$104.90
MYERS, EDWARD A			232969	MEDICARE PREMIUM/MYERS	\$104.90
OWEN, MICHAEL			232972	MEDICARE PREMIUM/OWEN	\$104.90
POLLARD, JAMES			232979	MEDICARE PREMIUM/POLLARD	\$104.90
PRESCRIPTION PHARMACY PLLC		012716HJ	232840	NON COVERED RX #4529/284	\$53.75
		021516CE		NON COVERED RX #11136/1896	\$29.01
RODGERS, GARY H		APRIL 2016	232985	MEDICARE PREMIUM/RODGERS	\$133.07
RONEY, LARRY			232986	MEDICARE PREMIUM/RONEY	\$104.90
SIEMENS, DONALD			232992	MEDICARE PREMIUM/SIEMENS	\$104.90
SUZANNE R SNOW DDS PLLC		012816JM	232842	NON COVERED DENTAL 1/28	\$4.00
WEST RICHLAND FAMILY DENTAL CTR		020316CW	232844	NON COVERED DENTAL 2/3-3/7	\$150.00
WEST, ROYAL		APRIL 2016	233024	MEDICARE PREMIUM/WEST	\$104.90
WILLIAMSON, CRAIG E			233028	MEDICARE PREMIUM/WILLIAMSON	\$104.90

FIRE PENSION TOTAL ****

\$6,058.02

FIREMAN'S PENSION Total ***

\$6,058.02

FUND 612

POLICEMEN'S PENSION

Division:

217

POLICE PENSION

BATES, LAURIE VERN JR	APRIL 2016	232859	MEDICARE PREMIUM/BATES	\$104.90
BEDEN, LARRY		232861	MEDICARE PREMIUM/BEDEN	\$104.90
BRADFORD, LARRY		232871	MEDICARE PREMIUM/BRADFORD	\$127.43
BRUNSON, DALE A		232872	MEDICARE PREMIUM/BRUNSON	\$104.90
BUSH, LEE		232874	MEDICARE PREMIUM/BUSH	\$104.90
CASE, MIKE		232880	MEDICARE PREMIUM/CASE	\$133.07
CLEAVENGER, WILL J		232889	MEDICARE PREMIUM/CLEAVENGER	\$105.80
CLEMENTS, JOHN M		232890	MEDICARE PREMIUM/CLEMENTS	\$104.90



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
COUCH, LARRY		APRIL 2016	232900	MEDICARE PREMIUM/COUCH	\$104.90
DEMYER, JAMES J			232908	MEDICARE PREMIUM/DEMYER	\$104.90
DRIVER, DOUGLAS D			232910	MEDICARE PREMIUM/DRIVER	\$121.80
DUCHEMIN, ROGER			232912	MEDICARE PREMIUM/DUCHEMIN	\$104.90
GANLEY, JOHN M			232927	MEDICARE PREMIUM/GANLEY	\$104.90
HEALTHCARE ACTUARIES LLC	2016020		232753	GASB VALUATION UPDATES 2015	\$500.00
	2016024			GASB ACTUARIAL STUDIES	\$1,750.00
HEASTON & THOMPSON VISION CLINIC	073115DL		232837	NON COVERED VISION 7/31	\$355.00
HIGGINS, FRED C	APRIL 2016		232935	MEDICARE PREMIUM/HIGGINS	\$104.90
LEWIS, DAVID L			232952	MEDICARE PREMIUM/LEWIS	\$105.80
LOHDEFINCK, RICHARD N			232955	MEDICARE PREMIUM/LOHDEFINCK	\$104.90
MALLEY'S PHARMACY	020316MC		232839	NON COVERED RX #925606	\$218.00
MOORE, ROBERT	APRIL 2016		232965	MEDICARE PREMIUM/MOORE	\$104.90
PRESCRIPTION PHARMACY PLLC	022516RT		232840	NON COVERED RX 1/14-2/25	\$200.61
	022616RM			NON COVERED RX #13897/13898	\$61.60
	022916WC			NON COVERED RX 1/11-2/29	\$93.43
SNYDER, RONALD K DDS	011516JD		232841	NON COV DENTAL 1/15-1/21	\$215.00
SPARKS, DAVID W	APRIL 2016		232994	MEDICARE PREMIUM/SPARKS	\$104.90
THOMAS, GERALD D			233005	MEDICARE PREMIUM/THOMAS	\$104.90
TURNER, ROY			233012	MEDICARE PREMIUM/TURNER	\$104.90
WALKER, BENJAMIN DDS	120715LC		232843	NON COVERED DENTAL 12/07/15	\$522.50
WILMOTH, ROD	APRIL 2016		233029	MEDICARE PREMIUM/WILMOTH	\$104.90
ZIMMERMAN, GERALD			233032	MEDICARE PREMIUM/ZIMMERMAN	\$121.80
POLICE PENSION TOTAL ****					\$6,310.24
POLICEMEN'S PENSION Total ***					\$6,310.24
FUND 641	SOUTHEAST COMMUNICATIONS CTR				
Division:	600	SECOMM OPERATIONS GENERAL			
AT&T LONG DISTANCE	03/16	03030107210	232855	FAX LINES 02/21-03/22/16	\$33.14
CENTURYLINK	0316/509-786-2112		232718	GENERAL 03/6-04/5/16	\$94.94
	0316-509-624-3863		232881	GENERAL 03/16-04/16/16	\$7.31
CHARTER COMMUNICATIONS	0316-180070706114		232884	CABLE SERVICE 03/30-04/29/16	\$28.09
CITY OF RICHLAND	3844356		232721	BCES UTILITY SRVC 01/29-03/01	\$2,436.89
CORPORATE TRANSLATION SERVICES INC	86206		232731	TRANSLATION SRVCS-FEB 2016	\$95.90
DEVRIES BUSINESS SERVICES	0073803		232739	SHREDDING SRVCS-02/25/16	\$4.09
FRONTIER	03/15	2061881060	232925	GENERAL 03/19-04/18/16	\$413.98
	03/16	2061882381	232747	E911/GENERAL 03/10-04/9/16	\$241.29
	03/16	2530120862	232925	GENERAL 03/22-04/21/16	\$37.81
	03/16	5096282600	232748	LONG DISTANCE 03/10-4/9/16	\$986.34
	03/16	5096282609	232925	GENERAL 03/25-04/24/16	\$429.39
LANGUAGE LINE SERVICES LLC	3783916		232773	NONEMERGENCY TRANSLATION-FEB	\$6.02



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
SPRAGUE PEST SOLUTIONS		2808741	232995	PEST CONTROL SRVCS-MAR	\$42.51
VANGUARD CLEANING SYSTEM OF INLAND NW		58772	232817	BCES JANITORIAL SRVCS-MAR	\$292.61
		59463	233017	BCES JANITORIAL SRVCS-APRIL	\$375.00
WASHINGTON STATE PATROL		00060263	233022	ACCESS USER FEE 01/1-03/31/16	\$5,331.00
WATER SOLUTIONS INC		12954	232827	WATER FILTRATION 03/7-04/6/16	\$33.67
SECOMM OPERATIONS GENERAL TOTAL ****					\$10,889.98
Division:	601	E911 OPERATIONS			
APOLLO SHEET METAL INC	P056383	423016-D	232697	MID WINTER MAINTENANCE 2/29/16	\$1,416.28
BUCHANAN, JENNIFER		16-118 BUCHANAN	233040	16-118 DV TRNG FOR TELECOMM	\$39.00
CHILDRESS, JOSH		16-070 CHILDRESS	233042	16-070 CPD5 ACCESS CERT	\$51.00
CITY OF RICHLAND		16-120 HUSA	233043	16-120 CPD4 INTERGRAPH CONF	\$699.26
		16-130 DEGRAAF		16-130 CPD4 INTERGRAPH CONF	\$692.67
CORPORATE TRANSLATION SERVICES INC		86130	232731	TRANSLATION SRVCS-FEB 2016	\$199.42
ENTERPRISE RENT A CAR		03/16-45WA423	232743	16-042 CHILDRESS RENTAL CAR	\$153.38
				16-091 HUSA RENTAL CAR	\$123.90
FRONTIER		03/16 2061882381	232747	E911/GENERAL 03/10-04/9/16	\$241.29
HUSA, E. IVAR		16-120 HUSA	233051	16-120 CPD4 INTERGRAPH CONF	\$35.01
LANGUAGE LINE SERVICES LLC		3790220	232773	E911 TRANSLATION-FEB	\$9.90
LETRICK, R. KIM		16-119 LETTRICK	232774	16-119 DV TRNG FOR TELECOM	\$50.26
E911 OPERATIONS TOTAL ****					\$3,711.37
Division:	602	SECOMM AGENCY			
CENTURYLINK	P055067	100647767	232719	E911 STAND ALONE VIPER W/A9C	\$20,770.97
	P055067	100647838		E911 STAND ALONE VIPER W/A9C	\$28,616.10
INTERGRAPH CORPORATION	P056200	P160000484	232937	MPS REDESIGN	\$21,669.24
SECOMM AGENCY TOTAL ****					\$71,056.31
SOUTHEAST COMMUNICATIONS CTR Total ***					\$85,657.66
FUND	642	800 MHZ PROJECT			
Division:	610	800 MHZ			
BENTON PUD		02/16 4843174575	232709	UTILITY SRVCS 01/26-02/26	\$551.08
800 MHZ TOTAL ****					\$551.08
800 MHZ PROJECT Total ***					\$551.08
FUND	643	EMERGENCY MANAGEMENT			
Division:	620	STATE / LOCAL ASSISTANCE			
APOLLO SHEET METAL INC	P056383	423016-D	232697	MID WINTER MAINTENANCE 2/29/16	\$354.07
CITY OF RICHLAND		3844356	232721	BCES UTILITY SRVC 01/29-03/01	\$426.77
DAVIS, DEANNA		16-158 DAVIS	232735	16-158 ST TRNG/EX IMP WKSP	\$234.13
FRONTIER		03/16 5096282600	232748	LONG DISTANCE 03/10-4/9/16	\$246.59
VANGUARD CLEANING SYSTEM OF INLAND NW		58772	232817	BCES JANITORIAL SRVCS-MAR	\$48.77



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
WATER SOLUTIONS INC		12954	232827	WATER FILTRATION 03/7-04/6/16	\$11.22
STATE / LOCAL ASSISTANCE TOTAL ****					\$1,321.55
Division:	621	RADIOLOGICAL EMGCY PREPAREDNES			
APOLLO SHEET METAL INC	P056383	423016-D	232697	MID WINTER MAINTENANCE 2/29/16	\$1,062.21
CHARTER COMMUNICATIONS		0316-180070706114	232884	CABLE SERVICE 03/30-04/29/16	\$112.35
CITY OF RICHLAND		3844356	232721	BCES UTILITY SRVC 01/29-03/01	\$426.77
FRONTIER		03/16 5096282600	232748	LONG DISTANCE 03/10-4/9/16	\$246.59
VANGUARD CLEANING SYSTEM OF INLAND NW		58772	232817	BCES JANITORIAL SRVCS-MAR	\$48.77
		59463	233017	BCES JANITORIAL SRVCS-APRIL	\$250.00
WATER SOLUTIONS INC		12954	232827	WATER FILTRATION 03/7-04/6/16	\$11.22
RADIOLOGICAL EMGCY PREPAREDNES TOTAL ****					\$2,157.91
Division:	622	DOE EMERGENCY PREPAREDNESS			
CITY OF RICHLAND		3844356	232721	BCES UTILITY SRVC 01/29-03/01	\$344.29
FRONTIER		03/16 5096282600	232748	LONG DISTANCE 03/10-4/9/16	\$246.58
VANGUARD CLEANING SYSTEM OF INLAND NW		58772	232817	BCES JANITORIAL SRVCS-MAR	\$48.77
DOE EMERGENCY PREPAREDNESS TOTAL ****					\$639.64
Division:	623	JURISIDICITION			
AT&T LONG DISTANCE		03/16 03030107210	232855	FAX LINES 02/21-03/22/16	\$33.13
CITY OF RICHLAND		3844356	232721	BCES UTILITY SRVC 01/29-03/01	\$426.77
DEVRIES BUSINESS SERVICES		0073803	232739	SHREDDING SRVCS-02/25/16	\$4.09
FRONTIER		03/16 5096282600	232748	LONG DISTANCE 03/10-4/9/16	\$246.58
SPRAGUE PEST SOLUTIONS		2808741	232995	PEST CONTROL SRVCS-MAR	\$42.50
VANGUARD CLEANING SYSTEM OF INLAND NW		58772	232817	BCES JANITORIAL SRVCS-MAR	\$48.77
WATER SOLUTIONS INC		12954	232827	WATER FILTRATION 03/7-04/6/16	\$11.22
JURISIDICITION TOTAL ****					\$813.06
EMERGENCY MANAGEMENT Total ***					\$4,932.16
FUND	644	MICRO-WAVE			
Division:	611	MICROWAVE			
DAY MANAGEMENT CORPORATION DBA	P056191	405103	232736	ADJUST FOR TAX	\$0.01
	P056191			REPAIR OF 11 GHZ XMTR ASSEMBLY	\$1,417.23
MICROWAVE TOTAL ****					\$1,417.24
MICRO-WAVE Total ***					\$1,417.24
FUND	803	UTILITY BILL CLEARING FUND			
Division:	000				
ADVANCED UTILITY ACCOUNTS PAYABLE INVOICES		123230/712420	233037	CUSTOMER REFUND	\$195.32
		14595/505094	233033	CUSTOMER REFUND	\$21.39



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
ADVANCED UTILITY ACCOUNTS PAYABLE INVOICES		17025/483340	233034	CUSTOMER REFUND	\$86.94
		203595/9810537	233072	CUSTOMER REFUND	\$9.03
		235360/800700	233059	CUSTOMER REFUND	\$148.49
		288030/1642410	233039	CUSTOMER REFUND	\$19.92
		289756/2012200	233038	CUSTOMER REFUND	\$199.54
		291038/1702180	233054	CUSTOMER REFUND	\$10.00
		291577/320420	233070	CUSTOMER REFUND	\$31.67
		296168/1240820	233073	CUSTOMER REFUND	\$63.21
		297007/742580	233036	CUSTOMER REFUND	\$145.42
		301895/9812869	233069	CUSTOMER REFUND	\$39.83
		307873/01720158	233057	CUSTOMER REFUND	\$39.67
		307948/9811138	233050	CUSTOMER REFUND	\$78.29
		308364/9810926	233058	CUSTOMER REFUND	\$20.19
		309184/564620	233060	CUSTOMER REFUND	\$117.53
		309398/501080	233067	CUSTOMER REFUND	\$123.10
		310437/511980	233062	CUSTOMER REFUND	\$98.32
		310719/9810678	233055	CUSTOMER REFUND	\$80.25
		310743/31320	233063	CUSTOMER REFUND	\$1.33
		310925/1643360	233047	CUSTOMER REFUND	\$78.48
		311123/9812045	233041	CUSTOMER REFUND	\$77.49
		311213/492680	233065	CUSTOMER REFUND	\$9.77
		311268/9810884	233046	CUSTOMER REFUND	\$79.28
		311623/183660	233075	CUSTOMER REFUND	\$87.06
		311907/9811415	233053	CUSTOMER REFUND	\$63.08
		312572/1640580	233076	CUSTOMER REFUND	\$92.27
		40195/371100	233048	CUSTOMER REFUND	\$0.87
		CISPAY11909	233074	Customer Refund	\$11.29
				Customer Refund	\$5.34
				Customer Refund	\$26.10
UNASSIGNED TOTAL ****					\$2,060.47
UTILITY BILL CLEARING FUND Total ***					\$2,060.47



City Of Richland

VL-1 Voucher Listing

From: 3/28/2016 To: 4/8/2016

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
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Invoice Total: ****

\$1,380,115.37

Number of Invoices

Amount

Vouchers In Richland	260	\$71,349.87
Vouchers In Tri Cities	124	\$357,172.56
Vouchers In WA	168	\$363,647.97
Vouchers Outside WA	447	\$587,944.97
Vouchers Final Total.....	999	\$1,380,115.37

Ob ject Category	Title	Total	Percentage
2	BENEFITS	\$32,932.20	2.39%
3	SUPPLIES	\$169,149.86	12.26%
4	OTHER SERVICES & CHARGES	\$465,787.98	33.75%
5	INTERGOVERNMENTAL SERVICES	\$122,070.75	8.84%
6	CAPITAL PROJECTS	\$469,035.88	33.99%
	MACHINERY & EQUIPMENT	\$87,975.24	6.37%
	REFUNDS	\$2,060.47	0.15%
9	INTERFUND SERVICES	\$31.00	0%
	INVENTORY PURCHASES	\$31,071.99	2.25%
	Total	\$1,380,115.37	



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Reports and Comments

Key Element:

Subject:

City Manager

Department:

City Manager

Ordinance/Resolution Number:

Document Type:

Presentation

Recommended Motion:

Summary:

Fiscal Impact:

Attachments:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Reports and Comments

Key Element:

Subject:
City Council

Department:
City Council

Ordinance/Resolution Number:

Document Type:
Presentation

Recommended Motion:

Summary:

Fiscal Impact:

Attachments:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 04/19/2016

Agenda Category: Reports and Comments

Key Element:

Subject:
Mayor

Department:
City Council

Ordinance/Resolution Number:

Document Type:
Presentation

Recommended Motion:

Summary:

Fiscal Impact:

Attachments: