Agenda
City Council Regular Meeting
Tuesday, August 18, 2015
City Hall Council Chamber | 505 Swift Boulevard

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

Agenda Item:

1. Discuss Meeting Agenda Items (15 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:

2. CityView Video: 2016 Proposed Electrical Rate Increase
   - Trish Herron, Communications and Marketing Manager

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

3. Proposed Amendments to RMC Title 14: Electricity, Relating to Retail Rates - Ordinance No. 39-15
   - Bob Hammond, Energy Services Director

4. Proposed 2015-2017 Collective Bargaining Agreement with the Richland Police Guild - Resolution No. 146-15
   - Allison Jubb, Human Resources Director

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 for the Council Meeting Held August 5, 2015
   - Heather Kintzley, City Attorney

Ordinances - First Reading:

6. Ordinance No. 39-15, Amending RMC Title 14: Electricity, Relating to Retail Rates
   - Bob Hammond, Energy Services Director

7. Ordinance No. 49-15, Sale of Electric Revenue and Refunding Bonds
   - Cathleen Koch, Administrative Services Director

Ordinances - Second Reading/Passage:

8. Ordinance No. 43-15, Increasing Streets Capital Construction Fund, Water Fund and Wastewater Fund Budgets
   - Pete Rogalsky, Public Works Director

9. Ordinance No. 44-15, Amending RMC Chapter 23.62 Regarding Wireless Communication Facilities
   - Rick Simon, Development Services Manager

10. Ordinance No. 45-15, Amending the Zoning Classification on 18.7 Acres from C-3 to C-LB for Property Located at SR 240 and Kingsgate Way (Coastal Community Bank - Applicant (Closed Record))
    - Rick Simon, Development Services Manager

11. Ordinance No. 46-15, Adding a New Section to RMC Title 24 Plats & Subdivisions, Providing for the Vacation of a Binding Site Plan
    - Rick Simon, Development Services Manager

12. Ordinance No. 47-15, Proposed Increase in Appropriation of the Parks Project Construction and Industrial Development Funds
    - Joe Schiessl, Parks and Public Facilities Director

<u>Resolutions – Adoption:</u>

13. Resolution No. 129-15, Approving Consultant Agreement with RH2 Engineering, Inc. for Comprehensive Water System Plan Update
    - Pete Rogalsky, Public Works Director

14. Resolution No. 142-15, Approving an Interlocal Agreement with Benton County for an Affordable Housing Fund
    - Kerwin Jensen, Community Development Director

15. Resolution No. 146-15, Proposed 2015-2017 Collective Bargaining Agreement with the Richland Police Guild
    - Allison Jubb, Human Resources Director

16. Resolution No. 147-15, Reappointment to the Tri-City Regional Hotel-Motel Commission: Jerry Beach
    - Heather Kintzley, City Attorney

17. Resolution No. 148-15, Authorizing Sponsorship Agreement with HAPO Community Credit Union for the Performance Stage at John Dam Plaza
    - Joe Schiessl, Parks and Public Facilities Director

18. Resolution No. 149-15, Authorizing the Renewal Agreement for the Promotion of Tourism between the City of Richland and the Tri-Cities Visitor and Convention Bureau
    - Cindy Johnson, City Manager

19. Resolution No. 150-15, Funding Recommendations for the 2016 Hotel/Motel Lodging Tax Fund
    - Trish Herron, Communications and Marketing Manager

20. Resolution No. 151-15, Authorizing Supplemental Agreement No. 2 with JUB Engineers, Inc. for Additional Work on George Washington Way / I-182 Access Study
    - Pete Rogalsky, Public Works Director

<u>Expenditures - Approval:</u>

21. Expenditures from July 27, 2015 - August 7, 2015 for $4,370,618.45 including Check Nos. 225460-225787, Wire Nos. 5961-5967, Payroll Check Nos. 100077-100092, and Payroll Wire/ACH Nos. 9071-9088
    - 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: 08/18/2015

Agenda Category: Agenda Item

Key Element:

Subject:
Discuss Meeting Agenda Items (15 minutes)

Department:
City Manager

Ordinance/Resolution Number:

Document Type:
Presentation

Recommended Motion:

Summary:

Fiscal Impact:

Attachments:

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Presentations

Key Element:

Subject:

CityView Video: 2016 Proposed Electrical Rate Increase

Department:

Assistant City Manager

Ordinance/Resolution Number:

Document Type:

Presentation

Recommended Motion:

Summary:

Fiscal Impact:

Attachments:

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Public Hearing

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:
Proposed Amendments to RMC Title 14: Electricity, Relating to Retail Rates - Ordinance No. 39-15

Department:	Ordinance/Resolution Number:	Document Type:
Energy Services	39-15	Ordinance

Recommended Motion:
Give first reading, by title only, to Ordinance No. 39-15, Amending Title 14: Electricity, relating to retail rates.

Summary:
Give public hearing to Ordinance 39-15, Amending RMC Title 14: Electricity, Relating to Retail Rates.

Council is not expected to take action on this proposal tonight. After hearing public comments on this matter, Council may give second reading and passage to Ordinance 39-15 at a future Council meeting, which will allow for an increase in electricity utility rates.

Refer to Ordinance No. 39-15 on the Consent Calendar.

Fiscal Impact:

Attachments:

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Public Hearing

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:
Proposed 2015-2017 Collective Bargaining Agreement with the Richland Police Guild - Resolution No. 146-15

Department:	Ordinance/Resolution Number:	Document Type:
Administrative Services	146-15	Presentation

Recommended Motion:
None.

Summary:
This public hearing is held to allow for input on the 2015-2017 Collective Bargaining Agreement with the Richland Police Guild - Resolution No. 146-15, presented for Council consideration and approval.

Fiscal Impact: No

Attachments:

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Minutes

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:

Approve the Minutes for the Council Meeting Held August 5, 2015

Department:

City Attorney

Ordinance/Resolution Number:

Document Type:

Minutes

Recommended Motion:

Approve the minutes of the Council meeting(s) held on August 5, 2015

Summary:

Fiscal Impact:

None.

Attachments:

1. Draft August 5, 2015 Council Meeting Minutes

MINUTES
RICHLAND CITY COUNCIL REGULAR MEETING
Richland City Hall ~ 505 Swift Boulevard
Wednesday, August 5, 2015

Draft

Pre-Meeting:
Mayor Pro Tem Lemley called the pre-meeting to order at 7:00 p.m. in the City Manager's Conference Room in the City Hall Annex building.

Attendance:
Mayor Pro Tem Lemley, Council Members Christensen, Kent, and Thompson were present.

Also present were City Manager Johnson, City Attorney Kintzley and City Clerk Hopkins.

Discussion of Meeting Agenda Items:

1. Discuss Meeting Agenda Items

Council Member Thompson said he planned to pull Ordinance No. 40-15, Amending RMC Title 9: Crime, Related to Prosecution of Misdemeanor and Gross Misdemeanor Offenses, as he has concerns with certain sections of the ordinance and how it relates to freedom of speech. He suggested moving the ordinance to a future Council workshop for further discussion.

Council Member Christensen requested that the City sponsor a recognition event for Hope Solo, a Richland native, for her recent achievements in soccer. Ms. Johnson said a Hope Solo Day was established by the City Council in 2007 and suggested that the Richland School District may want to organize a recognition event. She said she will follow up with the District regarding that idea.

Ms. Johnson and Council discussed options on how to fill Council Member Greg Jones position after his last day on Council, August 18, 2015. It was determined to advertise the appointment, conduct a resume review and make the appointment by August 25, 2015.

Regular Meeting:
Mayor Pro Tem Lemley called the Council meeting to order at 7:30 p.m. in the Council Chamber at City Hall.

Welcome and Roll Call:
Mayor Pro Tem Lemley welcomed those in the audience and expressed appreciation for their attendance.

Attendance:
Mayor Pro Tem Lemley, Council Members Christensen, Kent and Thompson were present.

Also present were City Manager Johnson, City Attorney Kintzley, Police Services Director Skinner, Fire and Emergency Services Director Huntington, Community Development Director Jensen, Administrative Services Director Koch, Transportation and Development Manager Peters, Library Manager Roseberry, Parks Planning and Capital Projects Manager Pinard and City Clerk Hopkins.

COUNCIL MEMBER CHRISTENSEN MOVED AND COUNCIL MEMBER KENT SECONDED A MOTION TO EXCUSE COUNCIL MEMBER ANDERSON, JONES AND MAYOR ROSE. THE MOTION CARRIED 4-0.

Pledge of Allegiance:
Mayor Pro Tem Lemley led the Council and audience in the recitation of the Pledge of Allegiance.

Approval of Agenda:

COUNCIL MEMBER THOMPSON MOVED AND COUNCIL MEMBER CHRISTENSEN SECONDED A MOTION TO APPROVE THE AGENDA AS PUBLISHED. THE MOTION CARRIED 4-0.

Presentations:

1. New Hire / Retirements
   - Allison Jubb, Human Resources Director

Mayor Pro Tem Lemley noted there were no new hires or retirements this month.

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

Mr. Adrian reviewed TRIDEC's mission, the 2014/2015 projects and activities, branding, recruitment, retention and expansion plans, air service, workforce development, federal programs and their area-wide approach to economic development.

3. Stars and Stripes Award for Goethals Park Nature Playground Service Project
   - Katelyn Smart

Ms. Smart gave details on American Heritage Girls, a scouting organization she belongs to and the type of projects they accomplish to earn badges. She gave a PowerPoint presentation detailing the Stars and Stripes project she completed of installing plaques about local birds on basalt pillars in Goethals Park. This is the highest ranking award in the organization and she is the first to receive it in Washington State. She presented a certificate of appreciation to Mr. Pinard for his help and guidance on the project and thanked the City for donating the basalt pillars.

Public Hearing:
City Clerk Hopkins read the Public Hearing and Public Comments Procedures.

1. Proposed Increase in Appropriation of Streets Capital Construction Fund, the Wastewater Fund and the Water Fund - Ordinance No. 43-15

Mr. Peters said state statutes require that a public hearing be held prior to consideration of an ordinance to increase the appropriation of existing fund balance. Ordinance No. 43-15 proposes to increase appropriations to the Streets Capital Construction Fund and decrease appropriation in the Parks Project fund and to appropriate existing fund balance from the Wastewater and Water Funds.

Mayor Pro Tem Lemley opened the public hearing at 8:04 p.m.

Lloyd Becker, 2120 Duportail Street, Richland, WA, expressed concerns that the transfer of funds from the Parks Project fund may affect the ability to fund park maintenance projects.

Mayor Pro Tem Lemley closed the hearing at 8:06 p.m.

2. Proposed Increase in Appropriation of the Parks Project Construction and Industrial Development Funds - Ordinance No. 47-15

Mr. Pinard said state law requires that a public hearing be held prior to consideration of an ordinance to increase the appropriation of existing fund balance. Ordinance No. 47-15 proposes to appropriate unbudgeted funds to the Industrial Development Fund and to authorize inter-fund transfers to the Parks Project Construction Fund to complete a parking expansion project at the City Shops Complex.

Mayor Pro Tem Lemley opened the public hearing at 8:09 p.m. and closed the hearing at 8:09:15 as there were no public comments.

Public Comments:
Philip Paulson, 4229 S. Fir Street, Kennewick, WA, lead pastor at South Hills Church, gave details on the "Convent of Hope" event scheduled on August 22, 2015, 10:00 a.m. at the east end of Columbia Park, where local businesses and churches will offer the underserved population of our area, a wide variety of goods and services at no cost. He encouraged the community to volunteer or contribute items to the event.

Consent Calendar:
City Clerk Hopkins read the Consent items.

Minutes:

1. Approve the Minutes of the Council Meetings Held July 21 and 28, 2015
   - Heather Kintzley, City Attorney

Ordinances - First Reading:

2. Ordinance No. 42-15, Amending RMC Chapter 12.10, Sidewalk Construction
   - Pete Rogalsky, Public Works Director

3. Ordinance No. 43-15, Proposed Increase in Appropriation of Streets Capital Construction Fund, Wastewater Fund and Water Fund
   - Pete Rogalsky, Public Works Director

4. Ordinance No. 44-15, Amending RMC Chapter 23.62 Regarding Wireless Communication Facilities
   - Rick Simon, Development Services Manager

5. Ordinance No. 45-15, Amending the Zoning Classification on 18.7 Acres from C-3 to C-LB for Property Located at SR-240 and Kingsgate Way. Coastal Community Bank - Applicant (Closed Record)
   - Rick Simon, Development Services Manager

6. Ordinance No. 46-15, adding a New Section to RMC Title 24 - Plats & Subdivisions, Providing for the Vacation of a Binding Site Plan
   - Rick Simon, Development Services Manager

7. Ordinance No. 47-15, Proposed Increase in Appropriation of the Parks Project Construction and Industrial Development Funds.
   - Joe Schiessl, Parks and Public Facilities Director

Ordinances - Second Reading/Passage:

8. Ordinance No. 38-15, Annexing 15.6 Acres Located East of Dallas Road and South of I-82 (Columbia Premiere Properties/Westchester)
   - Rick Simon, Development Services Manager

PULLED:

9. Ordinance No. 40-15, Amending RMC Title 9: Crime, Related to Prosecution of Misdemeanor and Gross Misdemeanor Offenses
   - Heather Kintzley, City Attorney

10. Ordinance No. 41-15, Amending RMC Chapter 12.11, Intersection Sight Distance
    - Pete Rogalsky, Public Works Director

Resolutions – Adoption:

11. Resolution No. 123-15, Authorizing an Agreement with Relay Application Innovation, Inc. for Protective Relaying, Control, and Integration Engineering Services

- Bob Hammond, Energy Services Director

12. Resolution 143-15, Amending the Purchase and Sale Agreement with the Crown Group, Inc. for 650 George Washington Way
    - Brian Moore, Redevelopment Project Supervisor

13. Resolution No. 144-15, Approving the Final Plat of Hearthwood
    - Rick Simon, Development Services Manager

14. Resolution No. 145-15, Approving the Final Plat of Skyline Meadows Phase 5
    - Rick Simon, Development Services Manager

Items for Approval:

15. Authorize Travel for Mayor Pro Tem Lemley and Council Member Thompson
    - Cindy Johnson, City Manager

Expenditures - Approval:

16. Expenditures from July 13, 2015 - July 24, 2015 for $7,768,939.19 including Check Nos. 224979-225459, Wire Nos. 5955-5960, Payroll Check Nos. 100059-100076, and Payroll Wire/ACH Nos. 9056-9070
    - Cathleen Koch, Administrative Services Director

COUNCIL MEMBER KENT MOVED AND COUNCIL MEMBER CHRISTENSEN SECONDED A MOTION TO APPROVE THE CONSENT CALENDAR LESS ITEM 9. ORDINANCE NO. 40-15, AMENDING RMC TITLE 9: CRIME, RELATED TO PROSECUTION OF MISDEMEANOR AND GROSS MISDEMEANOR OFFENSES. THE MOTION CARRIED 4-0.

Items of Business:

1. Ordinance No. 40-15, Amending RMC Title 9: Crime, Related to Prosecution of Misdemeanor and Gross Misdemeanor Offenses
    - Heather Kintzley, City Attorney

Council Member Thompson had concerns with sections in this ordinance that may be limiting the freedom of speech.

COUNCIL MEMBER THOMPSON MOVED TO TABLE ORDINANCE NO. 40-15 AND BRING IT TO A WORKSHOP FOR FURTHER COUNCIL DISCUSSION. COUNCIL MEMBER KENT SECONDED THE MOTION. THE MOTION CARRIED 4-0.

Reports and Comments:

1. City Manager Johnson had no comments.

2. Council Members:

Council Member Christensen attended the National Night Out and City Fair event on August 4, 2015, and said it was a very successful, well-attended, family-oriented event.

Council Member Thompson said the Richland Municipal Code (RMC) has a term limit for boards, commissions and committee members. He said Hank Kosmata has reached his term limit on the Utility Advisory Committee (UAC) and as Mr. Kosmata has extensive experience on the committee and on bond issues the committee will be working on in the near future, he would like to amend the RMC to extend term limits, so that Mr. Kosmata may reapply for his position on the UAC.

3. Mayor Pro Tem Lemley attended the National Night Out and City Fair event and said it was a very successful event.

Adjournment:
Mayor Pro Tem Lemley adjourned the meeting at 8:25 p.m.

Respectfully Submitted,

____
Marcia Hopkins, City Clerk

FORM APPROVED: ____________________________________
Philip Lemley, Pro Tem Mayor

DATE APPROVED: ____________________________________

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Ordinances - First Reading

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:
Ordinance No. 39-15, Amending RMC Title 14: Electricity, Relating to Retail Rates

Department:	Ordinance/Resolution Number:	Document Type:
Energy Services	39-15	Ordinance

Recommended Motion:
Give first reading, by title only, to Ordinance No. 39-15, Amending RMC Title 14: Electricity, Relating to Retail Rates.

Summary:
Energy Services (RES) staff developed a forward retail rate program in 2013 with the primary objective of providing City Council members and electric utility customers with planning information. While this program now projects out 10 years, each specific milestone in the program that identifies a potential rate increase is processed independently, starting with staff updating all previous assumptions in its Cost of Service Analysis (COSA) model, then evaluation with the City's Utility Advisory Committee (UAC) in open public meetings, then brought forward for City Council consideration.

As part of this program, staff recommends rate increases effective the first of 2016 to generate a 9.5% increase in electric rate revenue for calendar year 2016. This increase is projected to generate an additional $5,400,000 in 2016 and is necessary primarily due to Bonneville Power Administration's wholesale power increases totaling over 40% since 2009. In that same period of time, the City has raised retail rates approximately 13.5% system-wide, using cash reserves over policy levels to offset the electric utility revenue deficits.

Background details of the rate recommendations proposed by staff and endorsed unanimously by the UAC are included in the attached packet of materials presented at City Council workshop on July 28. These detailed recommendations include, but are not limited to: rate increase breakdown for each customer class; rate design; COSA results; sensitivity analysis; utility tax increases; etc.

If approved by City Council as proposed, Richland's electric rates will continue to be very competitive compared to other neighboring and state-wide utilities. Staff proposes that the increases take effect with the first bill customers receive in January 2016 and apply to all electrical use reflected on that bill.

Fiscal Impact:	The increased revenues from passage of Ordinance No. 39-15 are projected to be an additional 9.5% electric utility retail rate revenue over 2015 levels and will be proposed in the 2016 City budget in Fund 401, Electric Utility enterprise fund.

Attachments:
1. Ord. No. 39-15, Amending RMC 14: Electricity Relating to Retail Rates
2. Electric Utility Comparisons
3. Electric Rate Materials

ORDINANCE NO. 39-15

AN ORDINANCE of The City of Richland amending Title 14: Electricity, of the Richland Municipal Code relating to Retail Electric Rates.

WHEREAS, the City is responsible for recovering the costs of operating its electric utility primarily through retail rates; and

WHEREAS, additional revenues are needed to pay for increasing costs of operating the electric utility primarily due to the increases in the cost of wholesale power from the Bonneville Power Administration (BPA); and

WHEREAS, a range of additional revenues are required from the rate classes to better align them with their true costs of service so that no one rate class subsidizes another; and

WHEREAS, the Utility Advisory Committee (UAC) has thoroughly reviewed the staff recommendations including consideration of the cost of service analysis (COSA), multi-year rate program methodology, the electric utility's current and projected financial status, levels of rate-financed capital, debt service coverage ratios, projected revenue and expense requirements, and rate structures; and

WHEREAS, the UAC unanimously voted to endorse the staff recommendations for retail rate increases and rate design changes; and

WHEREAS, staff has implemented a comprehensive customer communications program during the past few months to explain the need for rate increases and allow opportunity for customer input into the staff recommendations; and

WHEREAS, staff recommends edits to the Richland Municipal Code (RMC) to correct the staff titles and delete sections that are no longer valid.

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

Section 1. RMC Sections 14.04.040 Discretionary provisions, and 14.04.050 Verbal agreements, as enacted by Ordinance No. 90 and last amended by Ordinance No. 40-10, are hereby amended to read as follows:

14.04.040 Discretionary provisions.
Whenever under the provisions of this title discretion is vested in the ~~superintendent~~ director, such discretion shall be subject to the control of the city manager. [Ord. 90; Ord. 18-05 § 1.01; Ord. 40-10 § 1.01].

14.04.050 Verbal agreements.
No promise, agreement, or representation of any employee or agent of the city with reference to the furnishing of electric energy shall be binding upon the city, unless same shall be in writing signed by the ~~superintendent~~ director, or his authorized agent, in accordance with the provisions of this title. [Ord. 90; Ord. 18-05 § 1.01; Ord. 40-10 § 1.01].

Section 2. RMC Chapter 14.08: Definitions, as enacted by Ordinance No. 90 and last amended by Ordinance No. 15-03, is hereby amended to read as follows:

DEFINITIONS

Sections:

14.08.010 Definitions.
The following words and phrases shall, when used in this title, have the meanings attributed to them in this chapter. [Ord. 90; Ord. 12-94; Ord. 15-03].

14.08.020 Billing month.
"Billing month" means the month which includes the last day of the period of electrical consumption for which the customer will be billed. [Ord. 12-94].

14.08.025 Chief electrical engineer.
"Chief electrical engineer" means the chief electrical engineer of the department.

14.08.030 Customer.
"Customer" means any person who uses, has used, or has contracted to use department electric energy. [Ord. 12-94].

14.08.040 Construction costs of distribution facilities.
"Construction costs of distribution facilities" means the combined costs of all facilities necessary to the distribution extension or reinforcement, including satisfactory right-of-way. [Ord. 12-94].

14.08.050 Construction payment.
"Construction payment" means the amount advanced by the applicant to pay all construction costs in excess of the standard construction allowance. [Ord. 12-94].

14.08.060 Demand.
"Demand" for any billing period means the average kilowatt delivery during the 30-minute period in which the consumption of energy is the greatest during the billing period. [Ord. 12-94].

14.08.070 Department.
"Department" means the energy services department of the city. [Ord. 12-94].

14.08.075 Director.
"Director" means the director of the department.

14.08.080 Distribution extension.
"Distribution extension" means distribution facilities including primary and secondary distribution lines, service laterals, and all appurtenant facilities excepting transformers and meters necessary to supply service to an additional customer. [Ord. 12-94].

14.08.090 Distribution reinforcement.
"Distribution reinforcement" means increase in size of existing facilities necessitated by applicant's estimated electric requirements. [Ord. 12-94].

14.08.100 Extension completion date.
"Extension completion date" means the date on which the construction of the distribution extension or distribution reinforcement is completed as shown by the city's records. [Ord. 12-94].

14.08.110 Indeterminate service.
"Indeterminate service" means service where the amount and permanency of service cannot be assured including industrial or commercial enterprises of speculative nature, real estate subdivisions, development of property for sale, enterprises where the applicant will not be the user of electric service or where there is little or no immediate demand for service. [Ord. 12-94].

14.08.115 Investment cost recovery incentive.
The "investment cost recovery incentive" is an incentive in addition to net metering in cooperation with the generating customer, the city, and Washington State Department of Revenue. Customers shall meet the requirements of WAC 458-20-273 as currently written or as it may hereafter be amended. [Ord. 14-07; Ord. 14-12 § 1].

14.08.120 Multiple dwellings.
For rate purposes, premises including two or more residential units are residences only if separate metering circuits for each unit are provided without costs to the department. All other premises including two or more residential units shall be considered multiple dwellings. Such premises are billed at a commercial rate. [Ord. 12-94].

14.08.130 Net metering.
"Net metering" is the application of a meter that measures the net difference between delivered real energy (kWh) to a customer and received real energy (kWh) from a customer over a billing interval. Any remaining received real energy (kWh) from the customer at the end of each calendar year is forfeited by the customer. Net metered locations are limited to a generation capacity of not more than 100 kilowatts; use solar, wind or hydropower as fuel; and are intended to offset part or all of a customer's electrical load. The cumulative generating capacity of net metering systems connected to the city distribution system is limited to 1,023 kilowatts on a first-come basis (based upon one-half percent of the 1996 city of Richland peak demand of 204,768 kilowatts as required by Chapter 80.60 RCW). [Ord. 14-07].

14.08.140 On-peak period.
"On-peak period" means the interval of time from 7:00 a.m. to 10:00 p.m., Monday through Saturday. All other hours are considered the "off-peak period." [Ord. 12-94].

14.08.150 Permanent service.
"Permanent service" means service to residential, commercial or industrial customers where the use of service, including amount and permanency, can be reasonably assured. [Ord. 12-94].

14.08.160 Person.
"Person" means any natural person, firm, partnership, or corporation. [Ord. 12-94].

14.08.170 Point of delivery.
"Point of delivery" means the point where the department's electric facilities are first connected to the electric facilities of a customer. The location of the point of delivery will be determined by the city in accordance with standard practice or as individual circumstances may dictate. [Ord. 12-94].

14.08.175 Power quality.
Acceptable "power quality" at the point of common coupling demarcation point is that which meets general, steady state, transient, and harmonics recommendations of ANSI C84.1, IEEE 1159, IEEE 1250, IEEE 519, IEEE 446, IEC 868, and other recognized standards as determined by the chief electrical engineer. Interconnection power quality shall additionally meet recommendations of IEEE P1453 and IEEE 929. [Ord. 14-07].

14.08.180 Refund of construction payment.
"Refund of construction payment" means the amount of construction payment returned to customers or assignees by the city. [Ord. 12-94].

14.08.190 Residence.
"Residence" means any residential unit with a separate meter, any mobile home in a mobile home park if it is supplied with electricity through a separate meter, and any house or building used on a farm; any building used as a place of worship, school, grange building, or building used by a fraternal organization, if the connected load is less than 25 kilowatts. [Ord. 12-94].

14.08.200 Service lateral.
"Service lateral" means the secondary overhead or underground electric circuit and associated facilities located between department's distribution line and the point of delivery to a customer. Service lateral provides service for customer's exclusive use. [Ord. 12-94].

14.08.210 Standard construction allowance.
"Standard construction allowance" means that portion of necessary construction made by the department at its expense. Separate allowances will be established for residential customers and for nonresidential customers. [Ord. 12-94].

14.08.220 Temporary service.
"Temporary service" means service to customers where the expected period of usage is less than 12 months, including service to circuses, bazaars, fairs, concessions and construction sites. [Ord. 12-94].

Section 3. RMC Chapter 14.16: Connections and Meters, as enacted by Ordinance No. 90 and last amended by Ordinance No. Ord. 38-79, is hereby amended to read as follows:

CONNECTIONS AND METERS

Sections:

14.16.010 Connections to city system.
After submittal of an application and payment of deposit, or after execution of an agreement, the department shall connect the customer's electrical wiring system to the electrical system of the city, in accordance with the provisions set forth in this chapter. Such work may be performed at times convenient to the operation of the department. [Ord. 90 § 4.01].

14.16.020 Unauthorized connections to system prohibited.
It is unlawful for any person other than ~~the superintendent, or~~ a duly authorized employee of the city, to connect any house, premises, wire, or other equipment with the city's electric system. [Ord. 90 § 4.02].

14.16.030 Unauthorized dual service connections prohibited.
It is unlawful for any customer to connect his electric wires to those of any other person, or in any way to supply any other person with city-supplied electric energy through his wiring system without first filing a written application for such connection or use in the office of the ~~superintendent~~ director and receiving a permit therefor. [Ord. 90 § 4.03].

14.16.040 Inspections authorized prior to connection.
The ~~superintendent~~ director may, before connecting any premises with the city's electric system or furnishing electric energy therefrom, cause the customer's premises' wiring and electric equipment to be carefully inspected; he may require such wiring and electric equipment to be put in proper condition, as defined in RMC 14.16.120 through 14.16.170; and he may, until the same are in such condition, refuse to connect the service wires with the city's electric system. [Ord. 90 § 4.04].

14.16.050 Underground service lines.
The department will provide underground electric service in accordance with the following regulations:

A. Underground Service to a Development.

1. Primary Service Lines. High voltage underground service will be provided to developments where feasible. The department will provide all or a portion of the trenching, cable, junction boxes, and pad-mounted transformers and will coordinate the work with any other utilities involved for that portion of construction performed by the department.

2. Secondary Service Lines. Secondary service lines are usually installed for the convenience of the department and will be provided as needed by the department.

3. Service Lines. The service lines between the transformer, the secondary service lines or distributing points will, except for trenching, be installed by the department and sized to provide adequate service reliability, voltage regulation and safety.

B. Underground Service to a Subdivision.

1. Primary Service to a Subdivision. The department may provide all or a portion of the trenching, cable, junction boxes and pad-mounted transformers and will coordinate the work with other utilities involved for that portion of construction performed by the department.

2. Secondary Service Lines. Secondary service lines will be installed for convenience to the department and constructed as needed.

3. Service Lines. All service lines will be underground except in those instances where the owner or builder has justifiably proved that it is not feasible and that overhead lines are required.

C. Conversion of Existing Overhead to Underground.

1. Service Lines. Existing overhead service lines may be converted to underground as follows:

a. Customer Convenience. When the customer wishes to have overhead services placed underground before normal replacement is required, the department will inspect premises and prepare cost estimates of the new installation. If it is determined that underground installation is feasible, the customer will be advised of technical aspects of their part in revamping building service entrance. The department will install underground service from pole to the customer's point of connection and prorate charge to the customer on the following basis:

i. Customer provides trench and pays all costs incurred.

ii. Customer shall be responsible for coordinating with other utilities which may be affected.

b. Department Convenience. When it becomes necessary to relocate service lines for reasons pertinent only to the department, each customer will be offered an opportunity to convert his entrance to concealed underground service and assume at least a portion of the expense. The department will install a conduit riser on outside of building to connect from underground to existing entrance connection in those instances where customer does not desire a concealed service entrance.

2. Secondary Service Lines. These lines are only for use by the department and will be placed underground where feasible.

3. Primary Service Lines.

a. Customer Convenience. All primary lines may be placed underground for customer's convenience with the total cost of the project paid by a local improvement district and/or the customer.

b. Utility Department Convenience. The department may convert primary service lines in an entire area from overhead to underground when pole deterioration or other factors pertinent to the operation of an electric utility makes such work necessary.

D. Commercial and Industrial Services.

1. Underground service to commercial and industrial customers will be provided by the department when deemed feasible by the director.

2. Since commercial and industrial installations combine varied arrangements, the director reserves the right to evaluate each individual installation.

E. Easements. The department will be provided with necessary easements at no cost to the city.

F. Overhead Services. Overhead services can be provided from an underground installation where justified by setting a short service pole adjacent to the power source. [Ord. 90 § 4.05; Ord. 296; Ord. 366 § 1.04; Ord. 18-77 § 1.07; Ord. 38-79 § 1.01].

14.16.060 Service entrance.
The customer shall provide a suitable service entrance to the premises at the point of easiest access to the distribution line that the department proposes to connect to the customer's system. Such entrance shall be continuous and so arranged that the possibility of improper tampering or interference is minimized. [Ord. 90 § 4.06; Ord. 366 § 1.02; Ord. 38-79 § 1.02].

14.16.070 Meter installations.
Depending on the particular installation, the department may provide a portion of the customer's service entrance equipment. The type of metering equipment (which may include meter, current transformer and enclosures, meter bases and junction boxes) shall be determined by the chief electrical engineer. In those instances where nonstandard metering equipment is required, any excess costs may be assessed to the customer.

Meter sockets shall be placed only at those locations authorized by the chief electrical engineer and shall afford proper protection to meters. In order that the meter can be easily read, the center of the meter socket shall be located not less than five feet nor more than six feet above finish grade.

If, as determined by the chief electrical engineer, the meter is inaccessible or improperly located for reading, the customer shall be required to relocate his service entrance to a suitable location or the department may install a remote metering device and all costs incurred shall be borne by the customer. [Ord. 90 § 4.07; Ord. 366 § 1.03; Ord. 18-77 § 1.08; Ord. 38-79 § 1.03].

14.16.080 Ownership of metering equipment.
All meters and other facilities furnished by the city shall be and remain the city's property, and they may be removed, replaced, or repaired at any time. [Ord. 90 § 4.08].

14.16.090 Meters.
The department will install and maintain all meters and other equipment necessary for measuring the amount of electricity used by customers. Should the customer desire the installation of meters other than those necessary to measure adequately the electricity received by the customer, such additional meters shall be supplied, installed and maintained by the department with all costs incurred by the customer. [Ord. 90 § 4.09; Ord. 173; Ord. 18-77 § 1.09; Ord. 62-83].

14.16.110 Meter tests.
The department will make periodic tests and inspections of meters and will make additional tests or inspections of meters at the request of any customer. No charge shall be made for any such additional test if there is a meter error of more than two percent.

If the meter error is two percent or less, the actual cost of such additional test but not less than $25.00 shall be charged to and collected from the customer.

If any test shows a meter error of more than two percent, a pro rata adjustment shall be made in the customer's billing for a period of not more than 90 days prior to the date of the test; provided, that in no event shall any adjustment be made for any period prior to the date of any previous meter test. [Ord. 90 § 4.12; Ord. 18-77 § 1.10; Ord. 38-79 § 1.04].

14.16.120 Customer's wiring – Standards.
All wiring of every customer's premises must conform to the State of Washington Electric Code, applicable city ordinances, and accepted modern standards, including the National Electric Safety Code and the National Electric Code. [Ord. 90 § 4.12].

14.16.130 Inspections.
The ~~superintendent~~ director or any city employee acting under his authority shall have free access at any reasonable time to any premises furnished with electric energy by the department for the purposes of inspecting any wires or electrical devices upon such premises, reading or installing meters, removing or repairing any property of the department, or for any other reasonable purpose relating to the city electrical system. [Ord. 90 § 4.13].

~~**14.16.150 Lower power factor devices.**~~
~~If the overall power factor on any installation of neon, fluorescent, mercury vapor lamps or tubes or other types of gaseous tube lamps, including auxiliaries of any such units or group units, is less than 80 percent lagging, there will be additional charge of $1.00 per month per kilovolt ampere of installed capacity of each unit or separately controlled group of units of such equipment, provided no charge will be made where the total of such uncorrected equipment installed by an individual customer is one-tenth of a kilovolt ampere or less. [Ord.90 § 4.15].~~

14.16.160 Electric space heating – New installations.
All electric space heating installations, other than heaters designed for use as plug-in heaters~~, must be approved by the director and~~ must meet the following minimum requirements:

A. Individual heaters over 1,500 watts capacity must be controlled by an adjustable thermostat.

B. All permanently installed electric heating installations must conform to current codes in regard to type of equipment, application and method of installation. The heating elements shall be controlled by one or more thermostats and the control shall be so arranged that the heating units can be thermostatically or manually connected. [Ord. 90 § 4.16; Ord. 173; Ord. 47-78 § 1.02].

14.16.170 Water heaters – Limitation of supply.
The ~~superintendent~~ director may limit the supply of electric energy to water heaters in such manner and at such times as, in his judgment, system conditions require. [Ord. 90 § 4.17; Ord. 296].

14.16.180 Rationing authorized in case of power shortage.
During period of power shortage, the ~~superintendent~~ director may limit the use of electric space heating in any manner that may be deemed necessary. At any time, the ~~superintendent~~ director may refuse to supply electricity to any customer whose demand therefor may seriously impair service to any other customer. [Ord. 90 § 4.18].

14.16.190 Permission for cutting of city wires required.
Whenever it becomes necessary to remove, disconnect, or cut any wires belonging to the city, prior notice shall be given to the ~~superintendent~~ chief electrical engineer by the person desiring such removal, cutting, or disconnection, stating when and where the same is required. Such cutting, disconnecting, or removing of wires shall be done by or under the direction of the ~~superintendent~~ chief electrical engineer; and the cost of labor and materials shall be borne by the person desiring the work to be done. [Ord. 90 § 4.19].

14.16.200 Discontinuance of service authorized if customer's system defective.
The ~~superintendent~~ director shall have the right at any time to discontinue service to any customer whose wiring or electrical equipment is defective, dangerous, or detrimental to the electrical system until such wires or equipment are repaired or restored to the standards required by RMC 14.16.040 and 14.16.120 through 14.16.160 and to a safe operating condition. [Ord. 90 § 4.20].

Section 4. RMC Chapter 14.24: Rates and Charges, as enacted by Ordinance No. 90 and last amended by Ordinance No. 04-15, is hereby amended to read as follows:

RATES AND CHARGES

14.24.020 Termination of contract by customer.
A customer who has fulfilled his contract terms and wishes to discontinue service must give at least three days' notice to that effect, unless his contract specifies otherwise. Notice to discontinue service prior to expiration of the contract term will not relieve the customer from any minimum or guaranteed payment required by the contract or rate. [Ord. 90 § 6.02; Ord. 12-94].

14.24.030 Service charges – Temporary service.
Customers requiring temporary electrical service, at premises where electric utility facilities are available, shall pay to the department an amount equal to the estimated cost of all labor, equipment and all non-recoverable materials required to install and remove the temporary service, less the estimated salvage value. In cases where temporary service can be provided from an existing power source using light duty service wire the charge shall not be less than the temporary service fee published in the city's user fees and charges schedule. Where electric utility facilities are not adequate or available to provide temporary electrical service, the department will extend service in accordance with the policies in Chapter 14.30 RMC.

The rate for electricity used from the temporary service shall be at the rate schedule applicable to the class of service. At the discretion of the chief electrical engineer, unmetered temporary services will be allowed when the service provides temporary construction power to a single-family dwelling lot and the term of the service is less than three months. In the event an unmetered temporary service extends beyond three months the customer shall pay an additional three-month temporary service fee for each three-month period beyond the initial three-month term. [Ord. 296; Ord. 74-74 § 1.02; Ord. 30-75 § 1.01; Ord. 18-77 § 1.12; Ord. 23-78 § 1.01; Ord. 12-94; Ord. 37-07].

14.24.035 Service charges – Permanent or altered service.
Customers requiring permanent electrical service rated at 600 volts or less, at premises where electric utility facilities are available at the property, shall pay to the department an amount equal to the estimated cost of all labor, equipment and materials, including metering, required to install the service. In cases where permanent services are of a capacity of 400 amps or less the charge shall not be less than the new service charges published in the city's user fees and charges schedule. The charge assumes the department shall install up to 100 feet of service wire, as measured on the premises. Any additional service wire over 100 feet shall be charged at the estimated cost of additional wire.

Customers requiring alteration of existing electric utility facilities, including but not limited to rewires, relocations, conversions or upgrades, shall pay the department an amount equal to the estimated cost of all labor, equipment and materials, including metering, required to alter the utility facilities serving such services.

Where electric utility facilities are not adequate or available to provide permanent service or accommodate the required customer service alterations the department will extend service in accordance with the policies of Chapter 14.30 RMC. [Ord. 37-07].

14.24.040 Trouble calls.
The customer shall notify the department immediately should service be unsatisfactory for any reason or should there be any defects, trouble or accidents affecting the supply of electricity.

The department will be responsible for promptly making repairs to damage occurring to city equipment, which impairs service to its customers or results in a hazardous condition. When a trouble call is made at a customer's request, and the trouble is due to the customer's acts, negligence, or to failure of his equipment or wiring, the minimum charge shall be actual cost, plus overhead costs, but in no case less than $15.00. Billing costs shall be as determined by the chief electrical engineer. [Ord. 90 § 6.04; Ord. 74-74 § 1.03; Ord. 18-77 § 1.13; Ord. 12-94].

14.24.050 Non-standard service.
Customers shall pay the cost of any special installation necessary to meet particular requirements for service at other than standard voltages or for the supply of closer voltage regulation than required by standard practice.

When it is necessary to construct additional lines and install facilities for furnishing three-phase service or a nonstandard voltage or phase, the service will be provided in accordance with the policies of Chapter 14.30 RMC. [Ord. 90 § 6.05; Ord. 12-94; Ord. 37-07].

14.24.060 Retail electrical rates.
Rates for electricity are summarized by class of service as listed below. Rates are effective with the first bill received in January 2016 and apply to all usage during the billing period.

SCHEDULE 10: General Residential

A. Availability: In all territory serviced by the city's electrical utility.
B. Applicability: To domestic uses of electric energy by all residential customers not eligible under other rate schedules.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Delivery Point: The following rates are based upon the supply of service to the entire premises through a single delivery and metering point. Separate supply for the same customer at other points of consumption shall be separately metered and billed.
E. Rates:

	~~Rates Effective January 1, 2013~~
~~Monthly Customer~~ Daily Service Charge:	
Single-phase service:	$~~12.25/mo.~~0.60/day
Multi-phase service:	$~~020.45/mo.~~0.85/day
Monthly Energy Charge:	$~~0.0616~~0.0644/kWh

F. ~~The rates f~~For electrical service supplied to residential customers qualifying as low income senior or low income disabled citizens, the service charge shall be waived and the energy charge shall be discounted ~~33~~15 percent of Schedule 10. Qualifications and other information regarding low income senior or low income disabled citizens can be found in Chapter 3.29 RMC (finance).

SCHEDULE 20: Small General Service

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To all nonresidential uses supplied through a single meter~~,~~ where anticipated monthly maximum demand does not exceed 50 kilowatts and the load is not eligible under other rate schedules.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:

	~~Rates Effective with the First Bill Received in July 2015~~
~~Monthly Customer~~ Daily Service Charge:	
Single-phase service:	$~~20.00/mo.~~0.75/day
Multi-phase service:	$~~33.35/mo.~~1.00/day
Monthly Energy Charge:	$~~0.0519~~0.0580/kWh
Monthly Demand Charge:	No Charge

SCHEDULE 22: Medium General Service

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To all nonresidential uses supplied through a single meter, where anticipated monthly maximum demand is greater than 50 kilowatts, but less than or equal to 300 kilowatts, and the load is not eligible under other rate schedules.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:

	~~Rates Effective January 1, 2013~~
~~Monthly Customer~~Daily Service Charge:	
Single-phase service:	$~~25.00/mo.~~1.20/day
Multi-phase service:	$~~41.67/mo.~~1.45/day
Monthly Energy Charge:	$~~0.0312~~0.0372/kWh
Monthly Demand Charge:	$~~5.85~~4.50/kW

SCHEDULE 24: Large General Service

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To all nonresidential uses supplied through a single meter, where anticipated monthly maximum demand is greater than 300 kilowatts, but less than or equal to 1,000 kilowatts, and the load is not eligible under other rate schedules.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:

	~~Rates Effective January 1, 2013~~
~~Monthly Customer~~ Daily Service Charge:	
~~Single-phase service:~~	~~$25.00/mo.~~
Multi-phase service:	$~~41.67/mo.~~1.75/day
Monthly Energy Charge:	$~~0.0312~~0.0372/kWh
Monthly Demand Charge:	$~~5.85~~4.85/kW

SCHEDULE 30: Small Industrial

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To all nonresidential uses supplied through a single meter where ~~having~~ anticipated monthly maximum demand~~s exceeding~~ is greater than 1,000 kilowatts ~~and~~ but less than or equal to 5,000 kilowatts and the load is not eligible ~~for service~~ under other rate schedules.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:

	Rates Effective January 1, 2013
~~Monthly Customer~~Daily Service Charge:	
~~Single-phase service:~~	~~$80.00/mo.~~
Multi-phase service:	$~~133.33/mo.~~7.25/day
Monthly Energy Charge:	$~~0.0350~~0.0372/kWh
Monthly Demand Charge:	$~~6.25~~5.15/kW

SCHEDULE 31: Large Industrial

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To all nonresidential uses supplied through a single meter ~~having~~ where anticipated monthly maximum demand~~s~~ is greater than ~~exceeding~~ 5,000 kilowatts and the load is not eligible for service under other rate schedules.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:

	~~Rates Effective January 1, 2013~~
~~Monthly~~ Daily Service Charge:	$~~120.00/mo.~~7.25
Monthly Energy Charge:	$~~0.0323~~0.0368/kWh
Monthly Demand Charge:	$~~5.40~~4.80/kW

SCHEDULE 33: Economic Development Rate

A. Terms and conditions of negotiated rate will be by contract.
B. Will be based upon the benefits derived from the new load and/or employment opportunities that expand the local economy.
C. Will utilize marginal costing concept.

SCHEDULE 40: Small Irrigation 0 – 60 Horsepower

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To uses of electrical power on a continuous basis for seasonal agricultural irrigation pumping or agricultural drainage pumping.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:

	~~Rates Effective with the First Bill Received in July 2015~~
Monthly Energy Charge:	$~~0.0500~~0.0565/kWh
Monthly Demand Charge:	No Charge
Annual ~~Facilities~~ Service Charge:	

To be billed at beginning of irrigation season.

(1) $~~150.00~~168.75 single-phase service.

(2) $~~250~~225.00 multi-phase service.

SCHEDULE 45: Large Irrigation Over 60 Horsepower

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To uses of electrical power on a continuous basis for seasonal agricultural irrigation pumping or agricultural drainage pumping.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:

	~~Rates Effective January 1, 2013~~
Monthly Energy Charge:	$~~0.0329~~0.0372/kWh
Monthly Demand Charge:	$~~5.75~~6.35/kW

Annual ~~Facilities~~ Service Charge:

To be billed at beginning of irrigation season.

$~~4.97~~0.50/horsepower on ~~first 1,500~~ all horsepower greater than 60~~, to be billed at beginning of irrigation season~~ plus:~~.~~

(1) $~~100.00~~168.75 ~~minimum on~~ single-phase service.

(2) $~~166.67~~225.00 ~~minimum on~~ multi-phase service.

~~SCHEDULE 50: Street Lighting~~

~~A. Availability: In all territory served by the city's electric utility.~~

~~B. Applicability: To municipally owned lighting systems for public streets, publicly owned parking areas, and parks and athletic fields, and includes maintenance of and replacement of lamps for overhead lighting systems of such areas. The provisions of this schedule shall not apply to rates for energy supplied under specific contracts negotiated for such purpose.~~

~~C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.~~

~~D. Rates:~~

	~~Rates Effective January 1, 2013~~
~~Monthly Energy Charge:~~	~~$0.0952/kWh~~

SCHEDULE 60: Traffic Lighting

A. Availability: In all territory served by the city's electric utility.

B. Applicability: To municipally owned traffic-regulating signal systems on public streets and highways.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:

	~~Rates Effective with the First Bill Received in July 2015~~
~~Monthly Customer~~Daily Service Charge:	$~~12.25/mo.~~0.60/day
Monthly Energy Charge:	$~~0.0580~~0.0568/kWh

~~SCHEDULE 70: Rental Lighting~~

~~A. Availability: In all territory served by the city's electric utility.~~
~~B. Applicability: To all property owners or long-term lessees of property.~~
~~C. Contract Provisions: The rates in this schedule apply to facilities consisting of overhead construction with mast arms and luminaires mounted on wood poles with lumen output as shown. Lighting facilities supplied under this schedule shall remain the property of the city, and shall be supplied only pursuant to a contract with the customer, the term of which shall be a period of not less than three years.~~
~~D. Rates:~~

	~~Unmetered Rates Effective with the First Bill Received in July 2015~~	~~Metered Rates Effective with the First Bill Received in July 2015~~
~~Monthly Charge per Installed Light:~~		
~~Residential Yard Light (250 watt or less):~~	~~$11.45~~	~~$6.40~~
~~Area Lighting:~~		
~~400 watt mercury vapor:~~	~~$17.15~~	~~$7.30~~
~~500 watt or less incandescent:~~	~~$17.15~~	~~$7.30~~
~~1,000 watt mercury vapor:~~	~~$31.70~~	~~$11.35~~
~~1,000/1,500 watt incandescent:~~	~~$31.70~~	~~$11.35~~

~~Pole Rental:~~

~~When an individual wood pole is required on a new installation, the following monthly charges apply:~~

~~Wood pole 40 feet or less:~~	~~$1.30~~
~~Wood pole over 40 feet:~~	~~$1.30 plus $0.07 per foot~~
~~Steel pole:~~	~~$1.40~~

~~Additional charge will be made for lamps installed 75 feet or more above the ground.~~

SCHEDULE 90: Cable Television Amplifier

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To owners of cable television amplifiers installed on facilities owned by the city's electric utility.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates:
Monthly Energy Charge: $0.0481/kWh

SCHEDULE 100: New Large Single Load

A. Availability: In all territory served by the city's electric utility.
B. Applicability: To new large single load customers defined in Public Law 96-501 and as such constitute electrical loads greater than or equal to 10 average megawatts during any consecutive 12-month period and which cause the utility to incur wholesale power costs in excess of normal rates.
C. Character of Service: Sixty hertz alternating current of such phase and voltage as the electric utility may have available.
D. Rates: Terms and conditions of negotiated rate will be by contract.

[Ord. 90; Ord. 173; Ord. 74-74; Ord. 18-77; Ord. 47-78; Ord. 38-79; Ord. 75-80; Ord. 66-81; Ord. 55-82; Ord. 8-87; Ord. 19-87; Ord. 6-90; Ord. 43-91; Ord. 11-93; Ord. 43-93; Ord. 12-94; Ord. 31-96; Ord. 55-99; Ord. 15-02; Ord. 10-03; Ord. 16-03; Ord. 10-04; Ord. 31-12 § 1; Ord. 03-13 § 1; Ord. 04-15 § 1].

14.24.070 Character of certain special uses.
Motors with individually rated capacities of more than seven and one-half horsepower must be served at commercial rates. Christmas or other temporary decorative residential lighting may be served at residential rates. Where additional facilities are required to serve decorative lighting, the distributor will charge the customer actual costs, including overhead costs, for the installation and removal of the facilities. [Ord. 90 § 6.07; Ord. 12-94; Ord. 14-94].

14.24.100 Special rules if premises used for both residential and commercial purposes.
The residential rate is not applicable to any space in a residential dwelling which is regularly used for commercial purposes or for other gainful activities. In such cases, if a separately metered circuit is provided at no cost to the city for the commercial portion of the dwelling, the appropriate commercial rate shall be applied to the power requirements. If a separately metered circuit is not provided, the entire power requirements of the premises must be billed under the commercial rate.

If the premises are used primarily as a private dwelling and space in the dwelling is only occasionally used for commercial purposes, the residential rate shall be applied to the entire power requirements. [Ord. 90 § 6.10; Ord. 43-91].

14.24.120 Street Lighting.
For all municipally owned lighting systems for public streets, publicly owned parking areas, and parks, service shall be provided pursuant to the applicable street lighting rates published in the city's user fees and charges schedule. Such service shall include maintenance of and replacement of lamps for overhead lighting systems of such areas. The provisions of this fee schedule shall not apply to rates for energy supplied under specific contracts negotiated for such purpose.

14.24.130 Rental Lighting.
For municipally owned rental lighting facilities consisting of overhead construction with mast arms and luminaires mounted on poles, service shall be provided at the request of property owners or long-term lessees of property pursuant to the applicable rental lighting rates published in the city's user fees and charges schedule. Lighting facilities supplied under this provision shall remain the property of the city and shall be supplied only pursuant to a contract with the customer, the term of which shall be a period of not less than three years.

14.24.140 De minimis unmetered loads.
For loads determined by the chief electrical engineer to be of a de minimis nature, service shall, with the authorization of the director, be provided pursuant to the applicable de minimis unmetered loads rate published in the city's user fees and charges schedule.

14.24.150 School and municipal building rate.
There are no rate discounts for electricity supplied at schools or municipal buildings. [Ord. 90 § 6.15; Ord. 173; Ord. 74-74 § 1.07; Ord. 79-74 § 1.01; Ord. 55-75 § 1.01; Ord. 18-77 § 1.20; Ord. 43-91; Ord. 16-03].

14.24.180 Athletic field floodlighting.
For athletic field lighting, an investment charge may be made based upon the city's investment in furnishing and installing the equipment devoted to supplying the athletic field lighting service. Energy will be billed in accordance with the appropriate rate schedule and each installation will be considered a separate customer for billing purposes. Customers' bills rendered in accordance with this provision shall be subject to any surcharge and amortization charge applied by the director. [Ord. 90 § 6.18; Ord. 173; Ord. 296; Ord. 12-94; Ord. 10-03; Ord. 16-03; Ord. 31-12 § 1].

14.24.190 Special charges and billing rules.
Charges for energy supplied under the provisions of RMC 14.24.180 shall be computed as follows:

A. Energy. When the energy supplied is metered, the meter shall be installed in or connected to the lighting circuit and the billing shall include the energy delivered to and consumed in all circuits and equipment used exclusively for lighting purposes. When the energy supplied is not metered, the monthly energy charge shall be computed from the lamp wattage plus five percent for losses, multiplied by the number of hours of use, multiplied by the applicable energy rate as determined by the chief electrical engineer.

B. Capital Investment Computation. The department's capital investment costs, used as a basis for computing charges, shall consist of the cost of all labor, material and equipment, plus appropriate overhead costs, used to construct the lighting system.
C. Annual Operation and Maintenance Computation. The department's annual operation and maintenance costs, used as a basis for computing charges, shall be eight percent of the capital investment cost and shall provide for all routine maintenance, including lamp replacement, performed on the lighting system.
D. Computation of Charges. Computation of monthly charges shall be one percent of the capital investment cost plus one-twelfth of the annual operation and maintenance cost plus the charge for energy consumed by the lighting system. [Ord. 90 § 6.19; Ord. 173; Ord. 38-79 § 1.12; Ord. 12-94].

14.24.200 Investment cost recovery incentive.

Customers shall meet the requirements set forth in WAC 458-20-273 and the investment cost recovery incentive shall be paid according to WAC 458-20-273 as currently written or as it may hereafter be amended.

Energy produced as a part of the investment cost recovery incentive may be used in conservation programs by the city. An initial installation fee will be charged for participation in investment cost recovery. This fee is listed in the city of Richland user fees and charges. [Ord. 14-07; Ord. 14-12 § 2; Ord. 25-13 § 1.02].

Section 5. 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 18th day of August, 2015.

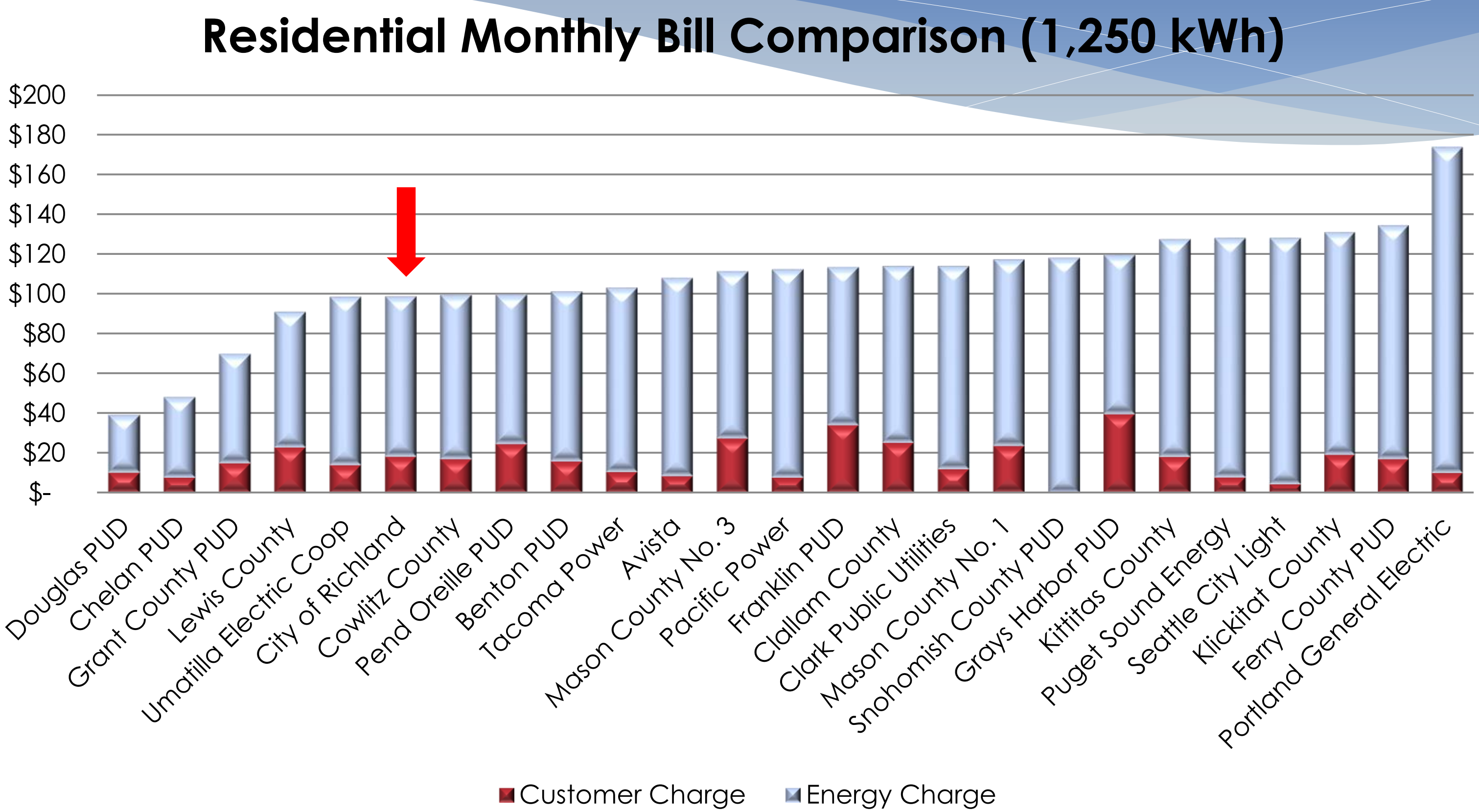
____
DAVID W. ROSE
Mayor

ATTEST:	APPROVED AS TO FORM:
______________________________	______________________________
MARCIA HOPKINS	HEATHER KINTZLEY
City Clerk	City Attorney

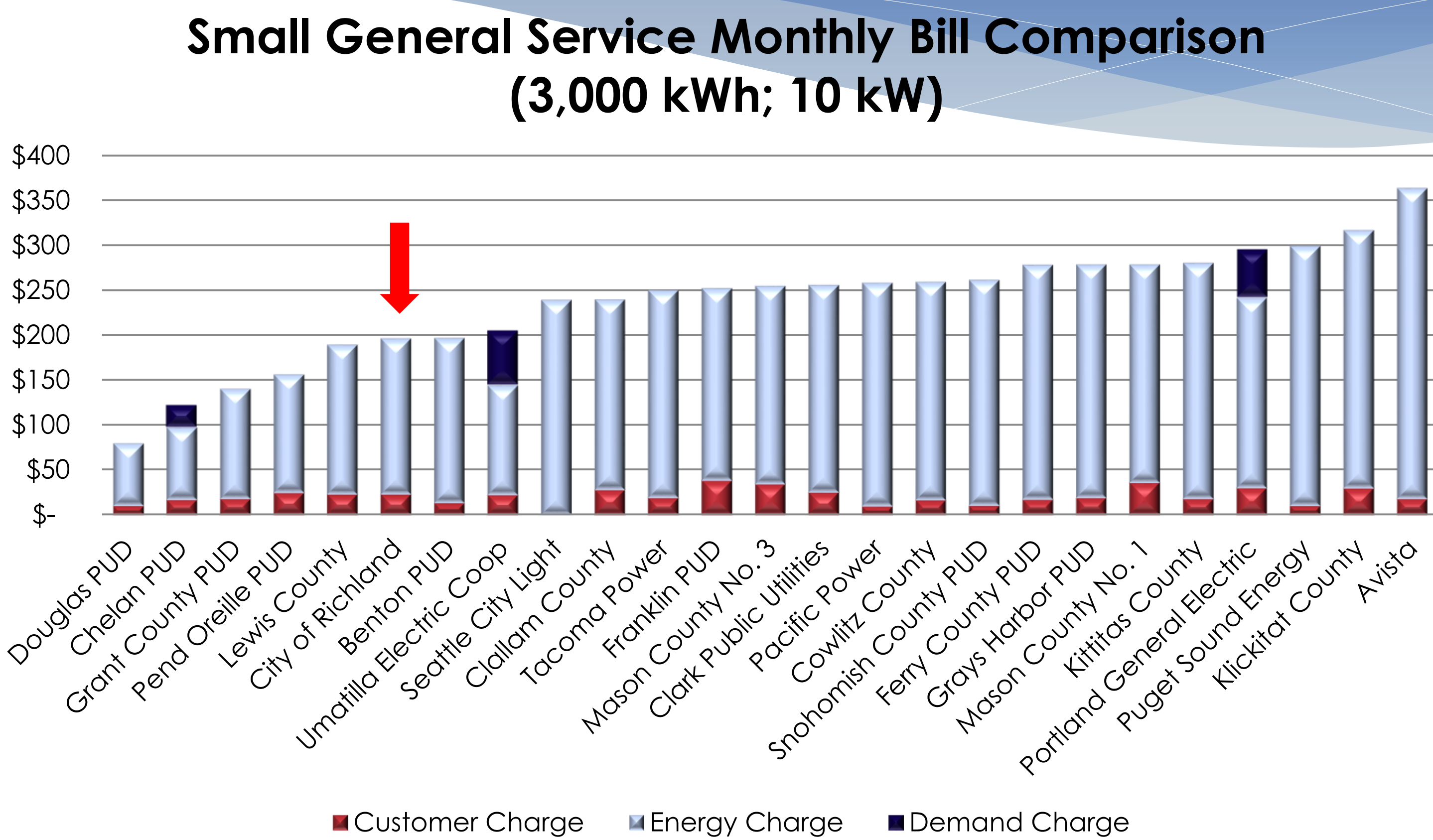
Date Published: ________________

Electric Utility Comparisons

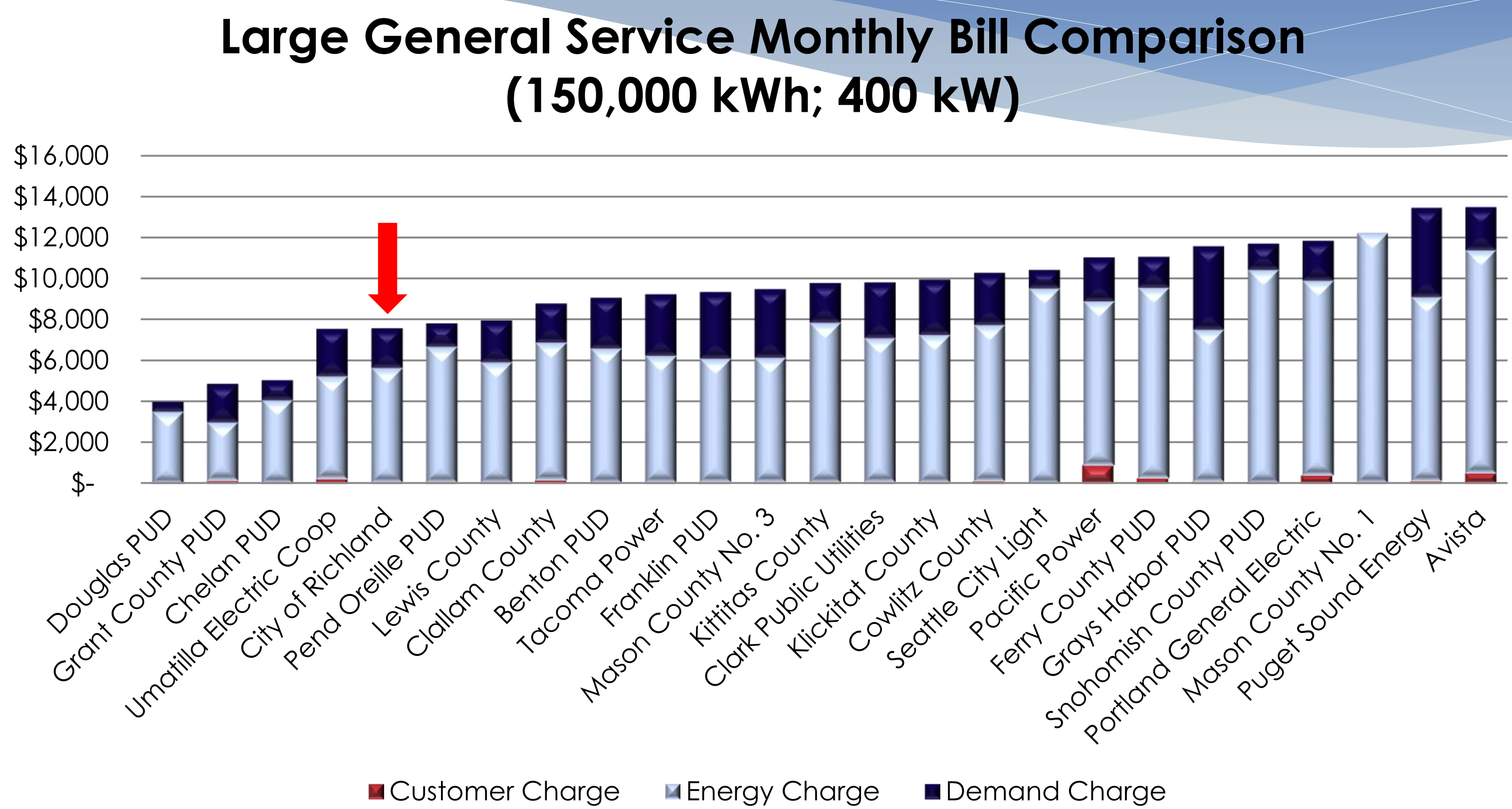
NW Rate Comparisons
RES 2016 Proposed Rates



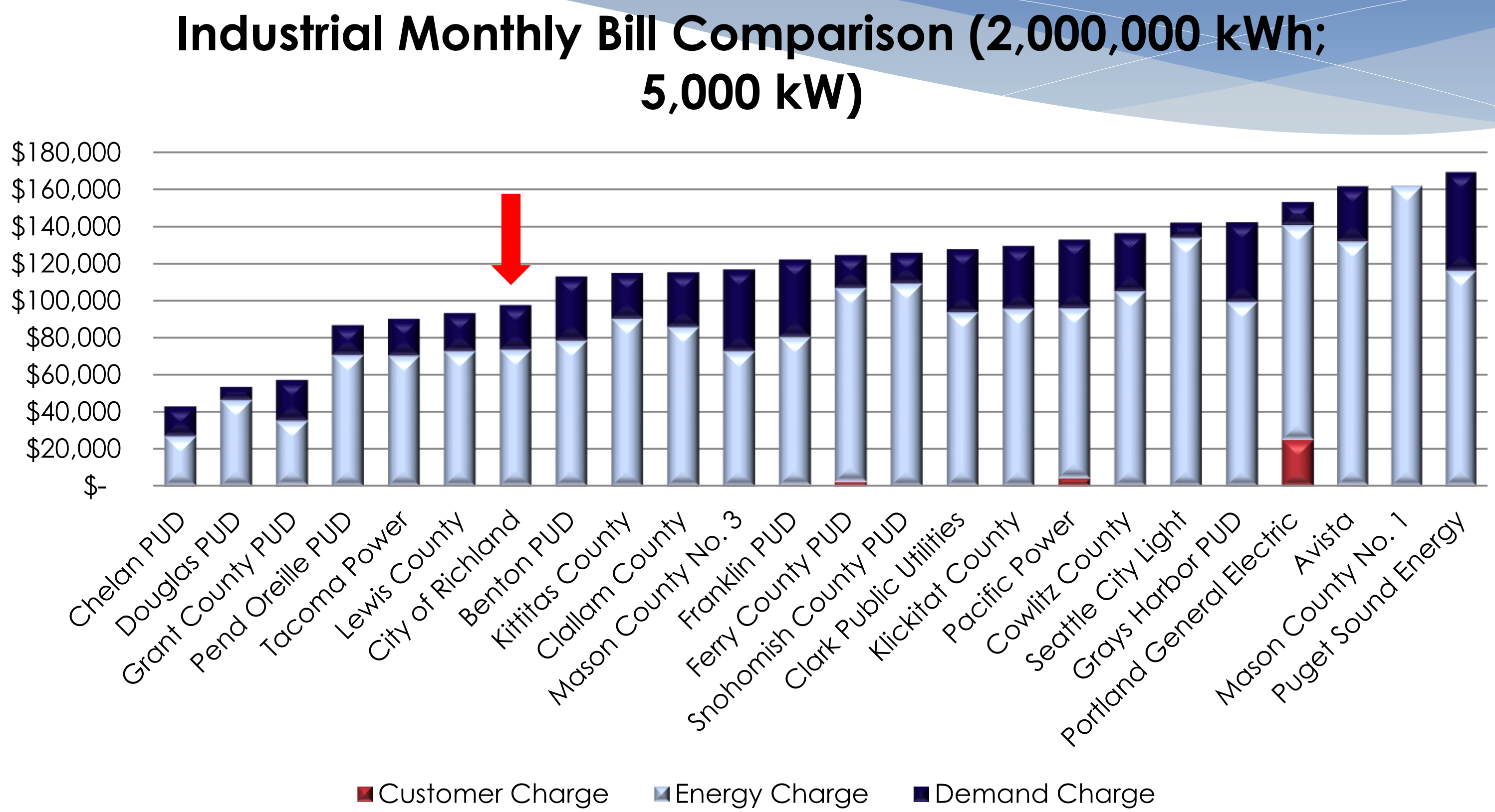
NW Rate Comparisons
RES 2016 Proposed Rates



NW Rate Comparisons
RES 2016 Proposed Rates



NW Rate Comparisons
RES 2016 Proposed Rates



Electric Rate Materials
Presented at
City Council Workshop
July 28, 2015

COUNCIL WORKSHOP COVERSHEET

Council Date: 07/28/2015 Department: Energy Services

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:
2016 Electric Utility Retail Rates Update (30 minutes)

Summary:
Energy Services (RES) staff developed a forward retail rate program in 2013 with the primary objective of providing City Council members and electric utility customers with planning information. While this program now projects out 8 to 10 years, each specific milestone in the program that identifies a potential rate increase is processed independently, starting with staff updating all previous assumptions in its Cost of Service Analysis (COSA) model, then evaluation with the City's Utility Advisory Committee (UAC) in open public meetings, then brought forward for City Council consideration.

At workshop, RES Director Hammond accompanied by UAC Vice Chair Jeff Dagle will present recommendations for rate increases effective January 2016. If approved by City Council, these increases are projected to generate an additional 9.5% electric utility retail rate revenue over 2015 levels.

The attached materials identify detailed rate recommendations information processed over the past several months between RES staff and the UAC. In addition to discussions at regular UAC meetings, a UAC subcommittee met with staff to go through the COSA model assumptions, results, and alternatives to the staff recommendations. As a result, the UAC voted unanimously to support the staff recommendations and forward for City Council consideration.

It is the intention, after discussion with City Council in workshop session, to draft ordinance revision to implement these recommendations effective with the first electric utility bills received by customers in 2016. With this schedule, Council will have two opportunities to officially consider these ordinance revisions; first reading and public hearing on August 18, then second reading and passage on September 1. This schedule would allow adequate time for staff to make the necessary utility billing software changes and provide additional outreach to utility customers for their budgetary planning.

Attachments:

1. 7/14/15 UAC Electric Retail Rate Staff Report

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 07/14/2015

Agenda Category: Items of Business

Prepared By: Brian Booth, Energy Policy Specialist

Subject:
2016 Electric Utility Retail Rate Increase Recommendations (30 minutes)

Department:
Energy Services

Recommended Motion:
Staff recommends that UAC endorse the following:

- 8.5% rate increase proposed for January, 2016 and the proposed rate design described in attachment C;
- Proposed revision to the low-income disabled/senior discount whereby qualifying customers will pay no service charge and will receive a 15% discount on the energy charge;
- Proposal to determine customers' rate classes based on their highest three (3) months of adjusted demand;
- Creation of a discount for industrial customers who own and maintain their own transformers; and
- Migration of street and rental lighting from the RMC to the fee schedule.

Summary:
Staff will review the information that was mailed to UAC members earlier this month. A few revisions to the handouts have been made and are reflected in the attachments to this staff report.

Fiscal Impact:

Attachments:
1. COSA & Rate Design Memo
2. Attachment A
3. Attachment B
4. Attachment C
5. Attachment D
6. Attachment E
7. Attachment F
8. Attachment G

MEMORANDUM
Energy Services Department

TO: Utility Advisory Committee

FROM: Brian Booth, Energy Policy Specialist

THROUGH: Bob Hammond, Energy Services Director

DATE: July 14, 2015

SUBJECT: 2016 Electric Utility Rate Program and Design

RATE PROGRAM

Over the past year, staff has worked to develop and refine a long-term forward rate program. In consultation with the UAC, a number of guidelines have been developed to help steer the process. These guidelines include:

- Maintaining year-end cash reserves of at least $2.4 million in the near term and an amount equal to 90 days' non-power operating expenses in the longer term.
- Maintaining a debt-service-coverage ratio of at least 1.75.
- Rate-financing renewals and replacements in the near term and ramping up to an amount equal to 100% of depreciation beginning in 2019.
- Deferring rate increases as long as possible with system-wide increases of less than 10%.

As a result of these efforts, the proposed forward rate program has been developed. This program (see Attachment A) includes a 10-year forecast of rate increases, cash levels, and details including levels of rate-financed capital and bond issuances.

As part of this program, staff is recommending an 8.5% system-wide rate increase in 2016. In conjunction with a 1% increase in utility occupation taxes, customers would see a combined 9.5% increase on their bills. Staff believes this recommended increase to be the minimum adjustment necessary to maintain the financial health of the utility for the next 2 years.

In developing proposed rate increases (see Attachment B), staff has sought to reduce subsidization amongst the various rate classes. At the same time, some of the rate classes are far enough from their COSA-recommended revenue levels that customer impacts must also be considered. As was done in the past, staff is thus recommending that class rate increases be kept between a cap and floor. By following COSA-recommended rate increases with a cap of 11.25% and floor of 0%, staff believes that the overall target revenue can be achieved.

Also included in Attachment B are the class-specific impacts of the increase in utility taxes. As has been previously discussed, it has been determined that RES does not have the authority to charge customers a utility tax less than the 8.5% stated in the Richland Municipal Code. Set to go into effect January 1, 2016, this increase will have a varying impact on RES customer classes which are currently paying tax rates ranging from 6.9% to 8.4%. As noted above, the overall impact of this tax increase will be approximately 1%.

RATE DESIGN

Service Charge

In 2014, staff brought to the UAC a proposed forward rate program along with recommendations for rate design. While that proposal was tabled, staff and the UAC agreed on a number of rate design principles that have been used to guide current efforts. Specifically, a custom minimum systems analysis provided new insights into how distribution costs should be allocated between the fixed and demand-related cost pools. As a result of this reallocation, staff recommended and continues to recommend that demand charges be adjusted moderately downward while the fixed monthly service charges be adjusted upward accordingly.

While the minimum systems analysis gave further cause to increase the service charge across almost all classes, the service charge was already lower than actual cost for a number of rate classes including Residential, Small General Service, Small Irrigation, and Traffic Lighting. With energy consumption on a per-meter basis trending downward, it was clear that RES could not continue to rely on energy charges to recoup fixed costs. This issue was partially remedied with the July, 2015 rate increases which, as shown on Attachment C, saw substantial increases in the service fees of Small General Service, Small Irrigation, and Traffic Lighting. However, these increases did not completely bridge the gap and staff will continue to recommend that the service charge be moved incrementally closer to actual cost.

Rate Impact Analysis (Attachment D) shows few upward outliers. As can be easily seen on page 2 of Attachment D, there are two distinct trend lines. The upper trend line represents single phase customers. Because the proposed single phase service charge is increasing by about the same percentage as the overall class, there is no strong correlation between single phase customers' kWh consumption and their realized increase. For multiphase customers, because the proposed multiphase service charge is lower than the present charge, multiphase customers who use little energy will likely see their bills fall slightly. This same pattern can be found in Small Irrigation but disappears in the larger rate classes in which customers' bills are more heavily determined by their energy and demand charges. Please note that the analysis performed in Attachment D rely on actual 2014 load data. Because the rates are designed to meet forecasted future consumption rather than 2014 actuals, the overall rate increases seen in Attachment D do not exactly reflect the target increases noted in Attachment C.

Daily Service Charge

RES assesses the service charge on a monthly basis for most rate classes. The Richland Municipal Code states that monthly base charges shall be prorated by the number of days service is provided divided by 30 but currently, the code is not being precisely followed. Instead, proration is triggered only by billing cycles of less than 23 days or greater than 35 days. This practice has attracted the ire of customers who feel that unusually long billing cycles are much more likely than unusually short billing cycles, particularly around the holidays. RES staff thus recommends that the rate schedules as they appear in the RMC be revised so that customer classes which currently pay monthly service charges instead pay daily service charges. This is a practice that has gained traction around the region in recent years, particularly in conjunction with the adoption of smart meters. Please note that 2016 service charges for all non-Irrigation rate classes shown on Attachment C are daily rates.

Low Income Discount

Per the RMC, RES currently offers a discount to low-income disabled and/or senior citizens. The 33% discount is applied as a flat percentage to each customer's total electric bill. Staff believes that this approach sends the wrong price signal to customers by dramatically reducing the monetary benefit of energy efficient equipment and behaviors. To better empower customers receiving discount to save money through energy efficiency, staff recommends that the structure of the discount be redesigned while the overall annual cost of providing the discount be kept the same. Based on historical consumption among those receiving the discount, staff recommends that the RMC be modified to reflect a new discount structure where recipients pay no daily service fee and receive a 15% discount to the regular energy charge. This structure would accomplish the same 33% average savings at the same annual cost of approximately $130,000 per year. As shown in Attachment E, this change would have a varying impact on existing discount recipients. Based on 2014 usage amongst this group, the discount percentage would range from 20% for the heaviest consumers to nearly 100% for those who utilize almost no electricity at all.

Customer Class Determination

Customer classifications are designed so that customers requiring different levels of service are billed appropriate fixed and variable charges. Small General Service, for example, is the smallest regular service provided and is expected to consist of customers who require connections of less than 50 kVA which, by no coincidence, happens to be the smallest pad-mount transformer available. For customers who require more than 50 kVA, larger transformers must be provided and thus, higher fixed service charges are required to recover the cost. However, RES currently determines each customer's classification based on the highest 7 unadjusted (not adjusted for kVAR) demand readings in the past 12 months. This means that Small General Service customers who regularly require greater than 50 kVA are not paying the appropriate service charge and are thus being subsidized. Other utilities have stricter definitions with the neighboring Franklin and Benton PUDs, for example, limiting their customers to no more than 2 and 3 months above the threshold. RES staff recommendation is to set customer class based on highest 3 months' demand in the past year. In addition to this change, staff recommends that kVAR-adjusted demand be used for this determination as equipment must be sized to accommodate kVA.

Although staff estimate that this change would be revenue neutral, the impacts would vary by customer (see Attachment F). Because of this potential impact on customers' bills, staff recommends that this change not be implemented until October 1, 2016 so as to not coincide with other rate action.

Single and Multiphase Charges

The multiphase base charge is currently 5/3 of single phase charge, a ratio that is long-since out of date. Staff believes that an additional charge of $7.50 per month (or 25 cents per day) would recover the increased cost of a minimum-sized multiphase transformer across all classes. Comment: RES staff recommendation is to implement a flat $0.25 dollar per day premium for multiphase service.

Currently, the rate schedule as shown in the RMC shows single phase service charges for Large General Service and Small Industrial rate classes. However, there are no single phase customers in these rate classes and transformers larger than 167 kVA are not available. As such, staff recommends that single phase service charges be removed from the Large General Service and Small Industrial rate schedules.

Large Industrial Secondary Facility Charge

One of the three Large Industrial customers served by RES currently owns and maintains their own transformers and other distribution facilities downstream of the meter. In the COSA, all 3 customers currently share the financial benefit of this as a reduced portion of the transformer &

services cost pool is allocated to the Large Industrial rate class. As shown in the recommended rates table, the COSA recommends a demand charge of $4.80 per kW-month for the rate class as a whole. However, that would be $5.00 without the one customer owning their facilities and $4.35 if all customers owned their own. To address this subsidization of the two customers by the one which owns its own facilities, staff intends that Large Industrial customers be charged the full $5.00 per kW-month with a discount of $0.65 made available to customers which own their own secondary facilities. These changes would result in rate increases of approximately 1% for the two customers and a 2% reduction for the customer that owns its facilities. Staff recommends that RES engages with current Large Industrial customers in regards to the proposed discount with the intent to implement a rate change effective October 1, 2016.

Large Irrigation

In 2014, staff recommended an overhaul of the irrigation service charge structure. While both Small and Large Irrigation customers had previously paid an annual horsepower fee based on the size of their equipment, RES recommended that these variable fees be eliminated for Small Irrigators and replaced with a fixed amount. Because RES typically installs equipment rated for no less than 50 kVA and all Small Irrigators require, by definition, no more than 50 kVA, staff believes that the fixed cost of serving Small Irrigation customers is uniform throughout. This recommendation was codified in the July, 2015 rates. For Large Irrigation customers, staff recommends that that the horsepower charge be revised to fit seamlessly with the Small Irrigation rate structure. With 60 horsepower (50 kVA after adjusting for losses and power factor) as the cutoff between the two rate classes, staff recommends that Large Irrigation customers pay the same annual service charge as Small Irrigators plus an incremental fee for each horsepower of pumping capacity above 60.

Street Lighting

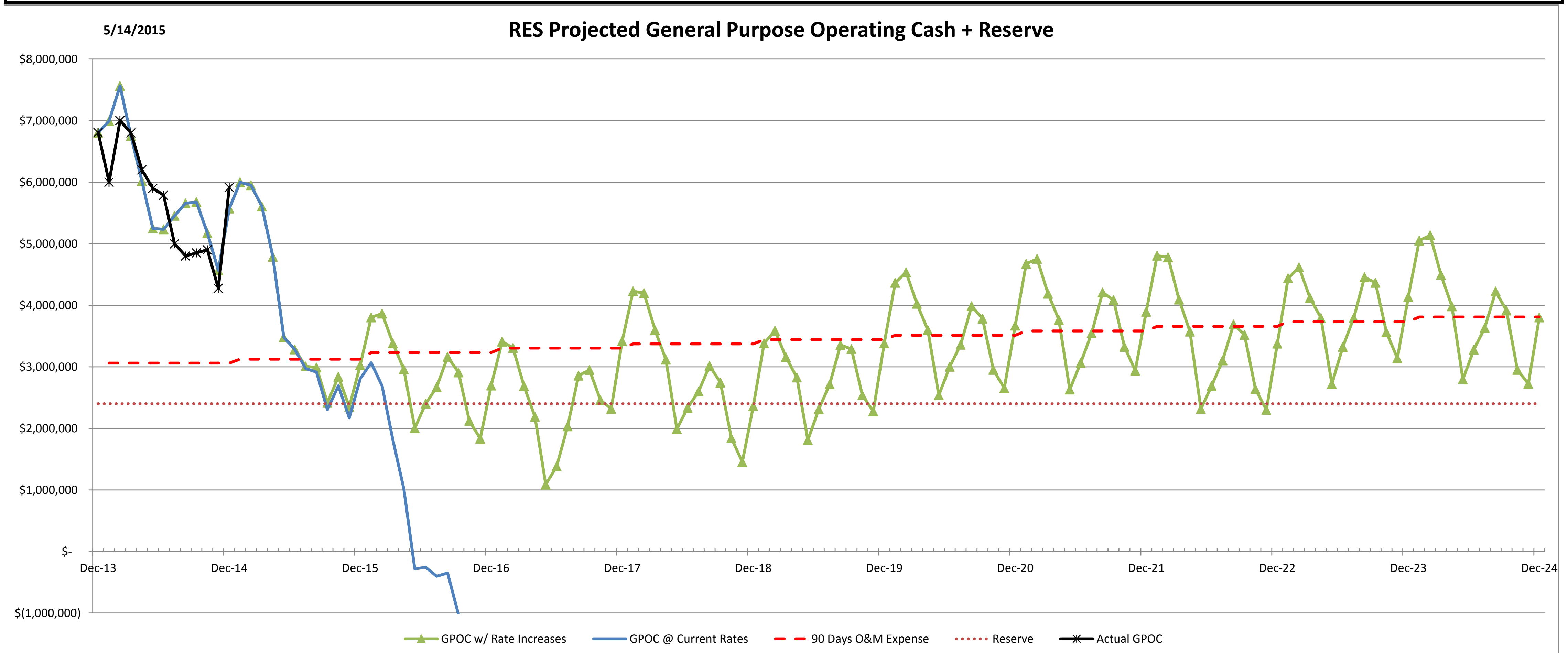
Public Works is currently charged 9.52 cents per kWh with the cost of maintenance included. This high price sends the wrong price signal, overstating the value of energy efficiency. Staff believes that a detailed rate schedule (see Attachment G) by bulb type and size would be more appropriate and, given the volatile nature of bulb pricing, particularly for LEDS, recommends that this detailed rate schedule be placed in RES's fee schedule and that the Street Lighting rate be removed from the RMC.

Rental Lighting

In addition to the same volatility present in street lighting, rental lighting is extremely complex in the type of service provided. In addition to the services listed in the RMC, RES provides unmetered service through the rental lighting rate class to irrigation timers, phone booths, railroad crossings, etc. In addition to this complexity, it's clear that some services are not being charged according to actual cost. Pole rentals, for example, are currently charged a little over $1 dollar per month. With poles costing nearly $2,000 to install, this is a payback of well over 100 years on equipment that depreciates in only 40. Because of the depth of service and the possibility of new services being provided, staff recommends that rental lighting be moved to the fee schedule and that revamped rates for all equipment, including that not currently included in the RMC, be put into effect concurrently.

Attachment A: Proposed Forward Rate Program

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Implementation Date	-	July 1	January 1	July 1	-	January 1	-	July 1	July 1	-	January 1
Combined Rate & Tax Increase	***0.00%***	***1.50%***	***9.50%***	***9.50%***	***0.00%***	***8.25%***	***0.00%***	***2.00%***	***2.00%***	***0.00%***	***1.50%***
Year End General Purpose Cash Including Reserve	$ 5,570,801	$ 3,025,433	$ 2,696,223	$ 3,416,908	$ 2,358,795	$ 3,381,566	$ 3,669,600	$ 3,893,976	$ 3,376,783	$ 4,135,981	$ 3,801,883
Year's Minimum General Purpose Cash Balance	$ 4,566,495	$ 2,350,102	$ 1,831,680	$ 1,086,718	$ 1,452,951	$ 1,806,561	$ 2,538,747	$ 2,631,439	$ 2,300,373	$ 2,720,501	$ 2,724,407
Rate-Financed Capital	$ 2,529,282	2,000,000	2,090,000	3,108,218	5,029,033	7,204,431	7,482,185	7,721,939	8,029,614	8,408,956	8,716,631
Bond Issuances	$ -	20,000,000	-	10,500,000	-	-	-	-	-	-	-
Debt-Service Coverage Ratio	**1.99**	**1.79**	**2.25**	**2.64**	**2.58**	**3.27**	**3.28**	**3.29**	**3.26**	**4.43**	**4.38**



Attachment B: Proposed RES 2016 COSA, Rate, & Tax Adjustments

	2016 COSA Results	Recommended Rate Increases	Rate Increases + Utility Tax	Dollars
Residential	11.1%	11.1%	12.0%	$3,089,000
Small General	10.4%	10.4%	10.5%	$537,000
Medium General	4.3%	4.3%	5.4%	$435,000
Large General	8.2%	8.2%	9.2%	$647,000
Small Industrial	-0.1%	0.0%	0.9%	$32,000
Large Industrial	7.4%	7.4%	9.3%	$491,000
Small Irrigation	29.2%	11.25%	11.3%	$15,000
Large Irrigation	9.3%	9.3%	10.7%	$131,000
Street Lighting	-8.2%	0.0%	1.0%	$3,000
Security Lighting	16.0%	11.25%	11.3%	$16,000
Traffic Lighting	21.2%	11.25%	12.2%	$4,000
Cable TV Amps	-8.1%	0.0%	1.0%	$0
	8.5%	**8.5%**	**9.5%**	**$5,400,000**

Attachment C: Proposed 2016 Rate Design

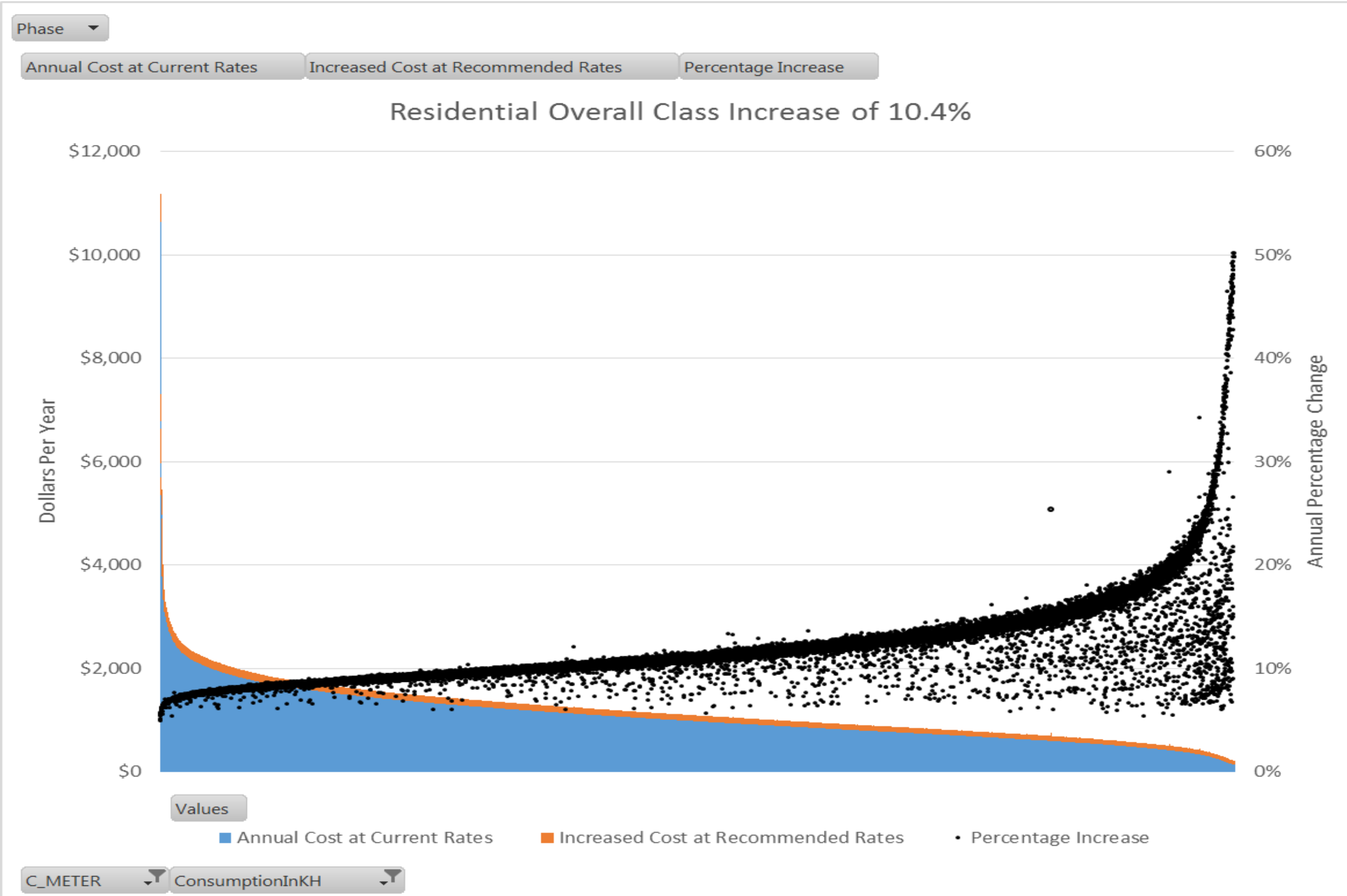
2013 Rates	Service Charge - Single Phase	Service Charge - Multiphase	Horsepower Fee $/Year	Energy Charge	Demand Charge		Average Monthly Service Charge (All Phases)	
Residential	$12.25	$20.45		$0.0616	$0.00		$12.26	
Small General	$15.00	$25.03		$0.0486	$0.00		$18.71	
Medium General	$25.00	$41.67		$0.0312	$5.85		$40.30	
Large General	$25.00	$41.67		$0.0312	$5.85		$41.67	
Small Industrial	$80.00	$133.33		$0.0350	$6.25		$133.33	
Large Industrial		$120.00		$0.0323	$5.40		$120.00	
Small Irrigation	$100.00	$166.67	$5.19	$0.0468	$0.00		$11.18	
Large Irrigation	$100.00	$166.67	$4.97	$0.0329	$5.75		$147.03	
Traffic Lighting				$0.0701			$0.00	

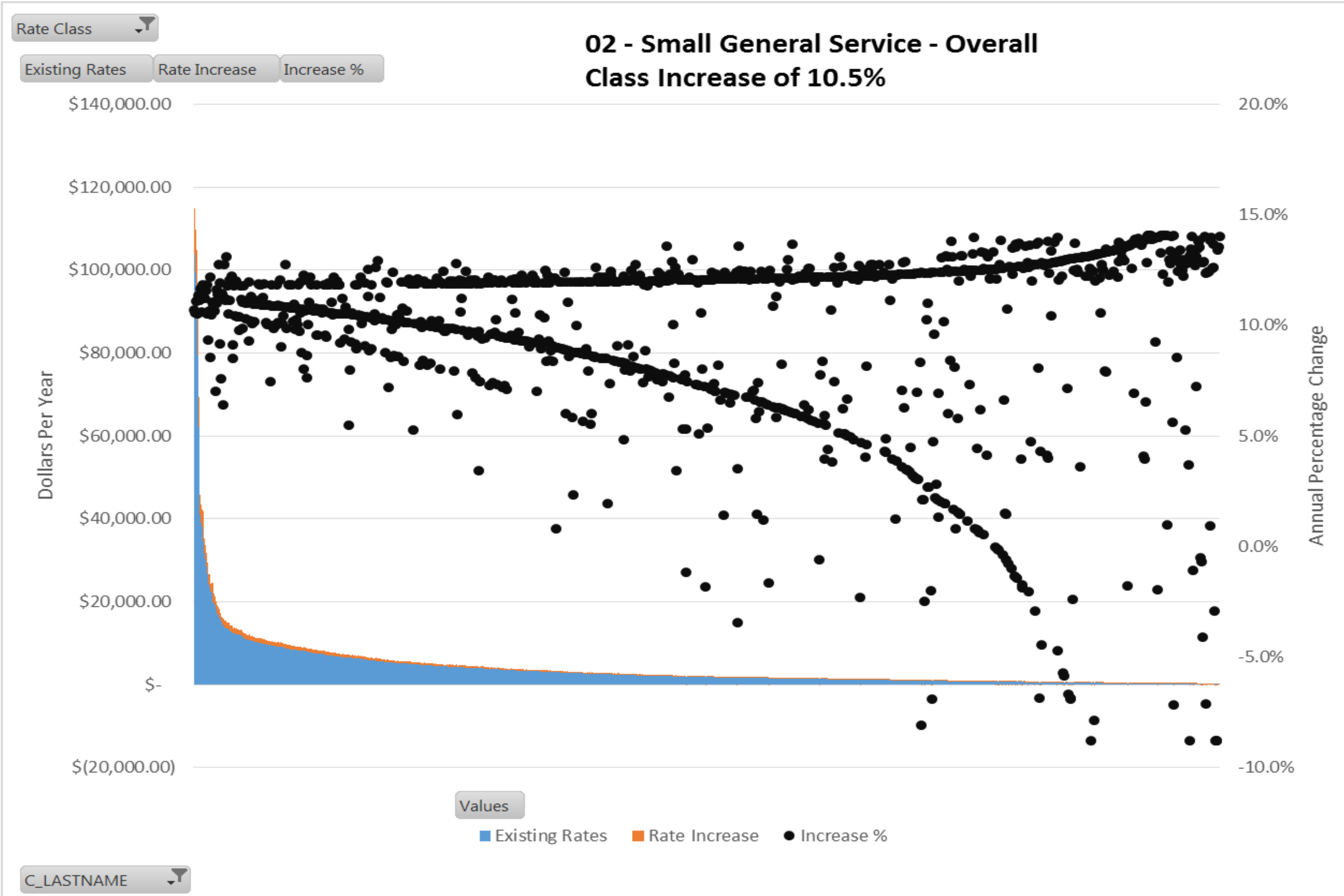
July, 2015 Rates	Service Charge - Single Phase	Service Charge - Multiphase	Horsepower Fee $/Year	$/kWh	$/kW/mo.	Revenue Change	Average Monthly Service Charge (All Phases)	
Small General	$20.00	$33.35		$0.0519		10.0%	$24.94	
Small Irrigation	$150.00	$250.00	$0.00	$0.0500		10.0%	$17.86	
Traffic Lighting	$12.25			$0.0580		10.0%	$12.25	

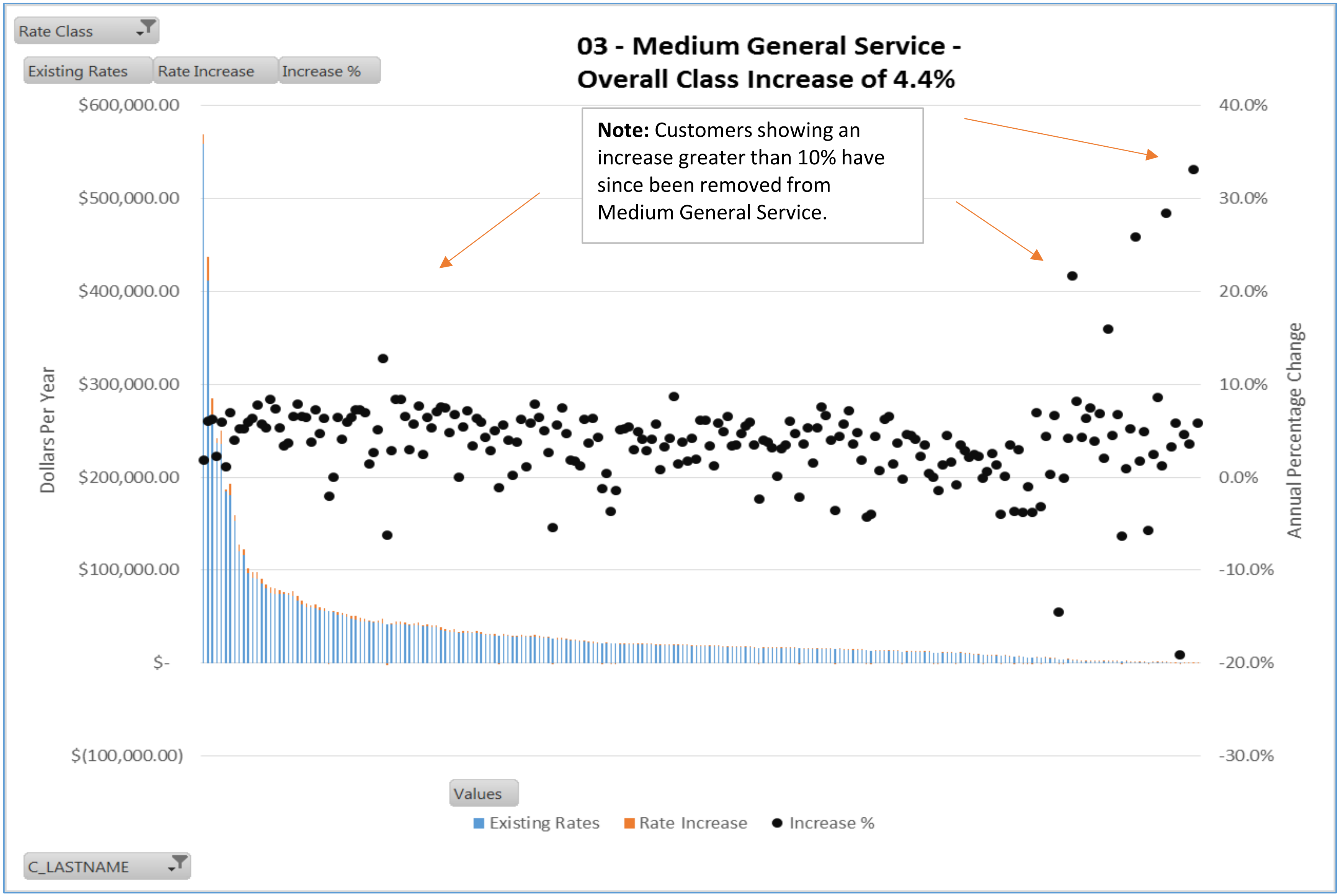
Proposed 2016 Rates	Service Charge - Single Phase	Service Charge - Multiphase	Horsepower Fee $/Year (HP - 60)	$/kWh	$/kW/mo.	Revenue Change	Average Monthly Service Charge (All Phases)	COSA Monthly Service Charge (All Phases)	COSA with Smart Meters (All Phases)
Residential	$0.60	$0.85		$0.0644	$0.00	11.0%	$18.26	$29.48	$29.51
Small General	$0.75	$1.00		$0.0580	$0.00	10.4%	$25.63	$38.94	$41.08
Medium General	$1.20	$1.45		$0.0372	$4.50	4.3%	$43.49	$57.18	$41.51
Large General		$1.75		$0.0372	$4.85	8.2%	$53.23	$62.87	$47.18
Small Industrial		$7.25		$0.0372	$5.15	0.0%	$220.52	$222.35	$241.50
Large Industrial		$7.25		$0.0368	$4.80	7.4%	$220.52	$222.42	$241.59
Small Irrigation	$168.75	$225.00		$0.0565	$0.00	11.2%	$17.08	$38.57	$40.69
Large Irrigation	$168.75	$225.00	$0.50	$0.0372	$6.35	9.3%	$53.14	$62.79	$47.11
Traffic Lighting	$0.60			$0.0568		11.3%	$18.25	$29.79	$29.79

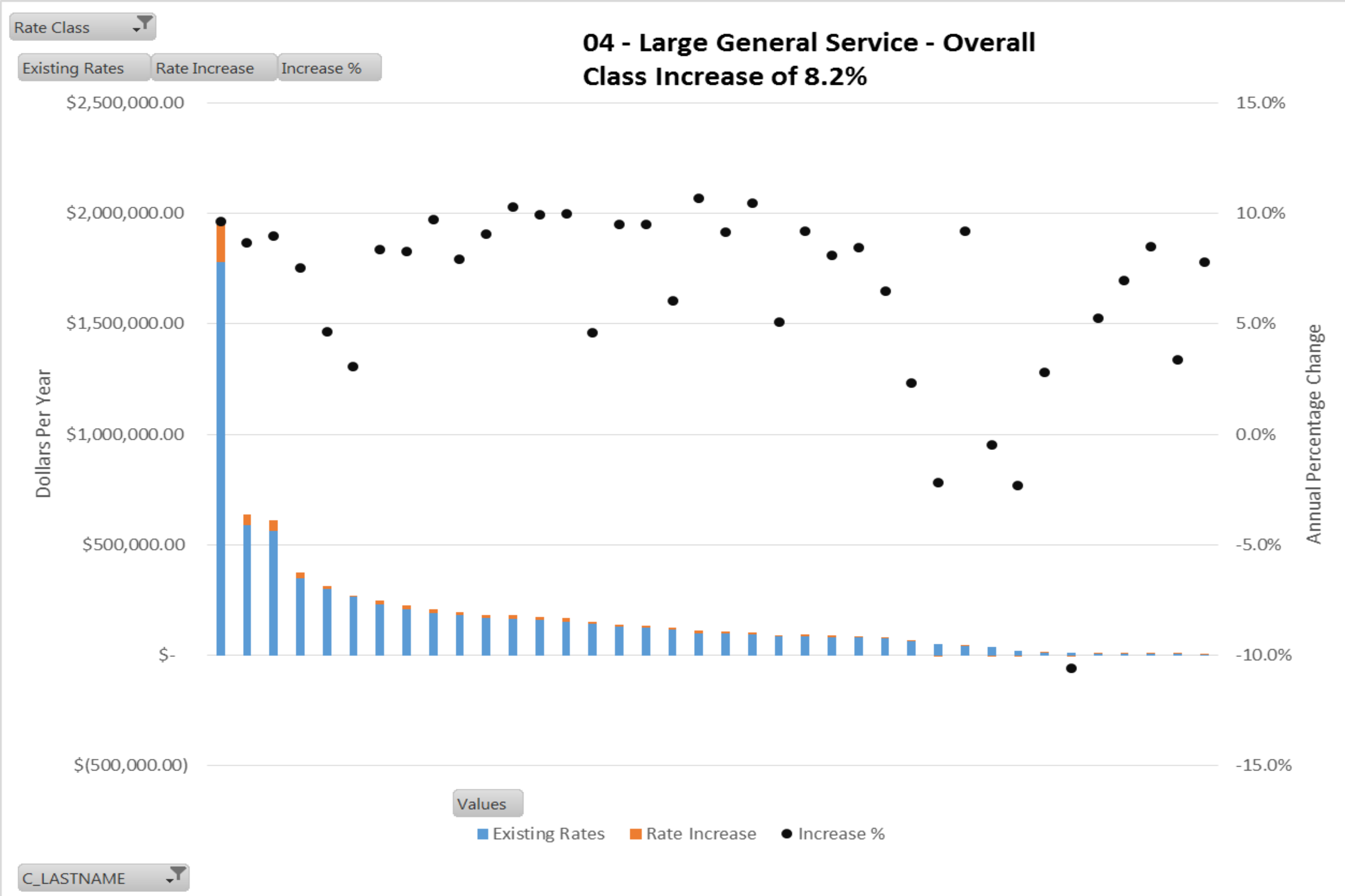
Attachment D: Customer Rate Impact Analysis

Customers' Annual Power Costs at Existing Rates and after Rate Increase

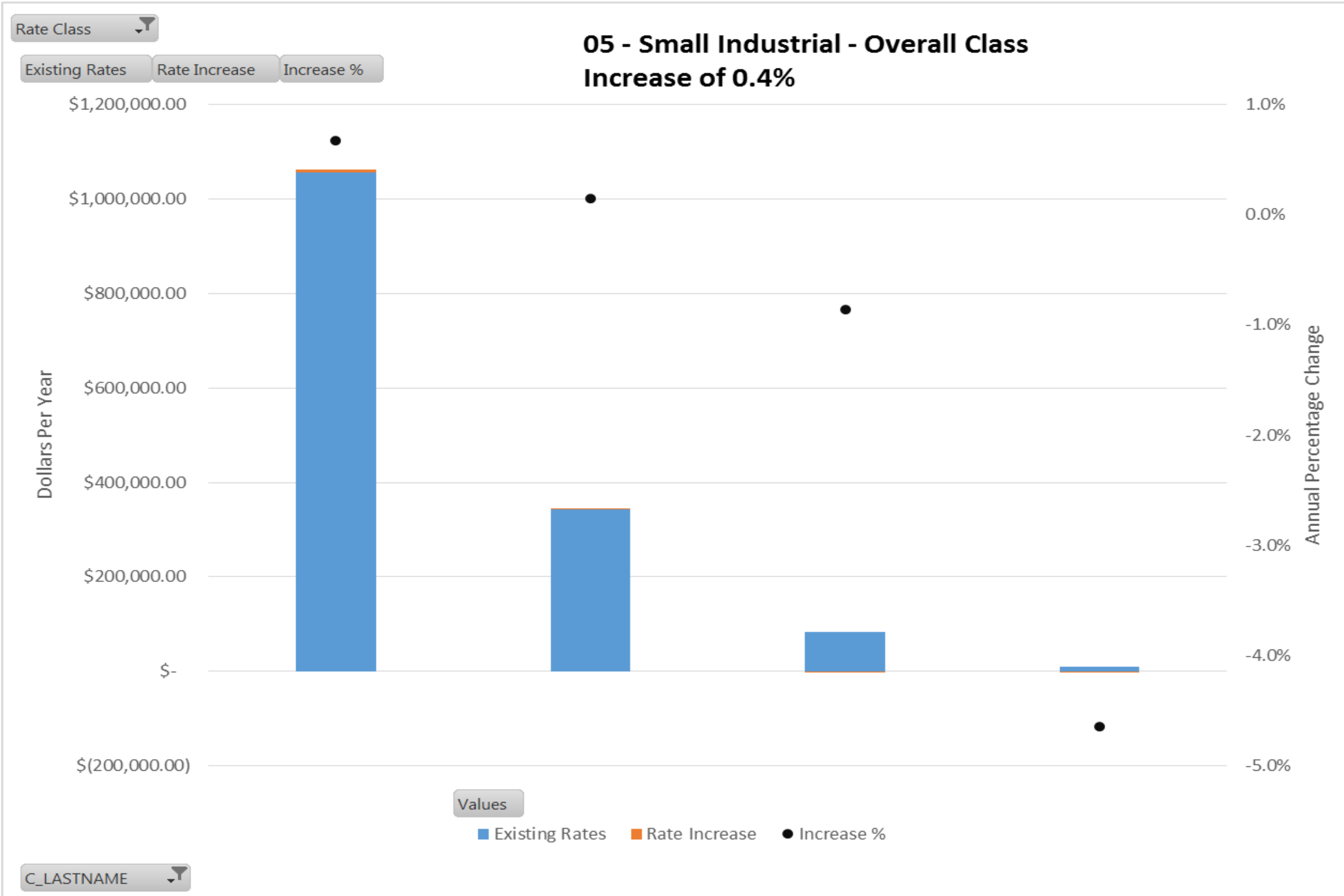



Rate Class
Existing Rates
Rate Increase
Increase %
02 - Small General Service - Overall Class Increase of 10.5%
$140,000.00
$120,000.00
$100,000.00
$80,000.00
$60,000.00
$40,000.00
$20,000.00
$-
$(20,000.00)
Dollars Per Year
20.0%
15.0%
10.0%
5.0%
0.0%
-5.0%
-10.0%
Annual Percentage Change
Values
Existing Rates
Rate Increase
Increase %
C_LASTNAME

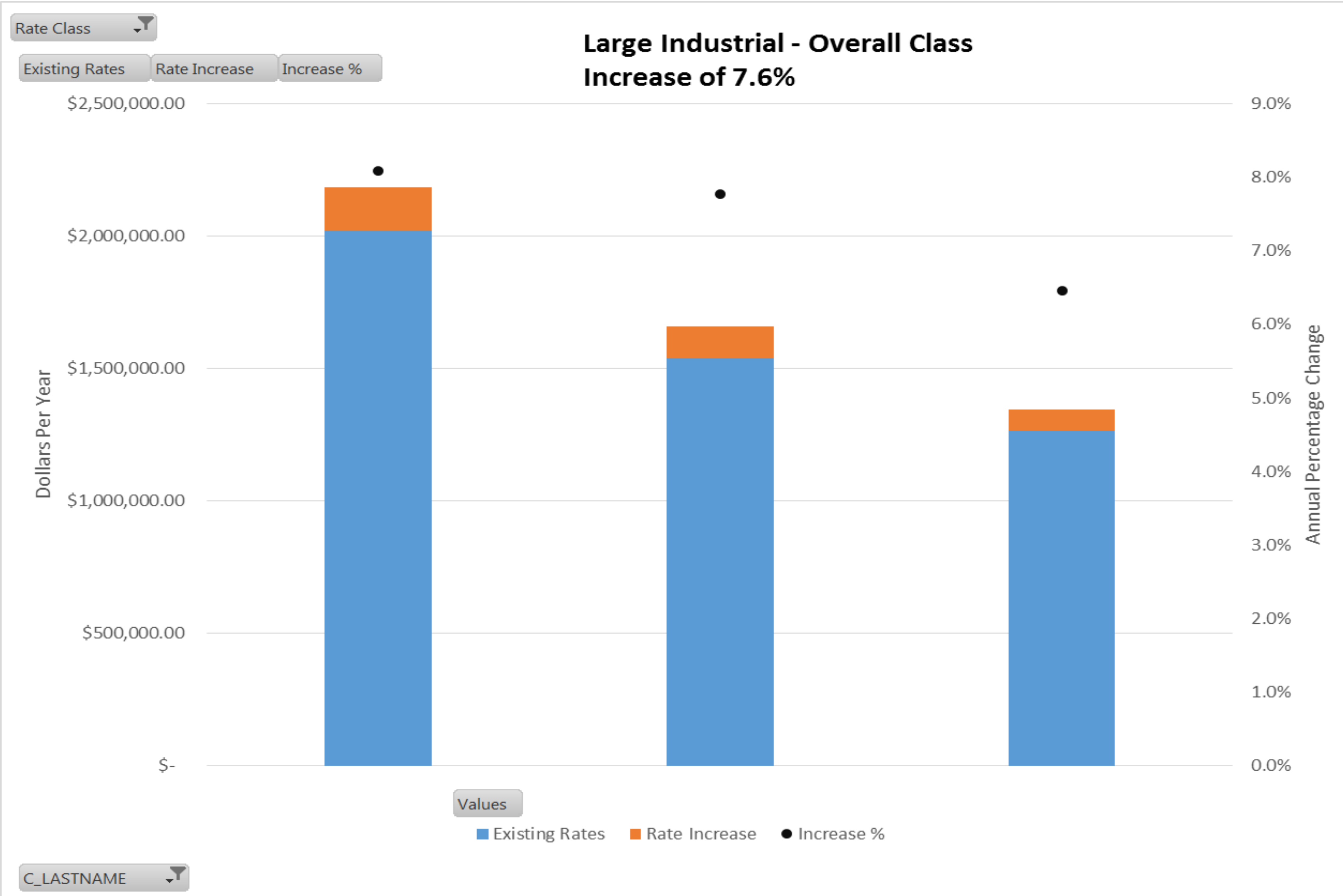

Rate Class
Existing Rates
Rate Increase
Increase %
03 - Medium General Service -
Overall Class Increase of 4.4%
Note: Customers showing an increase greater than 10% have since been removed from Medium General Service.
$600,000.00
$500,000.00
$400,000.00
$300,000.00
$200,000.00
$100,000.00
$-
$(100,000.00)
Dollars Per Year
40.0%
30.0%
20.0%
10.0%
0.0%
-10.0%
-20.0%
-30.0%
Annual Percentage Change
Values
Existing Rates
Rate Increase
Increase %
C_LASTNAME

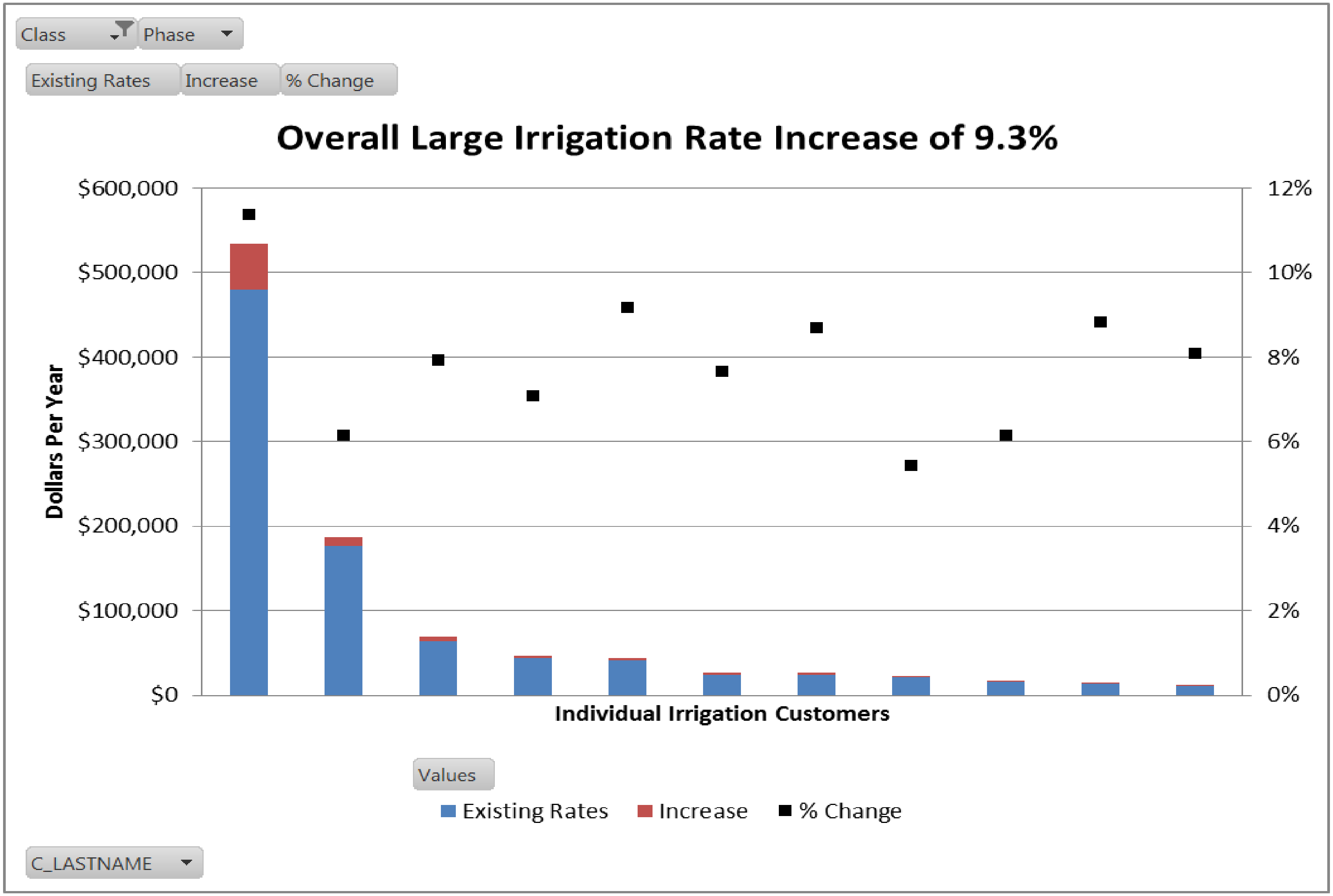


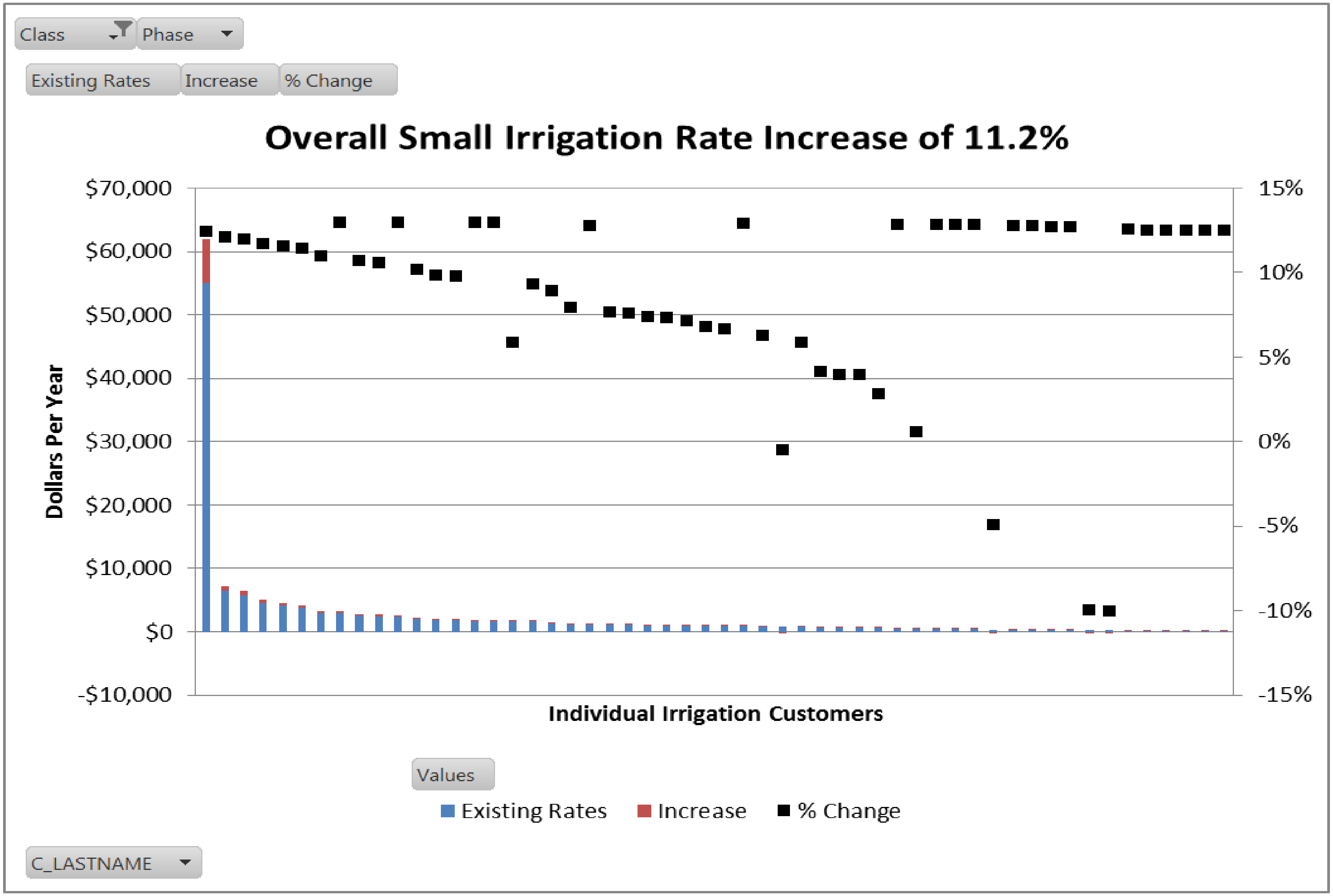
Rate Class
Existing Rates
Rate Increase
Increase %
04 - Large General Service - Overall Class Increase of 8.2%
$2,500,000.00
$2,000,000.00
$1,500,000.00
$1,000,000.00
$500,000.00
$-
$(500,000.00)
Dollars Per Year
15.0%
10.0%
5.0%
0.0%
-5.0%
-10.0%
-15.0%
Annual Percentage Change
Values
Existing Rates
Rate Increase
Increase %
C_LASTNAME

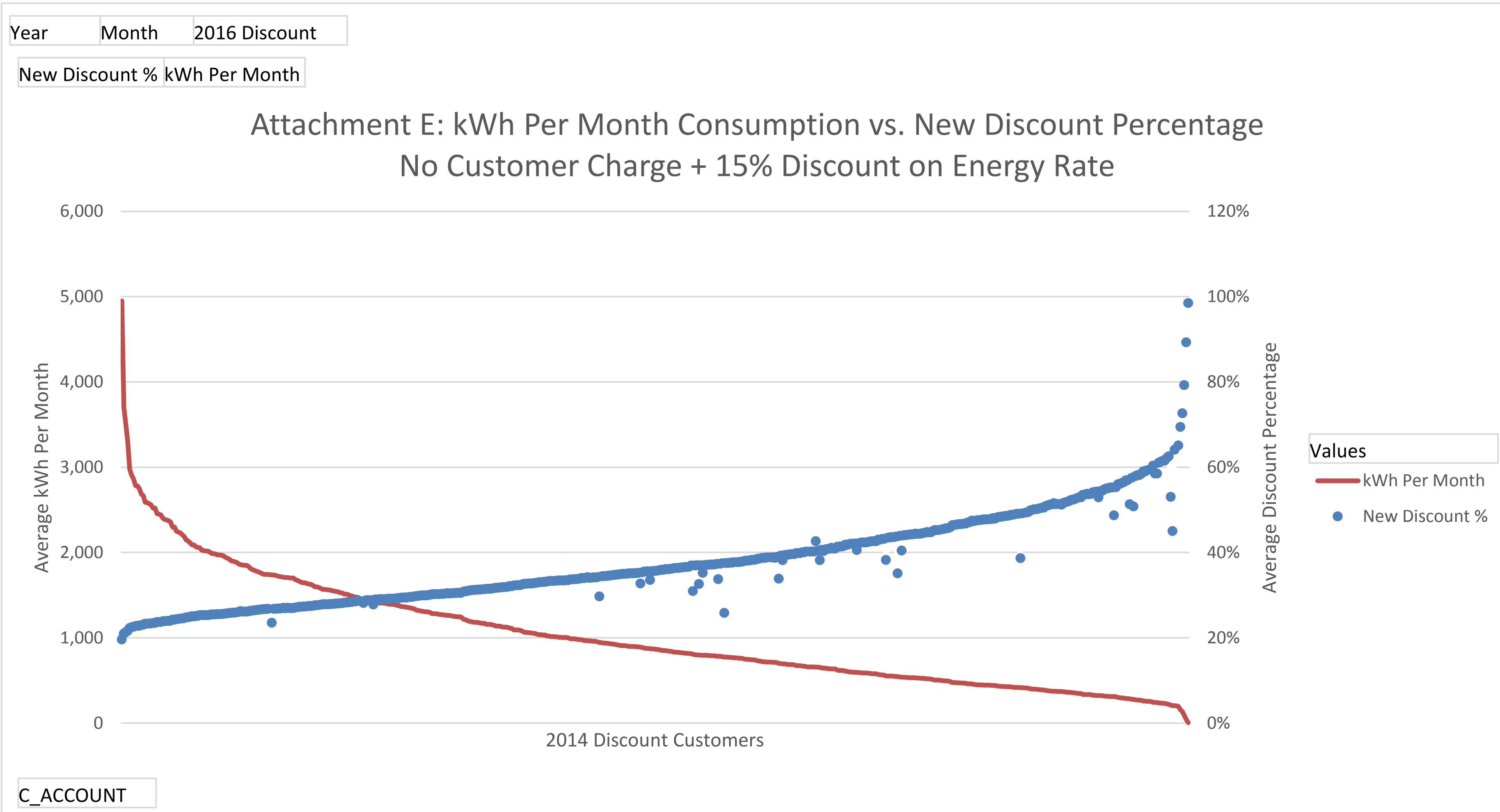


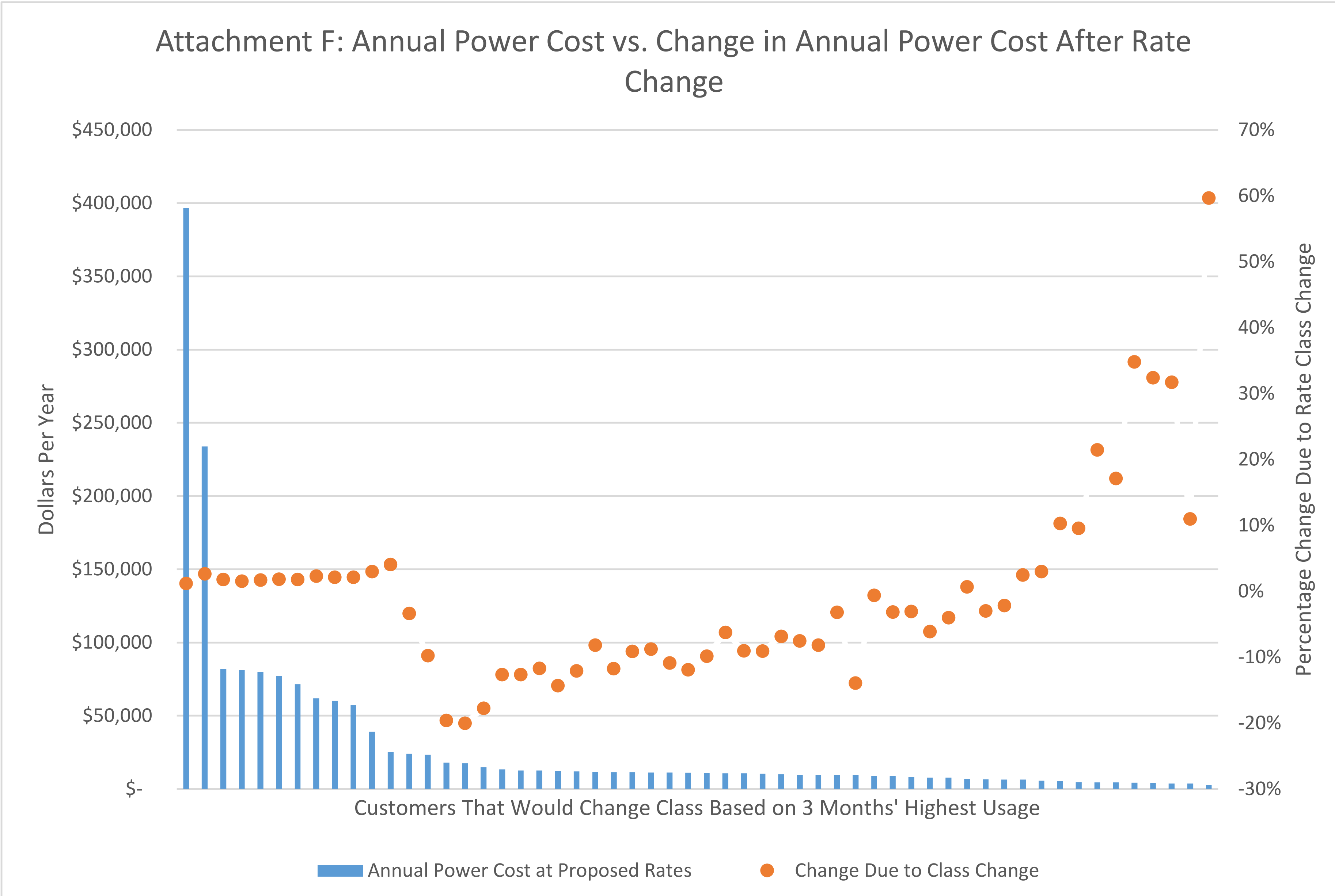
Rate Class
Existing Rates
Rate Increase
Increase %
05 - Small Industrial - Overall Class
Increase of 0.4%
$1,200,000.00
$1,000,000.00
$800,000.00
$600,000.00
$400,000.00
$200,000.00
$-
$(200,000.00)
Dollars Per Year
1.0%
0.0%
-1.0%
-2.0%
-3.0%
-4.0%
-5.0%
Annual Percentage Change
Values
Existing Rates
Rate Increase
Increase %
C_LASTNAME


Rate Class
Existing Rates
Rate Increase
Increase %
Large Industrial - Overall Class
Increase of 7.6%
$2,500,000.00
$2,000,000.00
$1,500,000.00
$1,000,000.00
$500,000.00
$-
Dollars Per Year
9.0%
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
Annual Percentage Change
Values
Existing Rates
Rate Increase
Increase %
C_LASTNAME


Class
Phase
Existing Rates
Increase
% Change
Overall Large Irrigation Rate Increase of 9.3%
Dollars Per Year
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
12%
10%
8%
6%
4%
2%
0%
Individual Irrigation Customers
Values
Existing Rates
Increase
% Change
C_LASTNAME


Class
Phase
Existing Rates
Increase
% Change
Overall Small Irrigation Rate Increase of 11.2%
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
-$10,000
Dollars Per Year
15%
10%
5%
0%
-5%
-10%
-15%
Individual Irrigation Customers
Values
Existing Rates
Increase
% Change
C_LASTNAME


Year
Month
2016 Discount
New Discount %
kWh Per Month
Attachment E: kWh Per Month Consumption vs. New Discount Percentage
No Customer Charge + 15% Discount on Energy Rate
6,000
5,000
4,000
3,000
2,000
1,000
0
120%
100%
80%
60%
40%
20%
0%
Average kWh Per Month
Average Discount Percentage
2014 Discount Customers
Values
kWh Per Month
New Discount %
C_ACCOUNT



Attachment F: Annual Power Cost vs. Change in Annual Power Cost After Rate Change
$450,000
$400,000
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$-
Dollars Per Year
70%
60%
50%
40%
30%
20%
10%
0%
-10%
-20%
-30%
Percentage Change Due to Rate Class Change
Customers That Would Change Class Based on 3 Months' Highest Usage
Annual Power Cost at Proposed Rates
Change Due to Class Change

Attachment G: Draft 2016 Street Light Fees

Bulb Type	Watts	Unmetered Lights	Metered Lights	$/Month @ Current Rate*	New Rates (Unmetered)	New Rates (Metered)
HPS	70	434	-	$ 2.68	$ 3.95	$ 2.45
HPS	100	2,589	166	3.83	4.65	$ 2.55
HPS	150	19	-	5.75	5.70	$ 2.55
HPS	200	719	-	7.66	6.75	$ 2.55
HPS	250	2	-	9.58	7.80	$ 2.55
HPS	400	563	-	15.33	10.95	$ 2.55
LED	51	24	-	1.95	2.95	$ 1.85
LED	63	-	-	2.41	3.35	$ 2.05
LED	67	37	-	2.57	3.50	$ 2.10
LED	71	20	-	2.72	3.65	$ 2.15
LED	98	-	-	3.76	4.35	$ 2.30
LPS	180	9	-	6.90	7.15	$ 3.35
MV	100	1	-	3.83	7.10	$ 5.00
MV	170	18	-	6.51	8.55	$ 5.00
MV	200	4	-	7.66	9.25	$ 5.05
MV	250	77	-	9.58	10.30	$ 5.05
MV	400	29	-	15.33	13.45	$ 5.05
Total	**703,183**	**4,545**	**166**	**$ 27,583**	**$ 26,614**	**$ 423**

*Current Rate	
$ 0.0952	**Per kWh**

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Ordinances - First Reading

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:
Ordinance No. 49-15, Sale of Electric Revenue and Refunding Bonds

Department:	Ordinance/Resolution Number:	Document Type:
Administrative Services	49-15	Ordinance

Recommended Motion:
Give first reading, by title only, to Ordinance No. 49-15, approving the Electric Revenue and Refunding Bonds.

Summary:

Over the course of 2015, the Utility Advisory Committee (UAC) has had detailed discussions with Electric Utility staff regarding financial policy and current financial position as well as the utility's budget, capital program and funding, including anticipated bond issuance as outlined in the approved 2015-2030 Capital Improvement Plan (CIP). As a result, it has been determined that revenue bonds planned for issuance in 2016 need to be accelerated to allow for completion of 2015 planned capital projects.

Approximately $20,000,000 in bond proceeds are needed to support the capital plan for 2015 to early 2018, in addition to rate financing and developer contributions. Bonds would be issued for a 30-year term to mirror the expected life of the electric infrastructure being financed. At current rates, the par value of the bonds, selling at a premium, would be approximately $19,390,000.

In addition to the new money bonds, depending on the movement of interest rates in the bond markets there may be an opportunity to realize some savings by refunding a portion of the utility's $9,745,000 in outstanding 2007 Revenue and Refunding bonds. While the savings at current interest rates are below the City's parameters for refunding, inclusion of the refunding in the ordinance allows the City to act quickly if conditions change in the near future.

Passage of this ordinance enables Council to appoint the Administrative Services Director as the City's designated representative to approve the final terms of the sale and issuance of the bonds within designated parameters approved by Council. This allows the pricing of the bonds to be timed to best meet market conditions. The parameters are outlined in Exhibit A of the ordinance.

Bond pricing within the parameters set in the ordinance is tentatively scheduled for September 23, 2015.

Fiscal Impact:	
Yes	First reading of the ordinance will establish the intent to issue Revenue and Refunding bonds. Annual principal and interest payments on the proposed bonds will be funded from operating revenues of the Electric Utility.

Attachments:
1. Proposed Ordinance No. 49-15

ORDINANCE NO. 49-15

AN ORDINANCE relating to the electric utility of the City; specifying, adopting and ordering the carrying out of a system or plan of additions and betterments to and extensions of the electric utility; providing for the issuance of one or more series of electric revenue bonds in the aggregate principal amount of not to exceed $32,000,000 to provide funds: (1) to pay all or a portion of the cost of carrying out the Plan of Additions; (2) to refund a portion of the City's outstanding Electric Revenue Capital Improvement and Refunding Bonds, 2007; (3) to make a deposit to the debt service reserve account or purchase a reserve security to satisfy a portion of the reserve requirement, and (4) to pay the costs of issuance and sale of such bonds; fixing or setting parameters with respect to certain terms and covenants of the bonds; appointing the City's designated representative to approve the final terms of the sale of the bonds; and providing for other related matters.

BE IT ORDAINED BY THE CITY OF RICHLAND as follows:

Section 1. Definitions. As used in this ordinance, the following capitalized terms shall have the following meanings:

(a) *"2007 Bonds"* means the Electric Revenue Capital Improvement and Refunding Bonds, 2007, in the original aggregate principal amount of $25,775,000, authorized to be issued by Ordinance No. 35-06.

(b) *"2009 Bonds"* means the Electric Revenue Bonds, 2009 (Taxable Tax Credit Subsidy Bonds - Direct Payment), in the original aggregate principal amount of $11,200,000, authorized to be issued by Ordinance No. 30-09.

(c) *"2013A Bonds"* means the Electric Revenue Refunding Bonds, 2013A (Taxable), in the original aggregate principal amount of $925,000, authorized to be issued by Ordinance No. 06-13.

(d) *"2013B Bonds"* means the Electric Revenue Improvement and Refunding Bonds, 2013B, in the original aggregate principal amount of $19,455,000, authorized to be issued by Ordinance No. 06-13.

(e) *"Acquired Obligations"* means those United States Treasury Certificates of Indebtedness, Notes, and Bonds-State and Local Government Series and/or other Government Obligations, as identified in a Refunding Trust Agreement, purchased to accomplish the refunding of the Refunded Bonds as authorized by this ordinance.

(f) "*Adjusted Net Revenue*" means Net Revenue, plus withdrawals from the Rate Stabilization Account and less deposits into the Rate Stabilization Account.

(g) *"Annual Debt Service"* means, in any Fiscal Year, the total of principal and interest payable by the City during that Fiscal Year for the then Outstanding bonds of a particular issue or issues (except the principal maturity of Term Bonds) to which the term Annual Debt Service refers, plus the principal of any such bonds subject to a mandatory sinking fund payment or mandatory prior redemption requirement for that year, less all capitalized interest payable that year from such bonds. ***After all of the Outstanding 2007 Bonds are redeemed, refunded or defeased,*** *Annual Debt Service for each Fiscal Year shall be reduced by subtracting the amount scheduled to be received by the City as a Tax Credit Subsidy Bond Payment in each such Fiscal Year in respect of any bonds issued as Tax Credit Subsidy Bonds.*

(h) "*Authorized Denomination*" means $5,000 or any integral multiple thereof within a Series and maturity.

(i) *"Average Annual Debt Service"* means, in any Fiscal Year, the sum of the remaining Annual Debt Service of the then Outstanding bonds to which the term Average Annual Debt Service refers, divided by the number of years such bonds are scheduled to remain Outstanding.

(j) "*Beneficial Owner*" means, with respect to a Bond or any Parity Bond at any time Outstanding, the owner of any beneficial interest in that Bond or Parity Bond.

(k) "*Bond Counsel*" means the firm of Foster Pepper PLLC, its successor, or any other attorney or firm of attorneys selected by the City with a nationally recognized standing as bond counsel in the field of municipal finance.

(l) "*Bond Fund*" means the Electric Revenue Refunding Bond Account, 1985, created by Ordinance No. 17-85 for the purpose of paying and securing the payment of the principal of and interest on the Outstanding Parity Bonds, the Bonds and any Future Parity Bonds.

(m) *"Bond Insurer"* means, with respect to any particular issue of Parity Bonds, a provider of bond insurance guaranteeing the payment of principal of and interest on such Parity Bonds.

(n) "*Bond Purchase Agreement*" means an offer to purchase the Bonds, or a Series of Bonds, setting forth certain terms and conditions of the issuance, sale and delivery of that Series of Bonds, which offer is authorized to be accepted by the Designated Representative on behalf of the City, if consistent with this ordinance.

(o) "*Bond Register*" means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of each Bond.

(p) "*Bond Registrar*" means the Fiscal Agent, or any successor bond registrar selected by the City.

(q) "*Bonds*" means the electric utility revenue bonds of the City issued pursuant to and for the purposes provided in this ordinance in one or more Series and with such additional series and other designation as the Designated Representative may deem appropriate.

(r) "*City*" means the City of Richland, Washington, a municipal corporation duly organized and legally existing charter city of the first class under the laws of the State.

(s) *"City Contribution"* means legally available money of the City, in addition to proceeds of the Bonds, necessary or advisable to carry out the Refunding Plan, as determined by the Designated Representative.

(t) "*City Council*" means the legislative authority of the City, as duly and regularly constituted from time to time.

(u) "*Code*" means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(v) *"Contract Resource Obligation"* means an obligation of the City to make payments to another person or entity for electric energy supply, transmission or other commodity or service relating to the Electric Utility, which obligation is designated as a Contract Resource Obligation for purposes of Section 19 of this ordinance.

(w) *"Coverage Requirement"* means that, in any Fiscal Year, Adjusted Net Revenue of the Electric Utility must be at least equal to 1.25 times the Annual Debt Service due in that Fiscal Year on all Parity Bonds then Outstanding.

(x) "*DTC*" means The Depository Trust Company, New York, New York, or its nominee.

(y) "*Designated Representative*" means the officer of the City appointed in Section 5 of this ordinance to serve as the City's designated representative in accordance with RCW 39.46.040(2).

(z) *"Electric Utility"* means the municipal electric system of the City as the same may be added to, bettered, improved and extended for as long as any of the Outstanding Parity Bonds, the Bonds and any Future Parity Bonds are Outstanding.

(aa) "*Final Terms*" means the terms and conditions for the sale of a Series of Bonds including, but not limited to the amount, date or dates, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption rights, price, and other terms or covenants, including minimum savings for refunding bonds.

(bb) "*Finance Director*" means the person who holds the office or has the official responsibilities of Finance Director of the City or successor office.

(cc) "*Fiscal Agent*" means the fiscal agent of the State, as the same may be designated by the State from time to time.

(dd) *"Fiscal Year"* means a year beginning January 1 and ending December 31, or such year as may later be fixed by law.

(ee) *"Future Parity Bonds"* means any and all revenue bonds of the City issued after the date of the issuance of the Bonds, the payment of the principal of and interest on which constitutes a lien and charge upon the Net Revenue of the Electric Utility on a parity with the lien and charge of the Outstanding Parity Bonds and the Bonds.

(ff) "*Government Obligations*" has the meaning given in RCW 39.53.010, as now in effect or as may hereafter be amended.

(gg) *"Gross Revenue of the Electric Utility"* or *"Gross Revenue"* means all of the earnings and revenues of any kind or nature received by the City from the operation and maintenance of the Electric Utility. Gross Revenue excludes: (1) revenues from assessments collected in any local improvement district or utility local improvement district; (2) amounts collected in respect of City-imposed utility taxes; (3) proceeds of grants from the federal, state or local governments; (4) gifts to the Electric Utility for capital purposes; (5) proceeds from the sale of City or Electric Utility property; (6) proceeds of City or Electric Utility obligations; (7) earnings or proceeds from any investments in any trust, defeasance or escrow fund created to defease or refund Electric Utility obligations until commingled with other earnings and revenues of the Electric Utility; and (7) ***after all of the Outstanding 2007 Bonds are redeemed, refunded or defeased,*** Tax Credit Subsidy Payments.

(hh) "*Issue Date*" means, with respect to any Series of Bonds, the date of initial issuance and delivery of such Series to the Purchaser in exchange for the purchase price of such Series.

(ii) "*Letter of Representations*" means the Blanket Issuer Letter of Representations between the City and DTC, dated February 2, 1998, as it may be amended from time to time, and any successor or substitute letter relating to the operational procedures of the Securities Depository.

(jj) "*MSRB*" means the Municipal Securities Rulemaking Board.

(kk) *"Maximum Annual Debt Service"* means, in any Fiscal Year, the maximum amount of Annual Debt Service which shall become due in any future Fiscal Year on any bonds to which the term Maximum Annual Debt Service refers.

(ll) *"Net Revenue of the Electric Utility"* or *"Net Revenue"* means Gross Revenue of the Electric Utility less Operation and Maintenance Expenses.

(mm) *"Official Statement"* means an offering document, disclosure document, private placement memorandum or substantially similar disclosure document provided to purchasers and potential purchasers in connection with the initial offering of the Bonds in conformance with Rule 15c2-12 or other applicable regulations of the SEC.

(nn) *"Operation and Maintenance Expenses"* means all reasonable expenses incurred by the City in causing the Electric Utility to be operated and maintained in good repair, working order and condition and properly treated as maintenance and operation expenses under generally accepted accounting principles applicable to similar municipal utilities, including: payments due under Contract Resource Obligations (to the extent that the requirements in Section 19 of this ordinance are met); all payments made to another person or agency for acquisition of electric energy; any deposits, premiums, assessments or other payments for insurance, if any, on the Electric Utility; amounts paid in respect of Electric Utility employee pensions and post-employment benefits (if any); and overhead and administration expenses allocated to the Electric Utility. Operation and Maintenance Expenses excludes: non-cash accounting items (e.g., depreciation, amounts treated as expenses under accounting guidelines with respect to unfunded contributions to pension or other post-employment benefit plans, non-exchange financial guarantees, environmental liabilities, and similar items); payments on contracts for the acquisition of electric energy or capability under which no energy has been furnished to the City (other than payments under Contract Resource Obligations); and any amounts paid in respect of City imposed utility taxes or payments in lieu of taxes.

(oo) *"Outstanding"* when used with reference to any bonds or other obligations means, as of any particular date, the aggregate of all such bonds or other obligations properly authenticated and delivered, except for: (1) those cancelled at or prior to such date or delivered to or held by the Fiscal Agent at or prior to such date for cancellation; (2) those legally defeased or deemed paid in accordance with Section 22 of this ordinance (or a comparable section of another ordinance authorizing the refunding or defeasance of other bonds or obligations); (3) those in lieu of or in exchange or substitution for which other bonds or obligations shall have been authenticated and delivered pursuant to their authorizing ordinances, unless such other bonds or obligations are held by a bona fide holder in due course; and (4) those which have matured or have been duly called for redemption and have not been presented for payment, and the City has sufficient money on hand to pay and redeem the same on such maturity or call dates.

(pp) *"Outstanding Parity Bonds"* means, for purposes of this ordinance, the 2007 Bonds, the 2009 Bonds, the 2013A Bonds and the 2013B Bonds Outstanding as of the Issue Date, and shall not include the Refunded Bonds.

(qq) "*Owner*" means, without distinction, the Registered Owner and the Beneficial Owner.

(rr) *"Parity Conditions"* means the conditions for issuing Future Parity Bonds set forth in Exhibit B to this Ordinance, which is incorporated herein by this reference.

(ss) *"Parity Bonds"* means the Outstanding Parity Bonds, the Bonds, and any Future Parity Bonds.

(tt) *"Permitted Investments"* means any investment that is a legal investment for the money of the City at the time of such investment.

(uu) *"Plan of Additions"* means the system or plan of additions and betterments to and extensions of the Electric Utility specified, adopted and ordered to be carried out by Section 3 of this ordinance.

(vv) *"Principal and Interest Account"* means the subaccount of that name created in the Bond Fund by Ordinance No. 17-85 for the payment of the principal of and interest on the Outstanding Parity Bonds, the Bonds and any Future Parity Bonds.

(ww) "*Purchaser*" means the corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected by the Designated Representative to serve as purchaser in a private placement, underwriter or placement agent in a negotiated sale or awarded as the successful bidder in a competitive sale of a Series of the Bonds.

(xx) *"Rate Stabilization Account"* means the Electric Rate Stabilization Account authorized to be created and established pursuant to Ordinance No. 26-03.

(yy) "*Rating Agency*" means any nationally recognized rating agency then maintaining a rating on the Bonds at the request of the City.

(zz) *"RCW"* means the Revised Code of Washington.

(aaa) "*Record Date*" means the Bond Registrar's close of business on the 15th day of the month preceding an interest payment date. With respect to redemption of a Bond prior to its maturity, the Record Date shall mean the Bond Registrar's close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with Section 9(d).

(bbb) *"Redemption Date"* means May 1, 2017, the earliest date on which the Refunded Bonds may be called for optional redemption at a price of 100% of the stated principal amount to be redeemed.

(ccc) *"Refunded Bonds"* means those Refunding Candidates selected by the Designated Representative and identified in the Refunding Plan.

(ddd) *"Refunding Candidates"* means the presently outstanding $9,745,000 aggregate principal amount of 2007 Bonds maturing on November 1 in the years and amounts as follows, which constitute the portion of the Outstanding 2007 Bonds allocated in Ordinance No. 35-06 to the new money purposes:

Maturity Year	Principal Amount	Interest Rate
2016	$ 245,000	4.00%
2017	255,000	5.00
2018	265,000	5.00
2021	320,000	5.00
2022	335,000	5.00
2025	800,000	4.40
2036	7,770,000	4.25

(eee) *"Refunding Plan"* means (as further described in the Refunding Trust Agreement):

(1) the deposit with the Refunding Trustee of proceeds of the Bonds allocated to the Refunding Plan in an amount, together with the City Contribution (if any), sufficient to acquire the Acquired Obligations and establish a beginning cash balance;

(2) the receipt by the Refunding Trustee of the maturing principal of and interest on the Acquired Obligations, and the application of such amounts (together with any other cash held by it) to pay principal of and interest on the Refunded Bonds when due up to and including the Redemption Date, and the call, payment and redemption of the Refunded Bonds on the Redemption Date at a price equal to the principal amount to be redeemed; and

(3) payment of the costs of issuing the Bonds and the costs of carrying out the foregoing elements of the Refunding Plan, if payment of such costs is so specified in the Refunding Trust Agreement.

(fff) *"Refunding Trust Agreement"* means a refunding trust agreement between the City and the Refunding Trustee, providing for the carrying out of the Refunding Plan.

(ggg) *"Refunding Trustee"* means the trustee, or any successor trustee, designated by the Designated Representative to serve as refunding trustee to carry out the Refunding Plan.

(hhh) "*Registered Owner*" means, with respect to a Bond or any Parity Bond at any time Outstanding, the person in whose name that Bond or Parity Bond is registered on the Bond Register. For so long as the City utilizes the book-entry only system for the Bonds under the Letter of Representations, Registered Owner shall mean the Securities Depository.

(iii) *"Reserve Account"* means the subaccount of that name created in the Bond Fund by Ordinance No. 17-85 for the purpose of securing the payment of the principal of and interest on the Outstanding Parity Bonds, the Bonds and any Future Parity Bonds.

(jjj) *"Reserve Insurer"* means with respect to the policy acquired in connection with the Outstanding 2007 Bonds, Ambac Assurance Corporation of New York, New York, and any provider of a Reserve Security acquired in connection with one or more Series of the Bonds or an issue of Future Parity Bonds.

(kkk) *"Reserve Requirement"* means (1) an amount in cash or investments equal to the least of Maximum Annual Debt Service, 1.25 times Average Annual Debt Service, or 10% of the issue price of the bonds to which the term applies, or (2) Reserve Securities bearing an aggregate face amount equal to Maximum Annual Debt Service for any year with respect to all Parity Bonds then Outstanding, less the amount of cash or investments on deposit in the Reserve Account. ***After all of the Outstanding 2007 Bonds are fully redeemed, refunded or defeased, this definition shall be replaced by the following:*** *"Reserve Requirement" means, as of any date of calculation, the lesser of Maximum Annual Debt Service on the outstanding Parity Bonds secured by the Reserve Account or 125% of Average Annual Debt Service on the outstanding Parity Bonds secured by the Reserve Account, but at no time shall the Reserve Requirement exceed 10% of the original proceeds of the Parity Bonds secured by the Reserve Account.*

(lll) *"Reserve Security"* means a surety bond or policy of insurance, obtained in lieu of cash and investments for deposit into the Reserve Account, having a stated amount equal to part or all of the Reserve Requirement for the Parity Bonds for which such surety bond or reserve insurance policy is obtained. ***For so long as the bond insurance policy with respect to the 2009 Bonds is in effect,*** unless otherwise consented to by Assured Guaranty Corp., or its successor, the City shall not be permitted to fund future deposits to the Reserve Account with any Reserve Security provided by a Reserve Insurer which does not have assigned a credit rating at the time of issuance of such instrument in the highest rating category of each Rating Agency (without regard to any gradations within a rating category).

(mmm) "*Rule 15c2-12*" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

(nnn) "*SEC*" means the United States Securities and Exchange Commission.

(ooo) "*Securities Depository*" means DTC, any successor thereto, any substitute securities depository selected by the City, or the nominee of any of the foregoing. Any Securities Depository must be qualified under applicable laws and regulations to provide the services proposed to be provided by it.

(ppp) *"Series of Bonds"* or *"Series"* means a series of Bonds issued pursuant to this ordinance.

(qqq) "*State*" means the State of Washington.

(rrr) *"Subordinate Bonds"* means any electric revenue bonds or other obligations of the City having a charge and lien on the Net Revenue subordinate to the charges and lien on the Net Revenue of the Parity Bonds.

(sss) "*System of Registration*" means the system of registration for the City's bonds and other obligations set forth in Ordinance No. 1-87 of the City.

(ttt) *"Tax Credit Subsidy Bond"* means any bond that is designated by the City as a Tax Credit Subsidy Bond, pursuant to Section 54AA of the Code or any substantially similar taxable tax credit bond program, and which is further designated by the City as a "qualified bond" with respect to which the City is eligible to receive a tax credit payable by the United States Treasury to the City under Section 6431 or a substantially similar provision of the Code.

(uuu) *"Tax Credit Subsidy Bond Payments"* means those amounts which the City is entitled to receive from the United States Treasury in respect of any bonds issued as Tax Credit Subsidy Bonds.

(vvv) "*Term Bond*" means each Bond designated as a Term Bond and subject to mandatory redemption in the years and amounts set forth in the Bond Purchase Agreement, and those Parity Bonds designated as such in the ordinances or bond purchase agreements authorizing their issuance or sale and which are subject to mandatory redemption prior to maturity or for which either mandatory sinking fund payments or mandatory prior redemption requirements are provided.

(www) "*Undertaking*" means the undertaking to provide continuing disclosure entered into pursuant to Section 24(c) of this ordinance.

<u>Section 2</u>. <u>Findings and Determinations</u>. The City takes note of the following facts and makes the following findings and determinations:

(a) *Electric Utility; Previously Issued Parity Bonds*. The City now owns and operates the Electric Utility. Pursuant to Ordinance No. 17-85, the City issued and sold its Electric Revenue Refunding Bonds, 1985 (the "1985 Bonds") (all of which have been paid and retired), to provide part of the funds to advance refund, pay, redeem and retire all then outstanding revenue obligations payable from the Net Revenue of the Electric Utility, and reserved the right to issue electric revenue bonds having a lien and charge on the Net Revenue of the Electric Utility on a parity with the lien and charge upon such Net Revenue of the 1985 Bonds for the payment of principal thereof and interest thereon if the Parity Conditions as originally established in Ordinance No. 17-85 and subsequently incorporated in ordinances authorizing the issuance of the Outstanding Parity Bonds are met and complied with. The Outstanding Parity Bonds are the only obligations outstanding payable from the Net Revenue of the Electric Utility.

(b) *Plan of Additions.* The City is in need of funds with which to finance the Plan of Additions, the estimated cost of which is more than $30,340,000, and the City does not have available sufficient funds to pay the costs. The life of the improvements comprising the Plan of Additions is declared to be at least 30 years.

(c) *Refunding*. Pursuant to Ordinance No. 35-06, the City previously issued the 2007 Bonds for the purpose of carrying out a plan of additions and betterments to and extensions of the Electric Utility and to advance refund certain of the City's then-Outstanding Electric Utility revenue bonds. In Ordinance No. 35-06, the City reserved the right to redeem the 2007 Bonds prior to their stated maturity at any time on or after May 1, 2017. In order to realize a debt service savings to the City and its ratepayers, the City Council wishes to refund any or all of the Refunding Candidates. Chapter 39.53 RCW and other laws of the State authorize the City to carry out the Refunding Plan.

(d) *Sufficiency of Gross Revenue*. The City Council finds and determines that the Gross Revenue of the Electric Utility will be sufficient, in the judgment of the City Council, to meet all Operation and Maintenance Expenses, to make all necessary repairs, replacements and renewals, and to permit the setting aside from Gross Revenue into the Bond Fund of such amounts as may be required to pay the principal of and interest on the Outstanding Parity Bonds and the Bonds as the same become due. The City Council declares that in fixing the amounts to be paid into the Bond Fund it has exercised due regard for Operation and Maintenance Expenses (and cost of maintenance and operation under RCW 35.92.100) and the debt service requirements of the Outstanding Parity Bonds, and that it has not obligated the City to set aside and pay into the Bond Fund a greater amount of the Gross Revenue of the Electric Utility than in its judgment will be available for such purpose.

(e) *Satisfaction of Parity Conditions*. As a condition of the issuance of the Bonds authorized herein, the City Council directs the Designated Representative to determine that all conditions set forth in the Parity Conditions have been met and satisfied before the Bonds may be issued and delivered to the Purchaser.

(f) *Issuance of Bonds.* Based on the foregoing, the City Council finds that it is in the best interest of the City to issue and sell the Bonds in one or more Series to the Purchaser, pursuant to the terms set forth in the Bond Purchase Contract as approved by the City's Designated Representative consistent with this ordinance.

<u>Section 3</u>. <u>Adoption of Plan of Additions</u>. The City specifies, adopts and orders the carrying out of the projects described in Exhibit C as a system or plan of additions and betterments to and extensions of the Electric Utility. The Plan of Additions shall be carried out in accordance with the plans and specifications therefor prepared by the City's engineers and consulting engineers. The City Council may modify the details of the Plan of Additions where, in its judgment it appears advisable if such modifications do not substantially alter the purpose of that system or plan. The cost of the Plan of Additions, including the cost of issuance and sale of the Bonds, shall be paid from the proceeds of the Bonds and from other money available to the Electric Utility.

<u>Section 4</u>. <u>Purpose and Authorization of Bonds</u>. For the purpose of providing funds with which to (a) carry out the Plan of Additions, (b) carry out the Refunding Plan, (c) make a deposit to the debt service reserve account or purchase a Reserve Security to satisfy a portion of the Reserve Requirement, and (d) pay the costs of issuance of the

Bonds, the City shall issue and sell electric revenue bonds in one or more Series in the aggregate principal amount of not to exceed $32,000,000.

Section 5. Appointment of Designated Representative; Description of the Bonds. The Administrative Services Director is appointed as the Designated Representative of the City and is authorized and directed to conduct the sale of the Bonds in the manner and upon the terms deemed most advantageous to the City, and to approve the Final Terms of the Bonds, with such additional terms and covenants as the Designated Representative deems advisable, within the parameters set forth in Exhibit A, which is attached to this ordinance and incorporated by this reference.

Section 6. Bond Registrar; Registration and Transfer of Bonds.

(a) *Registration of Bonds; Bond Register*. Each Bond shall be issued only in registered form as to both principal and interest and the ownership of each Bond shall be recorded on the Bond Register. The Bond Register shall contain the name and mailing address of each Registered Owner and the principal amount and number of each Bond held by each Registered Owner.

(b) *Bond Registrar; Duties*. The Fiscal Agent is appointed as initial Bond Registrar. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the City at all times. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this ordinance, to serve as the City's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this ordinance and the System of Registration. The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on each Bond. The Bond Registrar may become an Owner with the same rights it would have if it were not the Bond Registrar and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as members of, or in any other capacity with respect to, any committee formed to protect the rights of Owners.

(c) *Transfer or Exchange*. A Bond surrendered to the Bond Registrar may be exchanged for a Bond or Bonds in any Authorized Denomination of an equal aggregate principal amount and of the same interest rate, Series and maturity. A Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the Owner or transferee. The Bond Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the next upcoming interest payment or redemption date.

(d) *Securities Depository; Book-Entry Only Form*. If a Bond is to be issued in book-entry only form, DTC shall be appointed as initial Securities Depository and each such Bond initially shall be registered in the name of Cede & Co., as the nominee of DTC. Each Bond registered in the name of the Securities Depository shall be held fully immobilized in book-entry only form by the Securities Depository in accordance with the provisions of the Letter of Representations. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except: (1) to any successor Securities Depository; (2) to any substitute Securities Depository appointed by the City; or (3) to any person if the Bond is no longer to be held in book-entry only form. Upon the resignation of the Securities Depository, or upon a termination of the services of the Securities Depository by the City, the City may appoint a substitute Securities Depository. If (1) the Securities Depository resigns and the City does not appoint a substitute Securities Depository, or (2) the City terminates the services of the Securities Depository, the Bonds no longer shall be held in book-entry only form and the registered ownership of each Bond may be transferred to any person as provided in this ordinance.

Neither the City nor the Bond Registrar shall have any obligation to participants of any Securities Depository or the persons for whom they act as nominees regarding accuracy of any records maintained by the Securities Depository or its participants. Neither the City nor the Bond Registrar shall be responsible for any notice that is permitted or required to be given to a Registered Owner except such notice as is required to be given by the Bond Registrar to the Securities Depository.

Section 7. Form and Execution of Bonds.

(a) *Form of Bonds; Signatures and Seal*. Each Bond shall be prepared in a form consistent with the provisions of this ordinance and State law. Each Bond shall be signed by the Mayor and the City Clerk, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on a Bond ceases to be an officer of the City authorized to sign bonds before the Bond bearing his or her manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the City, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. Any Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although he or she did not hold the required office on its Issue Date.

(b) *Authentication*. Only a Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance: "Certificate of Authentication. This Bond is one of the fully registered City of Richland, Washington, [Name of Series]." The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

Section 8. Payment of Bonds. Principal of and interest on each Bond shall be payable in lawful money of the United States of America. Principal of and interest on each Bond registered in the name of the Securities Depository is payable in the manner set forth in the Letter of Representations. Interest on each Bond not registered in the name of the Securities Depository is payable by electronic transfer on the interest payment date, or by check or draft of the Bond Registrar mailed on the interest payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date. However, the City is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. Principal of each Bond not registered in the name of the Securities Depository is payable upon presentation and surrender of the Bond by the Registered Owner to the Bond Registrar. The Bonds are not subject to acceleration under any circumstances. The Bonds shall be payable solely out of the Bond Fund and shall not be general obligations of the City.

Section 9. Redemption Provisions and Purchase of Bonds.

(a) *Optional Redemption*. The Bonds shall be subject to redemption at the option of the City on terms acceptable to the Designated Representative, as set forth in the Bond Purchase Agreement, consistent with the parameters set forth in Exhibit A.

(b) *Mandatory Redemption*. Each Bond that is designated as a Term Bond in the Bond Purchase Agreement, consistent with the parameters set forth in Exhibit A and except as set forth below, shall be called for redemption at a price equal to the stated principal amount to be redeemed, plus accrued interest, on the dates and in the amounts as set forth in the Bond Purchase Agreement. If a Term Bond is redeemed under the optional redemption provisions, defeased or purchased by the City and surrendered for cancellation, the principal amount of the Term Bond so redeemed, defeased or purchased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory redemption installments for that Term Bond. The City shall determine the manner in which the credit is to be allocated and shall notify the Bond Registrar in writing of its allocation prior to the earliest mandatory redemption date for that Term Bond for which notice of redemption has not already been given.

(c) *Selection of Bonds for Redemption; Partial Redemption*. If fewer than all of the outstanding Bonds are to be redeemed at the option of the City, the City shall select the maturities to be redeemed. If fewer than all of the outstanding Bonds are to be redeemed, the Securities Depository shall select Bonds registered in the name of the Securities Depository to be redeemed in accordance with the Letter of Representations, and the Bond Registrar shall select all other Bonds to be redeemed randomly in such manner as the Bond Registrar shall determine. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in any Authorized Denomination. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there shall be issued to the Registered Owner, without charge, a new Bond (or Bonds, at the option of the Registered Owner) of the same Series, maturity and interest rate in any Authorized Denomination in the aggregate principal amount to remain outstanding.

(d) *Notice of Redemption*. Notice of redemption of each Bond registered in the name of the Securities Depository shall be given in accordance with the Letter of Representations. Notice of redemption of each other Bond, unless waived by the Registered Owner, shall be given by the Bond Registrar not less than 20 nor more than

60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner at the address appearing on the Bond Register on the Record Date. The requirements of the preceding sentence shall be satisfied when notice has been mailed as so provided, whether or not it is actually received by an Owner. In addition, the redemption notice shall be mailed or sent electronically within the same period to the MSRB (if required under the Undertaking), to each Rating Agency, and to such other persons and with such additional information as the Finance Director shall determine, but these additional mailings shall not be a condition precedent to the redemption of any Bond.

(e) *Rescission of Optional Redemption Notice*. In the case of an optional redemption, the notice of redemption may state that the City retains the right to rescind the redemption notice and the redemption by giving a notice of rescission to the affected Registered Owners at any time on or prior to the date fixed for redemption. Any notice of optional redemption that is so rescinded shall be of no effect, and each Bond for which a notice of redemption has been rescinded shall remain outstanding.

(f) *Effect of Redemption*. Interest on each Bond called for redemption shall cease to accrue on the date fixed for redemption, unless either the notice of optional redemption is rescinded as set forth above, or money sufficient to effect such redemption is not on deposit in the Bond Fund or in a trust account established to refund or defease the Bond.

(g) *Purchase of Bonds*. The City reserves the right to purchase any or all of the Bonds offered to the City at any time at any price acceptable to the City plus accrued interest to the date of purchase.

<u>Section 10</u>. <u>Failure To Pay Bonds</u>. If the principal of any Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption, the City shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

<u>Section 11</u>. <u>Refunding or Defeasance of the Bonds</u>. The City may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the "defeased Bonds"); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the City sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the "trust account"), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the Owners of the defeased Bonds in the covenants of this ordinance and (except as hereinafter provided) in the Net Revenue of the Electric Utility, funds and accounts obligated to the payment of the defeased Bonds shall cease

and become void. Thereafter, the Owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds from the trust account and, if funds in the trust account are not available for such payment, shall have the residual right to receive payment of the principal of and interest on the defeased Bonds from the Net Revenue of the Electric Utility without any priority of lien or charge against that revenue or covenants with respect thereto except to be paid therefrom. After the establishing and full funding of such a trust account, the City may then apply any money in any other fund or account established for the payment or redemption of the defeased Bonds to any lawful purposes as it shall determine, subject only to the rights of the owners of any other Parity Bonds then Outstanding.

Unless otherwise specified by the City in a refunding or defeasance plan, notice of refunding or defeasance shall be given, and selection of Bonds for any partial refunding or defeasance shall be conducted, in the manner prescribed in this ordinance for the redemption of Bonds.

If the refunding or defeasance plan provides that the defeased Bonds or the refunding bonds to be issued be secured by money and/or Government Obligations pending the prior redemption of the defeased Bonds and if such refunding plan also provides that certain money and/or Government Obligations are pledged irrevocably for the prior redemption of the defeased Bonds included in that refunding plan, then only the debt service on the Bonds which are not defeased Bonds and the refunding bonds, the payment of which is not so secured by the refunding plan, shall be included in the computation of the Coverage Requirement for the issuance of Future Parity Bonds and the annual computation of coverage for determining compliance with the rate covenants.

Section 12. Lien Position of Bonds; Pledge. The Net Revenue of the Electric Utility is pledged for the payment of the Parity Bonds. This pledge constitutes a lien and charge upon the Net Revenue of the Electric Utility prior and superior to any other liens and charges whatsoever.

Section 13. Bond Fund. The Bond Fund is divided into two subaccounts, the Principal and Interest Account and the Reserve Account. The City may create sinking fund subaccounts or other subaccounts in the Bond Fund for the payment or securing of the Outstanding Parity Bonds, the Bonds or Future Parity Bonds as long as the maintenance of such subaccounts does not conflict with the rights of the owners of any such Outstanding bonds.

In addition to the required deposits for the Outstanding Parity Bonds and any Future Parity Bonds, so long as any of the Bonds are Outstanding, the Finance Director shall set aside and pay into the Bond Fund out of the Net Revenue, a fixed amount without regard to any fixed proportion, as follows:

(a) *Principal and Interest Account.* Into the Principal and Interest Account, on or before each debt service payment date, an amount sufficient (together with other money then on deposit, including investment earnings retained therein) to pay the principal and interest to become due on the Bonds (including required amounts for mandatory redemption or sinking funds created with respect to the Bonds) on that debt service payment date. If there is a deficiency in the Principal and Interest Account to meet payments of either principal or interest, as the case may be, such deficiency shall be made up from the Reserve Account by the withdrawal of cash therefrom and, after all cash has been depleted, then by draws on any Reserve Security then on deposit in the Reserve Account.

(b) *Reserve Account.* Into the Reserve Account, amounts required (if any) to be deposited therein to satisfy the Reserve Requirement pursuant to the terms of the ordinance authorizing any Outstanding issue of Parity Bonds, and either:

(1) on the date of issue, and thereafter in approximately equal monthly installments an amount which, together with other money and Reserve Securities on deposit therein, will equal the Reserve Requirement for the Outstanding Parity Bonds and the Bonds, which additional amount shall be accumulated by no later than five years from the Issue Date; or

(2) one or more Reserve Securities the value of which, together with any amount deposited under subsection (1), above, are equal to the Reserve Requirement for the outstanding Parity Bonds.

Except for withdrawals authorized in this section, the City shall maintain the Reserve Account at the Reserve Requirement for all outstanding Parity Bonds. Any deficiency created in the Reserve Account by reason of any such a withdrawal shall be made up from the Net Revenue first available after making necessary provision for the required payments into the Principal and Interest Account. However, to the extent required under the applicable Reserve Security policy, the Reserve Insurer with respect to a Reserve Security that has been drawn upon shall be reimbursed first, before available cash is used to restore the remaining balance of the Reserve Requirement. The money held in the Reserve Account necessary to meet the Reserve Requirement shall otherwise be held intact. Amounts on deposit in the Reserve Account that are determined to be in excess of the Reserve Requirement shall be deposited in the Principal and Interest Account or into a Rebate Account, to the extent required under the Code. The City may, in an ordinance authorizing the issuance of any Future Parity Bonds, establish such subaccounts within the Reserve Account as may be necessary to provide for separately funding the Reserve Requirement for any issue of Future Parity Bonds.

When the total amount in the Bond Fund shall equal the total amount of principal and interest for all Parity Bonds then Outstanding to the last maturity thereof, no further payment need be made into the Bond Fund and the amounts in the Reserve Account shall be deposited in the Principal and Interest Account to be applied against the last Parity Bonds Outstanding.

If the City fails to set aside and pay into the Bond Fund the amounts set forth above, or fails to pay the principal of and interest on the Bonds when due, in accordance with this ordinance, the owner of any of the Outstanding Parity Bonds may bring action against the City to compel the setting aside and payment of the amounts required.

(c) *Investment of Money in Bond Fund.* All money in the Bond Fund may be kept in cash or invested in Permitted Investments, as follows:

(1) Principal and Interest Account. Investments held in the Principal and Interest Account shall have a maturity date not later than the date when needed to make timely payments of principal and/or interest. Income from investments in the Principal and Interest Account shall be deposited in that account.

(2) Reserve Account. Investments held in the Reserve Account shall have an average aggregate weighted term to maturity of five years. Income from investments in the Reserve Account shall be deposited in that account until the amount therein is equal to the Reserve Requirement of all Parity Bonds then Outstanding.

In no event shall any money in the Bond Fund or any other money reasonably expected to be used to pay principal of and/or interest on the Bonds be invested at a yield or used in any manner which would cause the Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and applicable regulations thereunder. Notwithstanding the provision for the deposit of earnings below, any earnings that are subject to a federal tax or rebate requirement may be withdrawn from the Bond Fund for deposit in a Rebate Account as described in Section 17.

Section 14. Deposit of Bond Proceeds. On the Issue Date, proceeds of the Bonds received by the City that are allocated to the financing of the Plan of Additions shall be deposited in the appropriate accounts of the Electric Utility Fund designated by the Finance Director to pay costs of carrying out the Plan of Additions and the costs of issuance of the Bonds (to the extent such issuance costs are not included in the Refunding Plan). Proceeds of the Bonds allocated to the Refunding Plan shall be deposited with the Refunding Trustee in accordance with Section 22. As required and determined by the Designated Representative, proceeds of the Bonds may be deposited in the Reserve Account or used to purchase a Reserve Security to satisfy a portion of the Reserve Requirement.

Section 15. Flow of Funds. The City covenants and agrees with the owner of each Bond that it will use, pay out and distribute the Gross Revenue of the Electric Utility in the following order of priority:

(a) To pay Operation and Maintenance Expenses;

(b) To meet the debt service requirements with respect to, first, the interest due on and, then, the principal of the Parity Bonds by making the required payments into the Principal and Interest Account;

(c) To make the required payments into the Reserve Account (including amounts required to repay any draws upon a Reserve Security, if any) and into any other account or subaccount in the Bond Fund; and

(d) For any of the following purposes, without priority: to meet the debt service requirements with respect to any Subordinate Bonds; to redeem and retire any then Outstanding electric revenue bonds or to purchase any or all of those bonds and obligations in the open market as provided in the ordinance authorizing their issuance; to make necessary betterments and replacements of or repairs, additions or extensions to the Electric Utility; to make deposit into the Rate Stabilization Account; or for any other lawful Electric Utility purpose.

Section 16. Bond Covenants. The City covenants and agrees with the Owner of each Bond at any time Outstanding, as follows:

(a) It will establish, maintain and collect rates and charges sufficient to meet the Coverage Requirement.

(b) It will at all times maintain and keep the Electric Utility in good repair, working order and condition, and also will at all times operate that utility, and the business in connection therewith, in an efficient manner and at a reasonable cost.

(c) It will not sell, lease, mortgage, or in any manner encumber or dispose of all, or substantially all, of the property of the Electric Utility unless provision is made for the payment into the Bond Fund of sums sufficient to pay the principal of and interest on the Parity Bonds then Outstanding. Furthermore, it will not sell, lease, mortgage, or in any manner encumber or dispose of, in any year, more than 5% of the property of the Electric Utility that is used, useful and material to the operation thereof, unless provision is made for replacement thereof, or for payment into the Bond Fund of the total amount of the proceeds of such sales, leases, mortgages, encumbrances or dispositions. Any such money so paid into the Bond Fund shall be used to retire the Parity Bonds then Outstanding at the earliest possible date. In addition, it will not contract with another entity operating an electric utility to surrender any substantial territory which the Electric Utility serves or plans to serve with electricity without replacing the Gross Revenue received, or expected to be received, from that territory with revenue from another source or other equivalent compensation.

(d) It will, while any of the Bonds remain Outstanding, keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the Electric Utility, and it will furnish, at the written request of the owners of $1,000,000 in Outstanding principal amount of the Bonds, complete operating and income statements of the Electric Utility in reasonable detail covering any calendar year not more than 90 days after the close of such calendar year. Upon request of any owner or owners of any of the Bonds, it will also furnish to such owner or owners a copy of the most recently completed audit of the City's accounts by the State Auditor of Washington, or such other audit as is authorized by law in lieu thereof.

(e) Except to aid the poor and infirm consistent with the state constitution, it will not furnish municipal electric service to any customer (including the City) whatsoever free of charge and will promptly take legal action to enforce collection of all delinquent accounts.

(f) It will carry the type of insurance on its Electric Utility property in the amounts normally carried by private electric utility companies engaged in the operation of electric utility systems, or in the alternative, it may self-insure or, through an association of other municipalities, insure such property in similar amounts. The cost of such insurance or self-insurance shall be considered part of Operation and Maintenance Expenses of the Electric Utility.

(g) It will pay, out of Gross Revenue, all Operation and Maintenance Expenses and the debt service requirements of the Parity Bonds, and will otherwise meet the obligations of the City as herein set forth.

(h) It will not permit or enter into any obligation which is to have a prior or equal claim or lien on the Net Revenue of the Electric Utility except as permitted in Section 20 of this ordinance and in compliance with the Parity Conditions.

Section 17. Rebate Account. The Finance Director is authorized to establish and maintain a special fund or account for the purpose of complying with the covenants set forth in Section 21(a) herein relating to arbitrage rebate requirements. All earnings from the investment of Bond proceeds, or money treated as Bond proceeds under the Code, including money in the Reserve Account and allocated to the Bonds, in excess of the earnings invested at the yield on the Bonds determined under the Code, shall be deposited in such fund or account, and any earnings therefrom shall be retained therein until required by the Code to be paid to the United States government or until it shall be determined that such money is not required to be so paid. Such fund or account shall be a trust fund established for the benefit of the United States government.

Section 18. Rate Stabilization Account. The Finance Director may, at any time consistent with the flow of funds set forth in Section 15 of this ordinance, deposit Net Revenue (and any other money received by the Electric Utility and available to be used therefor, excluding principal proceeds of any Future Parity Bonds or other borrowing) into the Rate Stabilization Account. The City may, upon authorization by ordinance, at any time withdraw money from the Rate Stabilization Account for inclusion in the Adjusted Net Revenue for the current Fiscal Year of the Electric Utility, except that the total amount withdrawn from the Rate Stabilization Account in any Fiscal Year of the Electric Utility may not exceed an amount equal to the total debt service of the Electric Utility in that year. Such deposits or withdrawals may be made up to and including the date 90 days after the end of the Fiscal Year for which the deposit or withdrawal will be included as Adjusted Net Revenue for that Fiscal Year.

Earnings from investments in the Rate Stabilization Account shall be deposited in that account and shall not be included as Net Revenue of the Electric Utility unless and until withdrawn from that account as provided herein. The City may deposit earnings from investments in the Rate Stabilization Account into any Electric Utility fund or account as authorized by ordinance, and such deposits shall be included as Adjusted Net Revenue in the year of deposit.

No deposit of Net Revenue of the Electric Utility shall be made into the Rate Stabilization Account to the extent that such deposit would prevent the City from meeting the Coverage Requirement in the relevant Fiscal Year.

Section 19. Contract Resource Obligations. The City may at any time enter into one or more Contract Resource Obligations for the acquisition, from facilities to be constructed, of electric energy supply, transmission or other commodity or service relating to the Electric Utility. The City may determine that, and may agree under a Contract Resource Obligation to provide that, all payments under that Contract Resource Obligation (including payments prior to the time that electric energy supply or transmission or other commodity or service is being provided, or during a suspension or after termination of supply or service) shall be Operation and Maintenance Expenses if the payments required to be made under the Contract Resource Obligation are not subject to acceleration and the following additional requirements are met at the time such a Contract Resource Obligation is entered into or is deemed to be a Contract Resource Obligation hereunder:

(a) No event of default has occurred and is continuing under the terms of any debt obligation of the City in respect of the Electric Utility; and

(b) There shall be on file a certificate of an independent licensed professional engineer or engineering firm stating that in his, her or its professional opinion:

(1) the payments to be made by the City in connection with the Contract Resource Obligation are reasonable for the supply or transmission rendered;

(2) the source of any new supply, and any facilities to be constructed to provide the supply or transmission, are sound from an electric energy or other commodity supply or transmission planning standpoint, are technically and economically feasible in accordance with prudent utility practice, and are likely to provide supply or transmission no later than a date set forth in the independent licensed professional engineer's certification; and

(3) the Net Revenue of the Electric Utility will be sufficient to meet the Coverage Requirement for each of the five Fiscal Years following the year in which the Contract Resource Obligation is incurred, where the calculation of Net Revenue (i) takes into account the adjustments to Gross Revenue permitted under the Parity Conditions, and (ii) adjusts the Operation of Maintenance Expenses by the independent licensed professional engineer's estimate of the payments to be made in accordance with the Contract Resource Obligation.

Nothing in this section shall prevent the City from entering into other agreements for the acquisition of electric energy supply, transmission or other commodity or service relating to the Electric Utility from existing facilities and from treating those payments as Operation and Maintenance Expenses. Nothing in this section shall prevent the City from entering into other agreements for the acquisition of electric energy supply, transmission or other commodity or service from facilities to be constructed and from agreeing to make payments with respect thereto, such payments constituting a lien and charge on the Net Revenue of the Electric Utility subordinate to that of the Parity Bonds.

Section 20. Authorization of Future Parity Bonds; Subordinate Bonds. The City covenants with the owner of each of the Bonds for as long as any of the same are Outstanding that it will not create any special fund or funds for the payment of the principal of and interest on any additional electric revenue bonds or incur any other obligation not within the definition of Operation and Maintenance Expenses that will have any priority over the payments that are required by this ordinance to be made into the Bond Fund out of the Net Revenue of the Electric Utility. Nothing contained in this section shall prevent the City from issuing Subordinate Bonds.

With respect to Future Parity Bonds, the City covenants that it will issue Future Parity Bonds only if the Parity Conditions are met and complied with at the time of issuance of such Future Parity Bonds; and only for the purposes of:

(a) acquiring, constructing and installing additions, betterments and improvements to and extensions of, acquiring necessary equipment for, or making necessary replacements of or repairs or capital improvements to the Electric Utility pursuant to a plan or plans of additions and betterments, or paying obligations of the Electric Utility;

(b) refunding by exchange, purchasing and retiring, or advance refunding by call and payment at or prior to their maturity any part or all of the Parity Bonds; or

(c) for other purposes then permitted by law. If the Parity Conditions are met and complied with at the time of the issuance of such Future Parity Bonds, then payments into the Bond Fund with respect to such Future Parity Bonds shall rank equally with the payments out of the Net Revenue required to be made into the Bond Fund by the Outstanding Parity Bond Ordinances and this ordinance.

Section 21. Tax Matters.

(a) *Preservation of Tax Exemption for Interest on Bonds*. The City covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the City treated as proceeds of the Bonds that will cause interest on the Bonds to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bonds, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bonds.

(b) *Post-Issuance Compliance*. The Finance Director is authorized and directed to review and update the City's written procedures to facilitate compliance by the City with the covenants in this ordinance and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bonds from being included in gross income for federal tax purposes.

Section 22. Refunding of Refunded Bonds.

(a) *Appointment of Refunding Trustee*. The Designated Representative is authorized and directed to appoint a financial institution to serve as Refunding Trustee and to perform the duties of Refunding Trustee under this ordinance.

(b) *Selection of Refunded Bonds*. The Designated Representative is authorized and directed to select the Refunding Candidates to be refunded by the Bonds. The Designated Representative may choose to refund fewer than all of the Refunding Candidates. The Refunded Bonds, as selected by the Designated Representative, shall be identified in a Refunding Plan set forth in the Refunding Trust Agreement.

(c) *Use of Bond Proceeds for Refunding Plan; Acquisition of Acquired Obligations.* On the Issue Date, sufficient proceeds of the sale of the Bonds and the City Contribution, if any, shall be deposited with the Refunding Trustee and used to discharge the obligations of the City relating to the Refunded Bonds by carrying out the Refunding Plan in accordance with the Refunding Trust Agreement. To the extent practicable, such obligations shall be discharged fully by the Refunding Trustee's simultaneous purchase of the Acquired Obligations, bearing such interest and maturing as to principal and interest in such amounts and at such times so as to provide, together with a beginning cash balance, if necessary, for the payment of the amount required to be paid by the Refunding Plan. The Acquired Obligations shall be listed and more particularly described in a schedule attached to the Refunding Trust Agreement, but are subject to substitution as set forth below. Any Bond proceeds or other money deposited with the Refunding Trustee not needed to carry out the Refunding Plan shall be returned to the City for deposit in the Principal and Interest Account to pay interest on the Bonds on the next upcoming interest payment date.

(d) *Substitution of Acquired Obligations.* The City reserves the right at any time to substitute cash or other direct, noncallable obligations of the United States of America ("Substitute Obligations") for any of the Acquired Obligations if the City obtains (1) an opinion of Bond Counsel to the effect that the interest on the Bonds and the Refunded Bonds will remain excluded from gross income for federal income tax purposes under Sections 103, 148 and 149(d) of the Code, and (2) a verification by a nationally recognized independent certified public accounting firm that such substitution will not impair the timely payment of the amounts required to be paid by the Refunding Plan. Any surplus money resulting from the sale, transfer, other disposition or redemption of the Acquired Obligations and the substitutions therefor shall be released from the trust estate and transferred to the City to be used for any lawful purpose.

(e) *Refunding Trust Agreement; Administration of Refunding Plan.* The Designated Representative is authorized and directed to execute a Refunding Trust Agreement setting forth the duties, obligations and responsibilities of the Refunding Trustee in connection with carrying out the Refunding Plan. The Refunding Trust Agreement shall, among other things, authorize and direct the Refunding Trustee to purchase the Acquired Obligations (or Substitute Obligations) and to make the payments required to be made by the Refunding Plan. All Acquired Obligations (or Substitute

Obligations) and the money deposited with the Refunding Trustee and any income therefrom shall be held irrevocably, invested and applied in accordance with the provisions of Ordinance No. 35-06, this ordinance, chapter 39.53 RCW and other applicable State law. All administrative costs (including without limitation all necessary and proper fees, compensation, and expenses of the Refunding Trustee for the Bonds and all other costs incidental to the setting up of the escrow to accomplish the Refunding Plan) and costs of issuance of the Bonds may be paid out of the amounts deposited with the Refunding Trustee, in accordance with the Refunding Trust Agreement.

(f) *Call for Redemption of the Refunded Bonds.* The Designated Representative is authorized to call the Refunded Bonds for redemption on the Redemption Date at par, plus accrued interest. Such call for redemption shall identify the Refunded Bonds, the maturity dates, the Redemption Date and redemption price (expressed as a percentage of par, plus accrued interest), and shall be irrevocable after the Bonds are delivered to the Purchaser. The Designated Representative is authorized and directed to give or cause to be given such notices as required, at the times and in the manner required, pursuant to Ordinance No. 35-06, and to take all other actions necessary to effect the redemption of the Refunded Bonds on their applicable Redemption Dates.

(g) *Additional Findings with Respect to Refunding.* Prior to approving the sale of the Bonds allocable to the Refunding Plan, the Designated Representative shall make the following determinations in writing if in his or her judgment the following conditions are met:

(1) The savings that will be effected (as measured by the difference between the principal and interest cost over the life of the Bonds allocable to the Refunding Plan and the principal and interest cost over the life of the Refunded Bonds, but for such refunding) shall be equal to at least the percentage savings set forth in Exhibit A. In making such determination, the Designated Representative shall give consideration to the fixed maturities of the Bonds and the Refunded Bonds, the costs of issuance of the Bonds and the known earned income from the investment of the proceeds of the Bonds pending redemption of the Refunded Bonds.

(2) The Refunding Plan will provide sufficient funds to discharge and satisfy the obligations of the City under Ordinance No. 35-06. In making such determination, the Designated Representative may rely upon a verification by a nationally recognized independent certified public accounting firm.

<u>Section 23</u>. <u>Sale and Delivery of the Bonds; Parity Certificate</u>.

(a) *Manner of Sale of Bonds; Delivery of Bonds*. The Designated Representative is authorized to sell each Series of Bonds by negotiated sale or private placement or by competitive sale in accordance with a notice of sale consistent with this ordinance, based on the assessment of the Designated Representative of market conditions, in consultation with appropriate City officials and staff, Bond Counsel and other advisors. In determining the method of sale and accepting the Final Terms, the Designated Representative shall take into account those factors that, in the judgment of the Designated Representative, may be expected to result in the lowest true interest cost to the City.

(b) *Procedure for Negotiated Sale or Private Placement.* If the Designated Representative determines that a Series of Bonds are to be sold by negotiated sale or private placement, the Designated Representative shall select one or more Purchasers with which to negotiate such sale. The Bond Purchase Agreement shall set forth the Final Terms. The Designated Representative is authorized to execute and deliver the Bond Purchase Agreement on behalf of the City, so long as the terms provided therein are consistent with the terms of this ordinance.

(c) *Procedure for Competitive Sale.* If the Designated Representative determines that a Series of Bonds are to be sold by competitive sale, the Designated Representative shall cause the preparation of an official notice of bond sale setting forth parameters for the Final Terms and any other bid parameters that the Designated Representative deems appropriate consistent with this ordinance. Bids for the purchase of the Bonds shall be received at such time or place and by such means as the Designated Representative directs. On the date and time established for the receipt of bids, the Designated Representative (or the designee of the Designated Representative) shall open bids and shall cause the bids to be mathematically verified. The Designated Representative is authorized to award, on behalf of the City, the winning bid and accept the winning bidder's offer to purchase of the Bonds, with such adjustments to the aggregate principal amount and principal amount per maturity as the Designated Representative deems appropriate, consistent with the terms of this ordinance, and such award shall constitute the Bond Purchase Agreement. The Designated Representative may reject any or all bids submitted and may waive any formality or irregularity in any bid or in the bidding process if the Designated Representative deems it to be in the City's best interest to do so. If all bids are rejected, the Bonds may be sold pursuant to negotiated sale or in any manner provided by law as the Designated Representative determines is in the best interest of the City, within the parameters set forth in this ordinance.

(d) *Parity Certificate.* At the time of issuance of the Bonds, the Designated Representative shall cause to be executed and have on file a certificate of coverage as required for the issuance of Future Parity Bonds under the authorizing ordinances for the Outstanding Parity Bonds.

(e) *Preparation, Execution and Delivery of the Bonds*. The Bonds will be prepared at City expense and will be delivered to the Purchaser in accordance with the Bond Purchase Agreement, together with the approving legal opinion of Bond Counsel regarding the Bonds.

Section 24. Official Statement; Continuing Disclosure.

(a) *Preliminary Official Statement Deemed Final*. The Designated Representative shall review and, if acceptable to him or her, approve the preliminary Official Statement prepared in connection with the Bonds to the public or through a Purchaser acting as a placement agent. For the sole purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12, if applicable, the Designated Representative is authorized to deem that preliminary Official Statement final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12. The City approves the distribution to potential purchasers of the Bonds of a preliminary Official Statement that has been approved by the Designated Representative and deemed final, if applicable, in accordance with this subsection.

(b) *Approval of Final Official Statement*. The City approves the preparation of a final Official Statement for the Bonds to be sold to the public in the form of the preliminary Official Statement that has been approved and deemed final in accordance with subsection (a), with such modifications and amendments as the Designated Representative deems necessary or desirable, and further authorizes the Designated Representative to execute and deliver such final Official Statement to the Purchaser, if required under Rule 15c2-12. The City authorizes and approves the distribution by the Purchaser of the final Official Statement so executed and delivered to purchasers and potential purchasers of the Bonds.

(c) *Undertaking to Provide Continuing Disclosure*. If necessary to meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to the Purchaser acting as a participating underwriter for the Bonds, the Designated Representative is authorized to execute a written undertaking to provide continuing disclosure for the benefit of holders of the Bonds in substantially the form attached as Exhibit D and as such form may be revised upon publication of the Preliminary Official Statement for the Bonds.

Section 25. Amendatory Ordinances.

(a) This ordinance shall not be modified or amended in any respect subsequent to the initial issuance of the Bonds, except as provided in and in accordance with and subject to the provisions of this section. Ordinances authorizing the issuance of Future Parity Bonds shall not be deemed to be supplemental or amendatory ordinances described in this section.

(b) *Amendments Not Requiring Consent.* The City may from time to time and at any time, without the consent of or notice to the Registered Owners of the Parity Bonds at the time Outstanding, pass amendatory ordinances as set forth below. Before the City shall pass any such amendatory ordinance pursuant to this subsection (b), there shall have been delivered to the City an opinion of Bond Counsel, stating that such amendatory ordinance is authorized or permitted by this ordinance and will, upon the execution and delivery thereof, be valid and binding upon the City in accordance with its terms and will not adversely affect the exemption from federal income taxation of interest on any Parity Bonds issued as tax-exempt bonds.

(1) to cure any formal defect, omission, inconsistency or ambiguity in this ordinance in a manner not adverse to the Owner of any Parity Bond;

(2) to impose upon the Bond Registrar (with its consent) for the benefit of the Owners of the Bonds any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not contrary to or inconsistent with this ordinance as theretofore in effect;

(3) to add to the covenants and agreements of, and limitations and restrictions upon, the City in this ordinance other covenants, agreements, limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this ordinance as theretofore in effect;

(4) to confirm, as further assurance, any pledge under, and to subject to any claim, lien or pledge created or to be created by, this ordinance any other money, securities or funds;

(5) to authorize different denominations of the Bonds and to make correlative amendments and modifications to this ordinance regarding exchangeability of Outstanding Bonds of different authorized denominations, redemptions of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature; and

(6) to modify, alter, amend or supplement this ordinance in any other respect which is not materially adverse to the Owners of the Parity Bonds at the time Outstanding, and which does not involve a change described in subsection (c) of this section.

(c) *Amendments Requiring Supermajority Consent.* In addition to an amendatory ordinance passed pursuant to subsection (b) above, the Registered Owners of not less than 60% in aggregate principal amount of Parity Bonds then Outstanding shall have the right from time to time to consent to and approve the passage by the City of any amendatory ordinance deemed necessary or desirable by the City Council for the purpose of amending or supplementing, in any particular, any of the terms or provisions contained in this ordinance, as follows:

(1) Prior to passage of the proposed amendatory ordinance, the City shall cause notice of the proposed amendatory ordinance to be given by first class United States mail to all Registered Owners of the Parity Bonds then Outstanding, to any Bond Insurer providing a bond insurance policy then in effect with respect to an issue of Parity Bonds, to the extent required under such policy, and each Rating Agency. Such notice shall briefly set forth the nature of the proposed amendatory ordinance and shall state that a copy thereof is on file at the office of the City Clerk for inspection by all Registered Owners of the Outstanding Bonds.

(2) Within two years after the date of the mailing of such notice, the City may pass such amendatory ordinance in substantially the form described in such

notice, but only if there shall have first been delivered to the Bond Registrar (i) the required consents, in writing, of the Registered Owners of the Bonds, and (ii) an opinion of Bond Counsel stating that such amendatory ordinance is authorized or permitted by this ordinance and, upon the execution and delivery thereof, will be valid and binding upon the City in accordance with its terms and will not adversely affect the exemption from federal income taxation of the interest on the Bonds.

(3) If Registered Owners of not less than 60% of Parity Bonds then Outstanding have consented to the passage of the amendatory ordinance as herein provided, no owner of the Bonds shall have any right to object to the passage of such amendatory ordinance, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the City from passing the same or from taking any action pursuant thereto.

(d) *Amendments Requiring Unanimous Consent*. Nothing contained in this section shall permit, or be construed as permitting, except upon consent of all of the Registered Owners of the Parity Bonds then Outstanding: (i) a change in the times, amounts or currency of payment of the principal of or interest on any Parity Bond then Outstanding, or a reduction in the principal amount or redemption price of any Parity Bond then Outstanding, or a change in the method of redemption or redemption price of any Parity Bond then Outstanding, or a change in the method of determining the rate of interest thereon; (ii) a preference or priority of any bond or bonds over any other bond or bonds; or (iii) a reduction in the aggregate principal amount of Parity Bonds.

(e) *Effect of Amendment*. Upon the passage of any amendatory ordinance pursuant to the provisions of this Section 25, this ordinance shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this ordinance of the City and all Registered Owners of Bonds then Outstanding shall thereafter be determined, exercised and enforced under this ordinance subject in all respects to such amendments.

(f) *Provisions Regarding Bond Insurers.* For so long as any bond insurance policy is in effect with respect to an issue of Parity Bonds, the City shall mail notice of amendment under this section, together with a copy of the amendatory ordinance to the Bond Insurer. Each Bond Insurer shall be deemed to be the Registered Owner of the Parity Bonds insured by it at all times for the purpose of giving any approval or consent to the passage of any amendatory ordinance and, in the event of default under this ordinance or the Parity Bonds, for all other purposes.

<u>Section 26</u>. <u>General Authorization and Ratification</u>. The Designated Representative and other appropriate officers of the City are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance, and to do everything necessary for the prompt delivery of each Series of Bonds to the Purchaser and for the proper application, use and investment of the proceeds of the Bonds. All actions taken prior to the effective date of this ordinance in furtherance of the

purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

Section 27. Severability. The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 28. Effective Date of Ordinance. 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, Washington, at a regular open public meeting thereof, this ____ day of _________, 2015.

____
DAVID W. ROSE
Mayor

ATTEST:

____
MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

____
HEATHER KINTZLEY
City Attorney

Date Published: _______________

PARAMETERS FOR FINAL TERMS OF THE BONDS

(a)	Principal Amount.	The Bonds shall not exceed the aggregate principal amount of $32,000,000.
(b)	Date or Dates.	Each Series of Bond shall be dated the Issue Date, which date may not be later than one year after the effective date of this ordinance.
(c)	Denominations, Name, etc.	The Bonds shall be issued in Authorized Denominations and shall be numbered separately in the manner and shall bear any name and additional designation as deemed necessary or appropriate by the Designated Representative.
(d)	Interest Rate(s).	Each Bond shall bear interest at a fixed rate per annum (computed on the basis of a 360-day year of twelve 30-day months) from the Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. One or more rates of interest may be fixed for the Bonds. No rate of interest for any Bond may exceed 5.0%, and the true interest cost to the City for any Series of Bonds may not exceed 5.0%.
(e)	Payment Dates.	Interest shall be payable semiannually on dates acceptable to the Designated Representative, commencing no later than twelve months following the Issue Date. Principal payments shall commence on a date acceptable to the Designated Representative and shall be payable at maturity or in mandatory redemption installments annually thereafter, on dates acceptable to the Designated Representative.
(f)	Maturities; Final Maturity.	The final maturity of the Bonds allocated to the Plan of Additions shall mature no later than December 1, 2045. The final maturity of the Bonds allocated to the Refunding Plan may not be later than the date of final maturity of the Refunded Bonds and the annual principal and interest requirements of those Bonds may not exceed the annual principal and interest requirements of the Refunded Bonds, except that the principal amount of any maturity may be increased for the purpose of rounding out that maturity to the nearest five thousand dollars.

(g)	Redemption Rights.	The Designated Representative may approve in the Bond Purchase Agreement provisions for the optional and mandatory redemption of Bonds, subject to the following: (1) Optional Redemption. Any Bond may be designated as being (A) subject to redemption at the option of the City prior to its maturity date on the dates and at the prices set forth in the Bond Purchase Agreement; or (B) not subject to redemption prior to its maturity date. If a Bond is subject to optional redemption prior to its maturity, it must be subject to such redemption on one or more dates occurring not more than 10½ years after the Issue Date. (2) Mandatory Redemption. Any Bond may be designated as a Term Bond, subject to mandatory redemption prior to its maturity on the dates and in the amounts set forth in the Bond Purchase Agreement.
(h)	Price.	The purchase price for any Series of Bonds may not be less than 98% or more than 120% of the stated principal amount of that Series.
(i)	Other Terms and Conditions.	(1) The Designated Representative shall make the findings set forth in Section 22(g), including a finding that a minimum net present value savings of 3.5% of the Refunded Bonds is to be achieved. (2) The Designated Representative must determine that all of the Parity Conditions have been met or satisfied by the Issue Date. (3) The Designated Representative may determine whether it is in the City's best interest to provide for bond insurance or other credit enhancement or for the purchase of a Reserve Security; and may accept such additional terms, conditions and covenants as he or she may determine are in the best interests of the City, consistent with this ordinance.

(4) The Designated Representative must select which Refunding Candidates are to be refunded by the Bonds.

Parity Conditions

(a) There may be no deficiency in the Principal and Interest Account, the Reserve Account or any other account in the Bond Fund.

(b) The ordinance authorizing any Future Parity Bonds must require that the additional amount necessary to satisfy the Reserve Requirement because of the issuance of such Future Parity Bonds be made up from deposits into the Bond Fund of a Reserve Security, from the proceeds of such Future Parity Bonds, or by approximately equal monthly payments from Net Revenue of the Electric Utility made within five years after the date of issuance of such Future Parity Bonds. Any combination of the foregoing methods of funding the Reserve Requirement shall satisfy the Reserve Requirement for purposes of these Parity Conditions.

(c) The City must have on file with the City Clerk either:

(1) a certificate of the Finance Director of the City, supported by the Electric Utility financial statements, demonstrating that the Adjusted Net Revenue of the Electric Utility for any twelve consecutive months out of the 24 months preceding the dated date of the proposed bonds will be sufficient to satisfy the Coverage Requirement with respect to the Parity Bonds then Outstanding, plus the Future Parity Bonds proposed to be issued; or

(2) a certificate from an independent licensed professional engineer or engineering firm showing that in his, her or its professional opinion the Adjusted Net Revenue of the Electric Utility, which will be available in each succeeding year for the payment of principal of and interest on all Parity Bonds then Outstanding and the Future Parity Bonds, will be sufficient to satisfy the Coverage Requirement with respect to the Parity Bonds then Outstanding, plus the Future Parity Bonds proposed to be issued. Computation of estimated future Adjusted Net Revenue of the Electric Utility shall be based upon income and expense statements of the Electric Utility for any twelve consecutive months out of the 24 months preceding the dated date of the proposed bonds, plus additional adjustments, which may reflect:

(i) any current changes in Net Revenue of the Electric Utility for the base period which would have occurred if the schedule of rates and charges in effect at the time of the computation (or approved by the City Council as of the time of such computation and to become effective within 30 days thereof) had been in effect during the portion of the period in which such schedule was not in effect;

(ii) a full twelve months of revenue from any customers of the Electric Utility added prior to the computation date;

(iii) the loss of customers since that period;

(iv) any changes in Net Revenue of the Electric Utility estimated to be received as a result of, and upon completion of, any facilities under construction or to be acquired, constructed or installed as a part of the Electric Utility which are not reflected fully in the base period statement; and

(v) Annualized net revenue from the improvements to be financed from the proceeds of the proposed Future Parity Bonds.

(d) If the Future Parity Bonds proposed to be issued are for the sole purpose of refunding any Parity Bonds then Outstanding, the certificate referred to in paragraph (c), above, shall not be required, so long as

(1) the Maximum Annual Debt Service for the proposed Future Parity Bonds is less than the Maximum Annual Debt Service for the Parity Bonds to be refunded, and

(2) the final maturity of the proposed Future Parity Bonds are not extended beyond the final maturity of the Parity Bonds to be refunded.

Prior: Ordinance No. 17-85, Section 4.01
Ordinance No. 35-06, Section 8.01
Ordinance No. 30-09, Section 7.01
Ordinance No. 06-13, Section 8.01

DESCRIPTION OF PLAN OF ADDITIONS

The planned additions and betterments to and extensions of the Electric Utility consist of those Electric Utility projects set forth in the City's 2015-2030 Capital Improvement Plan adopted by Ordinance No. 36-14, as such plan may be amended from time to time.

A summary of the improvements expected to be financed, in whole or in part, with proceeds of the Bonds is as follows:

1. Renewals, replacements and systems improvements;

2. Plan, design and construct the Dallas Road and SE Richland substations and other substation improvements;

3. Complete feasibility study, design and implement an electrical utility smart grid/advanced metering infrastructure program within the Electric Utility service area; and

4. Other projects, including line extensions, feeders, purchase of service area infrastructure, system improvements and transformer maintenance.

[Form of]
UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

City of Richland, Washington
Electric [Improvement and Refunding] Revenue Bonds, 2015

The City of Richland, Washington (the "City"), makes the following written Undertaking for the benefit of holders of the above-referenced bonds (the "Bonds"), for the sole purpose of assisting the Purchaser in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds. Capitalized terms used but not defined below shall have the meanings given in Ordinance No. 49-15 of the City (the "Bond Ordinance").

(a) Undertaking to Provide Annual Financial Information and Notice of Listed Events. The City undertakes to provide or cause to be provided, either directly or through a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

(i) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in paragraph (b) ("annual financial information");

(ii) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the City, as such "Bankruptcy Events" are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(iii) Timely notice of a failure by the City to provide required annual financial information on or before the dates specified in paragraph (b).

(b) Type of Annual Financial Information Undertaken to be Provided.

(i) The annual financial information that the City undertakes to provide in paragraph (a) shall consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to local governmental units of the State such as the City, as such principles may be changed from time to time, which statements may be unaudited, provided, however, that if and when audited financial statements are prepared and available they will be provided; [(2) a statement of outstanding bonded debt secured by Net Revenues of the Electric Utility, (3) debt service coverage ratios, and (4) general customer statistics for the Electric Utility.] *[Subject to revision upon publication of the Preliminary Official Statement.]*

(ii) The Annual Financial Information shall be provided not later than the last day of the ninth month after the end of each Fiscal Year of the City (currently, a fiscal year ending December 31), as such Fiscal Year may be changed as required or permitted by State law, commencing with the City's Fiscal Year ending December 31, 2015. If unaudited annual financial statements are provided by such deadline, the audited financial statements shall be provided when and if available.

(iii) The Annual Financial Information may be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

(c) Amendment of Undertaking. This Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, Rating Agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) Beneficiaries. This Undertaking shall inure to the benefit of the City and the Beneficial Owner of each Bond, and shall not inure to the benefit of or create any rights in any other person.

(e) Termination of Undertaking. The City's obligations under this Undertaking shall terminate upon the legal defeasance of all of the Bonds. In addition, the City's obligations under this Undertaking shall terminate if the provisions of Rule 15c2-12 that require the City to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of Bond Counsel delivered to the City, and the City provides timely notice of such termination to the MSRB.

(f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the City learns of any failure to comply with this Undertaking, the City will proceed with due diligence to cause such noncompliance to be corrected. No failure by the City or other obligated person to comply with this Undertaking shall constitute a default in respect of the Bonds. The sole remedy of any holder of a Bond shall be to take action to compel the City or other obligated person to comply with this Undertaking, including seeking an order of specific performance from an appropriate court.

(g) Designation of Official Responsible to Administer Undertaking. The Finance Director or his or her designee is the person designated, in accordance with the Bond Ordinance, to carry out the Undertaking in accordance with Rule 15c2-12, including, without limitation, the following actions:

(i) Preparing and filing the annual financial information undertaken to be provided;

(ii) Determining whether any event specified in paragraph (a) has occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and disseminating any required notice of its occurrence;

(iii) Determining whether any person other than the City is an "obligated person" within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of listed events for that person required under Rule 15c2-12;

(iv) Selecting, engaging and compensating designated agents and consultants, including financial advisors and legal counsel, to assist and advise the City in carrying out this Undertaking; and

(v) Effecting any necessary amendment of this Undertaking.

CERTIFICATION

I, the undersigned, City Clerk of the City of Richland, Washington (the "City"), hereby certify as follows:

1. The attached copy of Ordinance No. 49-15 (the "Ordinance") is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on _________, 2015, as that ordinance appears on the minute book of the City.

2. A quorum of the members of the City Council was present throughout the meeting and a majority of the members voted in the proper manner for the passage of the Ordinance.

Dated: ____________, 2015.

CITY OF RICHLAND, WASHINGTON

____

Marcia Hopkins, City Clerk

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015 | Agenda Category: Ordinances - Second Reading/Passage

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:
Ordinance No. 43-15, Increasing Streets Capital Construction Fund, Water Fund and Wastewater Fund Budgets

Department:	Ordinance/Resolution Number:	Document Type:
Public Works	43-15	Ordinance

Recommended Motion:
Give second reading and pass Ordinance No. 43-15, increasing Streets Capital Construction Fund, Water Fund and Wastewater Fund budgets.

Summary:
Washington State law requires that an ordinance be adopted to increase the budgeted appropriations. Ordinance No. 43-15 proposes to increase appropriations in the Streets Capital Construction Fund via a transfer from the Parks and Recreation Capital Improvement Fund and to increase appropriations in the Wastewater and Water Funds from fund balance.

The increase in Streets Capital Construction Fund will be applied to the Vantage Highway Pathway - Phase 1 project by transferring Real Estate Excise funding from the Hanford Legacy Park project. The proposed transfer will fill the majority of a funding shortfall for the pathway project, enabling the project scope to remain as originally proposed. Staff will propose a small appropriation in the 2016 budget to complete project funding. The project scope will remain from Hanford Legacy Park on the west to Robertson Drive on the east.

The increase in the Wastewater Fund will restore previously approved funds to an information technology project related to sewer system mapping and will increase appropriations for Wastewater equipment repair and replacement due to higher than anticipated maintenance costs.

The increase in the Water Fund will restore previously approved funds to an information technology project related to water system mapping.

As required, a public hearing was held at the August 5, 2015, Council meeting to consider this proposal. A comment was provided that sought Parks and Recreation funding for noxious weed control at W.E. Johnson Park. The Real Estate Excise Tax funding that is proposed for transfer is restricted to capital improvement purposes and is not used for weed control.

Fiscal Impact: Yes	The proposed ordinance will increase appropriations in the Streets Capital Construction Fund by $75,685 and decrease the Parks Capital Projects Fund by this same amount. The increase in the Water Fund appropriations, $7,500, will be drawn from unappropriated reserves which are $251,000 higher than recommended minimum reserves. The increase in the Wastewater Fund appropriations, $61,000, will be drawn from unappropriated reserves which are $986,000 higher than recommended minimum reserves.

Attachments:
1. Ordinance No. 43-15

ORDINANCE NO. 43-15

AN ORDINANCE of the City of Richland amending the 2015 Budget to provide for additional appropriations in the City's Streets Capital Construction Fund, the Water Fund, and the Wastewater Fund and declaring that a public emergency exists in the City's Water Fund and the Wastewater Fund.

WHEREAS, on June 17, 2014, Council adopted Resolution No. 89-14 adopting the 2015-2020 six-year Transportation Improvement Plan (TIP). The TIP included several partially or unfunded projects, among them the Vantage Highway Pathway – Phase 1 project; and

WHEREAS, on November 18, 2014, Council passed Ordinance No. 36-14 approving the 2015 Budget and the 2015–2030 Capital Improvement Plan (CIP). The CIP included several partially or unfunded projects, among them the Vantage Highway Pathway – Phase 1 project; and

WHEREAS, on January 9, 2015, the City was notified by the Benton Franklin Council of Governments (BFCOG) that the City had been awarded $204,739 of federal Transportation Alternatives Program (TAP) funds for the Vantage Highway Pathway Phase 1 project; and

WHEREAS, City staff determined that TAP funds available through the BFCOG were insufficient to fully fund the Vantage Highway Pathway – Phase 1 project as scoped in the CIP; and

WHEREAS, staff proposes to transfer funds from current project budgets to partially fill the funding shortfall for the Vantage Highway Pathway – Phase 1 project; and

WHEREAS, $75,685 in first quarter Real Estate Excise Tax ("REET1") currently allocated to the Parks Capital Projects Fund for the Hanford Legacy Park project can be reallocated to the Vantage Highway Pathway – Phase 1 project. These funds were budgeted to provide matching funds for a grant that has not materialized, and

WHEREAS, ESRI is a software system used by the City to map and manage its utility assets; and

WHEREAS, the 2014 budget included funds to improve the water and wastewater data sets in ESRI to support more rigorous analysis; and

WHEREAS, the water and sewer ESRI project was not completed in 2014 due to other more pressing projects; and

WHEREAS, staff proposes to renew the budget authority for the project so that this important system work can be completed in 2015; and

WHEREAS, the proposed change will increase appropriations by $7,500 in the Water Fund and $7,500 in the Sewer Fund, the same price as the 2014 budgeted project, so the costs to ratepayers will not increase; and

WHEREAS, the 2015 Wastewater budget included amounts estimated for repairing and replacing pumps, motors and valves at the Wastewater Treatment Plant and for the ongoing cleaning of the City's sewer pipelines; and

WHEREAS, equipment failures at the Wastewater Treatment Plant and pipeline maintenance equipment have exceeded the current budget capacity; and

WHEREAS, staff recommends increasing Wastewater Fund appropriations by $53,500 to support repairs and replacement of equipment needed to maintain efficient operations at the Wastewater Treatment Plant and the City's sewer pipelines; and

WHEREAS, a public hearing was held pursuant to RCW 35.33.091 on August 5, 2015, regarding the increase in appropriations from beginning fund balance in the Water Fund and the Wastewater Fund.

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

Section 1. Facts Constituting Emergency. The revenues and expenses contained within this ordinance were not anticipated when the 2015 budget was approved.

Section 2. Declaration of Public Emergency. Due to the circumstances described above, the City Council declares that a public emergency exists in the City's Water and Wastewater Funds.

Section 3. Amendment of the 2015 Budget. The 2015 Budget is hereby amended in the Streets Capital Construction Fund to provide for additional appropriations from a transfer from the Capital Improvement Fund, and to decrease appropriations in the Parks Capital Project Fund by removing the same. The 2015 Budget is also hereby amended in the Water and Wastewater Funds to provide for additional appropriations from beginning fund balance as follows:

Streets Capital Construction Fund	
Current Appropriation:	$13,900,591
Increase in Appropriation:	$ 75,685
Amended Appropriation:	$13,976,276

Parks Capital Projects Fund	
Current Appropriation:	$3,417,433
Decrease in Appropriation:	$ (75,685)
Amended Appropriation:	$3,341,748

Water Fund

Current Appropriation:	$17,158,287
Increase in Appropriation:	$ 7,500
Amended Appropriation:	$17,165,787

Wastewater Fund

Current Appropriation:	$13,454,939
Increase in Appropriation:	$ 61,000
Amended Appropriation:	$13,515,939

Section 4. The 2015–2030 Capital Improvement Plan is amended to reflect the proposed funding changes for the Hanford Legacy Park and Vantage Highway Pathway – Phase 1 Projects, as shown in the attached exhibits.

Section 5. 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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

Date Published: August 23, 2015

Vantage Highway Pathway - Phase 1

Type of Project: Transportation

Partnership Project? NO

Project #: TR130015

Key #	Goal #
2	1

Strategic Leadership Plan Project? *No*

REVISION to Council 8-18-2015

PROJECT NAME: Vantage Highway Pathway - Phase 1

PROJECT ADMINISTRATION: Public Works Administration and Engineering

PROJECT LOCATION: Along SR-240 from Hanford Legacy Park to Robertson Drive

PROJECT TIMELINE: 2015 - 2016

RESPONSE TO *GMA LEVEL OF SERVICE? NO

PROJECT DESCRIPTION

Construct a 12' asphalt multi-use pathway on the north side of SR-240.

PROJECT ASSUMPTIONS

The project will require acquisition of grant funds, most likely from the Washington State Transportation Improvement Board, the Washington State Department of Transportation, or the Benton Franklin Council of Governments.

BENEFITS

This project will provide improved connectivity and safety for bicycle users and pedestrians.

PROJECT COST ESTIMATE	Total Estimated Project Cost	Project Costs To-Date 12/31/13	Authorized Budget Remaining in 2014	2015	2016	2017	2018	2019	2020
DESIGN	30,000			30,000					
CONSTRUCTION MANAGEMENT	19,000			19,000					
CONSTRUCTION	272,552			248,976	23,576				
5% CONTINGENCY	12,448			12,448					
OTHER ENG. SRCES (ROW ACQUISITION)	10,000			10,000					
	-								
TOTAL	$ 344,000	$ -	$ -	$ 320,424	$ 23,576	$ -	$ -	$ -	$ -

RECOMMENDED FUNDING SOURCES	Total Estimated Project Revenues	Project Revenue To-Date 12/31/13	Authorized Budget Remaining in 2014	2015	2016	2017	2018	2019	2020
TAP-UL FUNDS (SECURED)	204,739			204,739					
RE EXCISE TAX 1ST 1/4%	30,000			30,000					
RE EXCISE TAX 2ND 1/4%	33,576			10,000	23,576				
RE EXCISE TAX 1ST 1/4% (Hanford Legacy Park)	75,685			75,685					
	-			-					
	-								
TOTAL	$ 344,000	$ -	$ -	$ 320,424	$ 23,576	$ -	$ -	$ -	$ -

OPERATING & MAINTENANCE COSTS (IMPACTS)	Total Estimated Project Operating & Maint. Costs			2015	2016	2017	2018	2019	2020
	-								
	-								
	-								
	-								
	-								
TOTAL	$ -	-	-	$ -	$ -	$ -	$ -	$ -	$ -

Hanford Legacy Park

Type of Project: Parks Project

Partnership Project? YES

Project #: PR130003

Key #	Goal #
6	3

Strategic Leadership Plan Project? *Yes*

REVISION to Council 8-18-2015

PROJECT NAME: Hanford Legacy Park

PROJECT ADMINISTRATION: Parks and Recreation Department

PROJECT LOCATION: Hanford Legacy Park, SR-240 west of Kingsgate Drive

PROJECT TIMELINE: 04/2015 - 12/2018 & 04/2025 - 12/2025

RESPONSE TO *GMA LEVEL OF SERVICE? YES

PROJECT DESCRIPTION

The existing park includes four Babe Ruth fields, restroom/concession building and gravel parking lot. In 2017, the parking lot will be paved, City street constructed and a restroom/concession building completed. In 2019, additional parking, a playground structure and tennis courts will be completed.

PROJECT ASSUMPTIONS

Grant funding will be secured and additional maintenance staff are added.

BENEFITS

Provide community park amenities to the service area and tournament facilities for tourism.

PROJECT COST ESTIMATE	Total Estimated Project Cost	Project Costs To-Date 12/31/13	Authorized Budget Remaining in 2014	2015	2016	2017	2018	2019	2020
DESIGN	-								
CONSTRUCTION MANAGEMENT	-								
CONSTRUCTION	3,647,541	266,708	480,833		500,000	700,000	500,000	700,000	500,000
5% CONTINGENCY	-								
OTHER ENG. SRCES (ROW ACQUISITION)	-								
	-								
TOTAL	$ 3,647,541	$ 266,708	$ 480,833	$ -	$ 500,000	$ 700,000	$ 500,000	$ 700,000	$ 500,000

RECOMMENDED FUNDING SOURCES	Total Estimated Project Revenues	Project Revenue To-Date 12/31/13	Authorized Budget Remaining in 2014	2015	2016	2017	2018	2019	2020
HOTEL/MOTEL - LODGING TAX FUNDS	2,237,541	256,708	480,833		500,000		500,000		500,000
RCO GRANT (UNSECURED)	1,000,000					500,000		500,000	
RE EXCISE TAX 1ST 1/4%	400,000					200,000		200,000	
UNDESIGNATED PARK RESERVE	10,000	10,000							
	-								
	-								
TOTAL	$ 3,647,541	$ 266,708	$ 480,833	$ -	$ 500,000	$ 700,000	$ 500,000	$ 700,000	$ 500,000

OPERATING & MAINTENANCE COSTS (IMPACTS)	Total Estimated Project Operating & Maint. Costs			2015	2016	2017	2018	2019	2020
	-								
	-								
	-								
	-								
	-								
TOTAL	$ -	-	-	$ -	$ -	$ -	$ -	$ -	$ -

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015 Agenda Category: Ordinances - Second Reading/Passage

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:

Ordinance No. 44-15, Amending RMC Chapter 23.62 Regarding Wireless Communication Facilities

Department:	Ordinance/Resolution Number:	Document Type:
Community & Development Services	44-15	Ordinance

Recommended Motion:

Give second reading and pass Ordinance No. 44-15, amending standards in Chapter 23.62 of the RMC, relating to wireless communication facilities.

Summary:

A recent change in federal law has created a need for the City to update its regulations concerning wireless communication facilities. Section 6409 of the Middle Class Tax Relief and Job Creation Act of 2012 requires that cities allow for minor modifications to existing wireless communication facilities. Generally, existing towers can increase their height by 20 feet or 10%, whichever is greater. Applications for such tower height increases must be reviewed by local government within 60 days, or else such application is automatically deemed approved.

The Planning Commission reviewed the federal legislation and the City's existing code in workshop sessions earlier this year and held a public hearing on June 24, 2015, after which they recommended adoption of the proposed code amendments set forth in Ordinance No. 44-15.

Staff recommends approval of proposed Ordinance No. 44-15.

Fiscal Impact: There are no direct fiscal impacts to the City that would result from adoption of this ordinance. Existing provisions are already in place to regulate wireless communication facilities. The proposed changes in code would not result in additional time or expense needed to administer the new code provisions.

Attachments:

1. Ordinance No. 44-15
2. Staff Report to Planning Commission
3. Planning Commission Minutes 6-24-15

ORDINANCE NO. 44-15

AN ORDINANCE of the City of Richland amending Chapter 23.62: Wireless Communications Facilities, of the Richland Municipal Code, adding new provisions concerning wireless communication facilities in order to comply with new federal mandates.

WHEREAS, Congress adopted Section 6409 of the Middle Class Tax Relief and Job Creation Act of 2012, thereby creating new mandates for cities in the regulation of wireless communication facilities; and

WHEREAS, the City's existing code provisions relating to wireless communication facilities as codified in Chapter 23.62 of the Richland Municipal Code (RMC) do not contain adequate provisions to meet the mandates of Section 6409; and

WHEREAS, the proposed amendments to Chapter 23.62 of the RMC have been reviewed by the Planning Commission and following a public hearing held on June 24, 2015, the Commission has recommended their adoption.

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

Section 1. RMC Chapter 23.62, entitled Wireless Communication Facilities, is hereby amended to read as follows:

Chapter 23.62 WIRELESS COMMUNICATIONS FACILITIES

Sections:

23.62.010 Purpose.

The wireless communications facilities chapter is to minimize the unsightly characteristics associated with wireless communications facilities and to provide for a wide range of locations and options for wireless communications providers and to encourage creative approaches in locating wireless communications facilities, which will blend in with the surroundings of such facilities. [Ord. 28-05 § 1.02].

23.62.020 Definitions.

For the purpose of this chapter certain terms and words are defined as follows:

"Accessory antenna device" is an antenna including, but not limited to, test mobile antennas and global positioning (GPS) antennas, which are less than 12 inches in height or width, excluding the support structure.

"Antenna" is any system of poles, panels, rods, reflecting discs or similar devices used for the transmission or reception of radio frequency signals.

A. Omni-directional antenna (also known as whip antenna) transmits and receives radio frequency signals in a 360-degree radial pattern. For the purpose of this chapter, an omnidirectional antenna is up to 15 feet in height and four inches in diameter.

B. Directional antenna (also known as panel antenna) transmits and receives radio frequency signals in a specific directional pattern of less than 360 degrees.

C. Parabolic antenna (also known as dish antenna) is a bowl-shaped device for the reception and/or transmission of radio frequency communications signals in a specific directional pattern.

D. Antenna Array. An antenna array is two or more devices used for the transmission or reception of radio frequency signals, microwave, or other signals for commercial communications purposes.

"Antenna mount" means any mounting device or bracket that is used to attach an antenna or antenna array to a monopole, lattice tower, building, or other structure.

"Base station" shall mean and refer to the structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a tower as defined in this Chapter or any equipment associated with a tower. Base station includes, without limitation:

A. Equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

B. Radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).

C. Any structure other than a tower that, at the time an Eligible Facilities Modification Application is filed with the Development Services Department under this Chapter, supports or houses equipment described in paragraphs A and B above, that has been reviewed and approved under the applicable zoning or siting process, or under another state, county or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.

D. The term does not include any structure that, at the time a completed Eligible Facilities Modification Application is filed with the Development Services Department under this Chapter, does not support or house equipment described in paragraphs A, B, and C above.

“Attached wireless communications facility” is a wireless communications facility that is affixed to an existing structure.

“Co-location” shall mean and refer to the mounting or installation of transmission equipment on an eligible support structure for the purpose of transmitting and/or receiving radio frequency signals for communications purposes.

“Co-location” exists when more than one wireless communications provider mounts equipment on a single support structure. Co-location can also exist when more than one carrier constructs more than one support structure on a single, relatively small parcel of land.

“Equipment shelter or cabinet” is a room, cabinet, or building used to house equipment for utility or service providers.

“Eligible Facilities Request” shall mean any request for modification of an existing tower or base station that does not substantially change the physical dimensions of such tower or base station, involving:

A. Co-location or new transmission equipment;

B. Removal of transmission equipment; or

C. Replacement of transmission equipment.

“Eligible support structure” shall mean and refer to a tower or base station as defined in this Chapter, provided that it is existing at the time the Eligible Facilities Modification Application is filed with the Development Services Department under this Chapter.

“Existing” shall mean a constructed tower or base station that has been reviewed and approved under applicable City zoning or permitting processes, or reviewed and approved under other state, county or local regulatory review processes.

“Guyed tower” is a wireless communications support structure, which consists of metal crossed strips or bars and is steadied by wire guys in a radial pattern around the tower.

“Lattice tower” is a wireless communications support structure, which consists of metal crossed strips or bars to support antennas and related equipment.

“Macrofacility” is an attached commercial wireless communications facility, which consists of antennas equal to or less than 15 feet in height or a parabolic antenna over one meter in height.

“Microfacility” is an attached commercial wireless communications facility which consists of antennas equal to or less than four feet in height and with an area of not more than 480 square inches in the aggregate (e.g., one-foot diameter parabola or two-foot by one-and-one-half-foot) as viewed from any one point. The permitted antenna height includes the wireless communications facility support structure.

“Monopole” means a vertical support structure consisting of a single vertical metal, concrete or wooden pole, typically round or square and driven into the ground or attached to a foundation.

“Related equipment” is all equipment ancillary to the transmission and reception of voice and data via radio frequencies. Such reception may include, but is not limited to, cable, conduit, and connectors.

“Site” shall mean, other than for towers in the public rights-of-way:

A. The current boundaries of the leased or owned property surrounding the tower and any access or utility easements currently related to the site;

B. The area for other eligible support structures further restricted to that area in proximity to the structure; and

C. Other transmission equipment already deployed on the ground.

“Substantial Change” shall mean a modification that substantially changes the physical dimensions of an eligible support structure if it meets any of the following criteria:

A. For towers not in the public rights-of-way, it increases the height of the tower by more than 10% or by more than 20 feet, whichever is greater;

B. For towers not in the public rights-of-way, it involves adding an appurtenance to the body of the tower that would protrude from the edge of the tower more than 20 feet, or more than the width of the tower structure at the level of the appurtenance, whichever is greater; for other eligible support structures, it involves adding an appurtenance to the body of the structure that would protrude from the edge of the structure by more than 6 feet;

C. For towers located within the public rights-of-way, it increases the height of the tower by more than 10% or by more than 10 feet, whichever is greater;

D. For towers located within the public rights-of-way, it involves adding an appurtenance to the body of the tower than would protrude from the edge of the tower more than 6 feet;

E. For any eligible support structure, it involves the installation of more than the standard number of new equipment cabinets for the technology involved, but not to exceed 4 cabinets; or, for towers in the public rights-of-way and base stations, it involves the installation of any new equipment cabinets with the structure, or else involves installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinet associated with the structure.

F. It entails any excavation or deployment outside of the current site;

G. It would defeat the concealment elements of the eligible support structure; or

H. It does not comply with the conditions associated with the permitting approval of the construction or modification of the eligible support structure or base station equipment, provided however that this limitation does not apply to any modification that is non-compliant only in a manner that would not exceed the thresholds identified in A thru G of this definition.

I. A determination of whether a proposed modification to an eligible support structure qualifies as a substantial change shall be based on the height and configuration of the eligible support structure at the time of this ordinance adoption, which is August 18, 2015, regardless of any modifications that may have taken place to the eligible support structure after August 18, 2015.

"Tower" means any structure built for the sole or primary purpose of supporting any FCC-licensed or authorized antennas and their associated facilities, including structures that are constructed for wireless communications services including, but not limited to, private, broadcast and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul and the associated site. The term includes "Guyed Tower," "Lattice tower," and "Monopole" as defined in this Chapter.

“Transmission Equipment” means equipment that facilitates transmission for any FCC-licensed or authorized wireless communication service, including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, and regular and backup power supply. The term includes equipment associated wireless communication services including, but not limited to, private, broadcast and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

“Transmission tower” is a freestanding structure, other than a building, on which communications devices are mounted. Transmission tower may serve either as a major or minor communications facility. Examples include, but are not limited to:

A. Monopoles;

B. Lattice towers; or

C. Guyed towers.

“Wireless communications facility” is an unstaffed facility for the transmission and reception of low- power (under 500 watts) radio signals consisting of an equipment shelter or cabinet, a support structure, antennas (e.g., omnidirectional, panel/directional or parabolic) and related equipment.

“Wireless communications support structure” is the structure erected to support wireless communications antennas and connecting appurtenances. Support structure types include, but are not limited to, stanchions, monopoles, lattice towers, wood poles or guyed towers. [Ord. 28-05 § 1.02].

23.62.030 Development standards for microfacilities.

A. Microfacilities are permitted in all zones.

B. The microfacility shall be located on existing buildings, poles or other existing support structures. They shall not be allowed on buildings which are designated as solely residential. The microfacility may locate on buildings and structures which contain mixed uses (e.g., residential and commercial or other uses located with residential uses); provided, that the interior wall or ceiling immediately adjacent to the facility is not designated residential space.

C. Antennas equal to or less than four feet in height and with an area of not more than 480 square inches in the aggregate (e.g., one-foot diameter parabola or two-foot by one-and-one-half-foot panel as viewed from any one point) are exempt from the height limitation of the zone in which they are located. Structures which are nonconforming with respect to height may be used for omnidirectional antennas, providing they do not extend more than four feet above the existing structure. Placement of an antenna on a nonconforming structure shall not be considered to be an expansion of the nonconforming structure.

D. The shelter or cabinet, if necessary, used to house radio electronic equipment shall be contained wholly within a building or structure, otherwise appropriately concealed, camouflaged or located underground.

E. In the suburban agricultural (SAG), single-family residential – 12,000 (R-1-12), single-family residential – 10,000 (R-1-10), medium-density residential (R-2) and medium-density residential small lot (R-2S) zones, microfacilities shall be separated from each other by a distance equal to or greater than 1,200 linear feet. [Ord. 28-05 § 1.02].

23.62.040 Development standards for macrofacilities.

A. Macrofacilities are permitted in all zones except suburban agricultural (SAG), single-family residential – 12,000 (R-1-12), single-family residential – 10,000 (R-1-10), medium-density residential (R-2) and medium-density residential small lot (R-2S) zones.

B. Macrofacilities shall not be allowed on buildings which are designated as solely residential. Macrofacilities may locate on buildings and structures which contain mixed uses (e.g., residential and commercial or other uses located with residential uses); provided, that the interior wall or ceiling immediately adjacent to the facility is not designated residential space.

C. The shelter or cabinet, if necessary, used to house radio electronics equipment shall be concealed, camouflaged or underground.

D. Macrofacilities shall comply with the height limitations specified for all zones except as follows: Omnidirectional antennas may exceed the height limitation by 15 feet, panel antennas may exceed the height limitation if affixed to the side of an existing building and architecturally blends in with the building. Structures which are nonconforming with respect to height may be used for omnidirectional antennas, providing they do not exceed 15 feet above the existing structure. Placement of an antenna on a nonconforming structure shall not be considered to be an expansion of the nonconforming structure. [Ord. 28-05 § 1.02].

23.62.050 Development standards for monopoles and lattice towers.

A. All monopoles and lattice towers exceeding 60 feet in height shall be designed to accommodate two or more wireless communications facilities.

B. Macrofacilities are the largest wireless communications facilities allowed on a monopole or lattice tower. Antennas not exceeding 15 feet in height which extend above the wireless communications support structure shall not be calculated as part of the height of the wireless communications support structure.

C. On monopoles, antennas and antenna arrays together with any associated antenna mount shall be designed utilizing the narrowest dimensions possible, and in no instance shall they extend further, as measured horizontally, from the centerline of the monopole than a distance of 15 feet.

D. On lattice towers, antennas and antenna arrays together with any associated mounts shall extend no further, as measured horizontally, than 15 feet from the portion of the lattice tower to which the antennas are mounted.

E. Co-location on an existing support structure shall be permitted.

F. The shelter or cabinet, if necessary, used to house radio electronics equipment and the associated cabling connecting the equipment or cabinet to the monopole or lattice tower shall be concealed, camouflaged or underground.

G. When a monopole or lattice tower is adjacent to a suburban agricultural (SAG) single-family residential – 12,000 (R-1-12), single-family residential – 10,000 (R-1-10), medium-density residential (R-2), medium-density residential small lot (R-2S) or multiple-family residential (R-3) zoning district, the wireless communications support structure must be set back a distance equal to twice the height of the wireless communications support structure from the nearest residential lot line.

H. All monopoles and lattice towers shall be lighted and painted, if necessary, in accordance with Federal Aviation Administration regulations. [Ord. 28-05 § 1.02].

23.62.060 Permitted zones for monopoles and lattice towers.

A. Monopoles up to 80 feet in height are considered a permitted use in the General Business (C-3), Business Research Park (B-RP), Medium Industrial (I-M), and Heavy Manufacturing (M-2) zoning districts. Monopoles up to 80 feet in height may be permitted in the Parks and Public Facilities (PPF), Business Commerce (B-C), Central Business District (CBD) and Retail Business (C-2) zoning districts subject to issuance of a special use permit as set forth in RMC 23.62.070.

B. Monopoles between 80 feet and 150 feet in height are considered a permitted use in the Business Research Park (B-RP), Medium Industrial (I-M), and Heavy Manufacturing (M-2) zoning districts. Monopoles between 80 feet and 150 feet in height may be permitted in the Parks and Public Facilities (PPF), General Business (C-3) and Business Commerce (B-C) zoning districts subject to issuance of a special use permit as set forth in RMC 23.62.070.

C. Monopoles over 150 feet in height may be permitted in the Business Research Park (B-RP), Medium Industrial (I-M) and Heavy Manufacturing (M-2) zoning districts subject to issuance of a special use permit as set forth in RMC

23.62.070.

D. Lattice towers up to 150 feet in height are considered a permitted use in the Medium Industrial (I-M) and Heavy Manufacturing (M-2) zoning districts.

E. Lattice towers over 150 feet in height may be permitted in the Medium Industrial (I-M) and Heavy Manufacturing (M-2) zoning districts subject to issuance of a special use permit as set forth in RMC 23.62.070. [Ord. 28-05 § 1.02; Ord. 32-11 § 18].

23.62.070 Special use permit criteria for monopoles and lattice towers.

Requests for special use permits shall be considered in accordance with the provisions of Chapter 23.46 RMC. In addition to the provisions of Chapter 23.46 RMC, the following specific criteria shall be met before a special use permit can be granted.

A. Visual Impact.

1. Antennas may not extend more than 15 feet above their supporting structure, monopole, lattice tower, building or other structure.

2. Site location and development shall preserve the pre-existing character of the surrounding buildings and land uses and zone district to the extent consistent with the function of the communications equipment. Wireless communications towers shall be integrated through location and design to blend in with the existing characteristics of the site to the extent practical. Existing on-site vegetation shall be preserved or improved, and disturbance of the existing topography shall be minimized, unless such disturbance would result in less visual impact of the site to the surrounding area.

3. Accessory equipment facilities used to house or contain wireless communications equipment should be located within buildings when possible. When they cannot be located in buildings, equipment shelters or cabinets shall be screened and landscaped.

4. All monopoles and lattice type facilities shall be screened with trees, shrubs and landscaping planted in sufficient depth to form an effective and actual sight barrier within five years. Said landscaping shall have a minimum mature height of eight feet.

B. Noise. No equipment shall be operated so as to produce noise in levels above 45 dBa as measured from the nearest property line on which the attached wireless communications facility is located.

C. Availability of Suitable Existing Towers or Other Structures. Applications for a special use permit shall reasonably demonstrate that alternatives such as lower structures that are permitted without special use permit or other existing support structures are not capable of accommodating the applicant’s needs. Evidence and information shall be submitted to establish the following:

1. Permitted shorter support structures are not of sufficient height to meet the applicant’s engineering requirements.

2. No existing support structures are located within the geographic area required to meet the applicant’s engineering requirements.

3. Existing support structures do not have sufficient structural strength to support the proposed antenna and related equipment.

4. The applicant’s antenna would cause electromagnetic interference with antennas on the existing support structures, or the antenna on the existing support structures would cause interference with the applicant’s proposed antenna.

5. The fees, costs, or contractual provisions required in order to share or adapt an existing support structure for sharing are unreasonable. Costs exceeding new tower development are presumed to be unreasonable.

6. The applicant demonstrates that there are other limiting factors that render existing towers and structures unsuitable. [Ord. 28-05 § 1.02].

23.62.080 Prohibited support structures.

Guyed towers are prohibited for use as a wireless communications facility support structure. [Ord. 28- 05 § 1.02].

23.62.090 Exemption.

The following is exempt from the requirement of a special use permit, and shall be considered a permitted use in all zones where wireless and attached wireless communications facilities are permitted: ~~minor~~ modifications of existing wireless communications and attached wireless communications facilities~~, whether emergency or routine, provided there is little or no change in visual appearance. Minor modifications are those modifications, including the addition of antennas, to conforming wireless and attached wireless communications facilities that meet the performance standards set forth in this chapter. [Ord. 28-05 § 1.02].~~ in conformance with the requirements of an Eligible Facilities Modification Request as required in Section 23.62.110 of this Chapter.

23.62.100 Obsolescence.

A wireless communications facility or attached wireless communications facility shall be removed by the facility owner within six months of the date if ceased to be operational or if the facility falls into disrepair. [Ord. 28-05 § 1.02].

23.62.110 Application Review and Approval of Eligible Facilities Modification Requests.

A. Application. The Development Services Department shall prepare and make publicly available an application form which shall be limited to the information necessary for the Development Services Department to consider whether an application is an Eligible Facilities Modification Request. The application may not require the applicant to demonstrate a need or business case for the proposed modification.

B. Type of Review. Upon receipt of an application for an Eligible Facilities Modification Request pursuant to this Chapter, the Development Services Department shall review such application to determine whether the application so qualifies.

C. Time Frame for Review. Within 60 days of the date on which an applicant submits application seeking approval under this Chapter, the Development Services Department shall approve the application unless it determines that the application is not covered by this Chapter.

D. Tolling of the Timeframe for Review. The 60 day review period begins to run when the application is filed with the Development Services Department, and may be tolled only by mutual agreement by the Development Services Department and the applicant, or in cases where the Development Services Department Manager determines that the application is incomplete. The timeframe for review is not tolled by a moratorium on the review of applications.

    1. To toll the timeframe for incompleteness, the City must provide a written notice to the applicant within 30 days of receipt of the application, specifically delineating all missing documents or information required in the application.

    2. The timeframe for review begins running again when the applicant makes a supplemental submission in response to the City's notice of incompleteness.

    3. Following a supplemental submission, the City will notify the applicant within 10 days that the supplemental submission did not provide the information identified in the original notice delineating missing information. The timeframe is tolled in the case of a second or subsequent notices pursuant to the procedures identified in the paragraph D of this Section.

Second or subsequent notices of incompleteness may not specify missing documents or information that were not delineated in the original notice of incompleteness.

E. Interaction with Section 332(c)(7). If the City determines that the applicant's request is not covered by Section 6409(a) as delineated under this Chapter, the presumptively reasonable timeframe under Section 332(c)(7), as prescribed by the FCC's Shot Clock order, will begin to run from the issuance of the City's decision that the application is not a covered request. To the extent such information is necessary, the City may request additional information from the limitations applicable to other Section 332(c)(7) reviews.

F. Failure to Act. In the event the City fails to approve or deny a request seeking approval under this Chapter within the timeframe for review (accounting for any tolling), the request shall be deemed approved. The deemed approval does not become effective until the applicant notifies the Development Services Department in writing after the review period has expired (accounting for any tolling) and that the application has been deemed approved.

G. Remedies. Applicants and the City may bring claims related to Section 6409(a) to any court of competent jurisdiction.

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 on this 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

Date Published: August 23, 2015

STAFF REPORT

TO: PLANNING COMMISSION
FILE NO.: Z2015-106

PREPARED BY: RICK SIMON
MEETING DATE: JUNE 24, 2015

GENERAL INFORMATION:

APPLICANT: CITY OF RICHLAND Z2015-106

REQUEST: TEXT AMENDMENTS TO CHAPTER 23.62 – WIRELESS COMMUNICATION FACILITIES

LOCATION: CITYWIDE

REASON FOR REQUEST:

Federal law concerning wireless communication facilities has been amended and mandates changes to the City's regulations.

FINDINGS AND CONCLUSIONS

Staff has completed its review of the proposed amendments to the city's wireless communication facilities regulations and submits that:

1. Chapter 23.62 of the RMC regulates the placement of wireless communication facilities and has been administered by the City without amendment since 2005;

2. Congress, through the adoption of Section 6409 of the Middle Class Tax Relief and Job Creation Act of 2012 created new requirements for local government concerning wireless communication facilities, which mandate that local government approve requests for modifications to existing wireless towers and base stations that do not substantially change the physical dimensions of such towers or base stations;

3. The City's existing code does not contain adequate provisions to implement the mandates of Section 6409;

4. The proposed amendments to RMC Chapter 23.62 would update the City's code to fully implement the requirements of the federal mandates as contained in Section 6409;

5. Based upon the above findings and conclusions, the adoption of the City's amendments to Chapter 23.62 of the Richland Municipal Code – Wireless Communication Facilities 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 (Z2015-106) and recommend to the City Council adoption of the proposed amendments to Chapter 23.62 of the Richland Municipal Code – Wireless Communication Facilities.

ATTACHMENTS

A. Supplemental Information
B. Draft Amendments to RMC Chapter 23.62.

ATTACHMENT A
(Z2015-106)

SUPPLEMENTAL INFORMATION

EXISTING CODE

The current City code classifies wireless communication facilities into three classes as follows:

Micro-facilities are antennas that are less than 4 feet in height or dishes that are less than one foot in diameter. They are attached to other structures and are permitted in all zoning districts within the City.

Macro-facilities are antennas that are less than 15 feet in height or dishes that are less than one meter in diameter. They are attached to other structures and are permitted everywhere except in residential districts.

Monopoles are vertical support structures designed to support antennas and/or dishes. They also include lattice towers. Monopoles are allowed as either permitted uses or allowed through the issuance of a special use permit depending upon their height and the zoning district that they would be located in. Monopoles are not permitted within residential districts but can be permitted in Parks and Public Facilities zoning up to 80 feet in height through a special use permit. The more intensive commercial and industrial zones allow for monopoles up to 150 feet in height. The code establishes standards for the treatment of equipment shelters, setbacks from residential properties and requires monopoles to provide for co-location of wireless equipment. Applicants for special use permits are required to demonstrate that there are no other suitable lower locations that would accommodate their needs.

FEDERAL MANDATES

The federal legislation mandates that local governments allow changes to existing towers and base stations that do not substantially change the physical dimensions of the tower or base station. Substantial change is defined in the legislation as modification that meets any of the following criteria:

- For towers outside public rights of way:
    - Increases height by more than 20 feet or 10 percent, whichever is greater;
    - Protrudes from edge of tower more than 20 feet or more than the width of the tower structure at the level of the appurtenance, whichever is greater;

- For towers in public rights of way and for all base stations:

    - Increases height of tower or base station by more than 10 percent or 10 feet, whichever is greater;
    - Protrudes from the edge of the structure more than 6 feet;

- Involves installation of more than the standard number of new equipment cabinets for the technology involved, but not to exceed four cabinets;

- Entails any excavation or deployment outside the current site of the tower or base station;

- Would defeat existing concealment elements of the tower or base station; or

- Does not comply with conditions associated with the prior approval of the tower or base station unless non-compliance is due to an increase in height, increase in width, addition of cabinets, or new excavation that does not exceed the corresponding “substantial change” thresholds.

Other requirements of the federal legislation mandate that local government determine if applications for tower modifications fit within the definition of substantial change in a timely manner. If a local government does not complete its determination within 60 days, then the application is deemed approved.

ANALYSIS

The attached draft amendments would implement the Section 6409 requirements by including a detailed definition of substantial change and by implementing a process for the review of requests for modification to existing wireless communication facilities. There are no other amendments proposed to the code other than those directly needed to implement the federal requirements.

SUMMARY

The proposed amendments to the City’s regulations pertaining to wireless communication facilities are necessary to comply with the federal mandates contained in Section 6409 of the Federal Middle Class Tax Relief and Job Creation Act of 2012.

MINUTES
PLANNING COMMISSION MEETING
City Hall – 550 Swift Boulevard – Council Chamber
WEDNESDAY, June 24, 2015
7:00 PM

Call to Order:

Chair Madsen called the meeting to order at 7:00 PM.

Attendance:

Present: Commissioners Berkowitz, Boring, Palmer, Wise, Vice-Chair Wallner and Chair Madsen. Commissioner Clark was excused. Also present were City Council Liaison Phil Lemley, Block Grant Coordinator Michelle Burden, Development Services Manager Rick Simon, and Recorder Pam Bykonen.

Approval of Agenda:

Chair Madsen presented the June 24, 2015 meeting agenda for approval.

The June 24, 2015 meeting agenda was approved as presented.

Approval of Minutes

Chair Madsen presented the meeting minutes of the May 27, 2015 meeting for approval.

Commissioner Berkowitz asked to amend the minutes to clarify the location of the pedestrian access across Stevens Drive at Snyder Avenue (page 2) and add Mr. Peters' comment made during his presentation of the Transportation Improvement Program regarding a road alignment study for Rachel Road in 2016.

A motion was made by Vice-Chair Wallner and seconded by Commissioner Berkowitz to approve the meeting minutes of the May 27, 2015 meeting as amended.

Motion to approve carried 6-0.

Public Comment

Chairman Madsen asked if any person in attendance would like to provide public comment on items not on the agenda. Seeing none, he closed this portion of the meeting.

PUBLIC HEARING

New Business

1. **2016 Community Development Block Grant (CDBG) Funding**

Ms. Burden introduced the Public Hearing for the 2016 CDBG funding process. Citizens are encouraged to give testimony regarding community needs that may benefit from CDBG funds.

Public Hearing opened at 7:07 p.m.

Ryan Washburn, Program Administrator, Elijah Family Homes: Stated that prior funding has helped provide stable housing and supportive services for low-income families in substance abuse recovery.

Public Hearing closed at 7:09 p.m.

2. **Zoning Code Amendments Regarding Modifications to Existing Wireless Communication Facilities (RMC 23.62)**

Mr. Simon reviewed the code amendment process and the proposed amendments to RMC 23.62, Wireless Communications Facilities, to align with new federal laws.

Public Hearing opened at 7:12 p.m.
Public Hearing closed at 7:12 p.m.

Discussion:
Boring – Requested clarification as to the application start time.
Berkowitz – Noted a typographical error on page 5, paragraph 3.

A motion was made by Commissioner Boring and seconded by Vice-Chair Wallner to approve the amendments to RMC 23.62, Wireless Communications Facilities.

Discussion: None.

Motion to approve carried 6-0.

<u>Communications:</u>

Mr. Simon
- Commissioners will review the 2016 CDBG funding applications at the July 8, 2015 workshop.

Councilman Lemley
- Noted that Colonel Mattis is scheduled to speak at CBC on June 28th.

Commissioner Wise

- Welcomed Kerwin Jensen as the new Director of Community Development.

Commissioner Palmer

- Noted that his employer hosted its 2nd annual Safety Day.

Commissioner Berkowitz

- Noted that the Ye Merrie Greenwood Renaissance Faire is scheduled for the upcoming weekend.

Chairman Madsen

- Noted that Cool Desert Nights is scheduled for the upcoming weekend.

ADJOURNMENT:

The June 24, 2015 Richland Planning Commission Regular Meeting was adjourned at 7:21PM.

PREPARED BY: Pam Bykonen, Recorder, Planning and Development

REVIEWED BY: ____

Rick Simon, Secretary
Richland Planning Commission

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Ordinances - Second Reading/Passage

Key Element: Key 3 - Economic Vitality

Subject:

Ordinance No. 45-15, Amending the Zoning Classification on 18.7 Acres from C-3 to C-LB for Property Located at SR 240 and Kingsgate Way (Coastal Community Bank - Applicant (Closed Record))

Department:	Ordinance/Resolution Number:	Document Type:
Community & Development Services	45-15	Ordinance

Recommended Motion:

Give second reading and pass Ordinance No. 45-15, amending the Zoning Classification on 18.7 Acres from C-3 to C-LB for Property Located at SR 240 and Kingsgate Way.

Summary:

Coastal Community Bank, the owner of property located at the northwest corner of the intersection of State Route 240 and Kingsgate Way, has applied to change the zoning on its 18.7 acre property from C-3 General Business to C-LB Commercial Limited Business. The intent of the request would be to allow for the development of the property with multi-family uses as the current C-3 zone does not provide for such use.

The Richland Hearing Examiner conducted a public hearing on June 25, 2015, to consider this application. The Hearing Examiner's written recommendation for approval of the application, along with the report that staff prepared for the examiner, are attached. A draft ordinance that would implement the requested zoning change has also been prepared for Council consideration and approval.

Fiscal Impact:

There is no fiscal impact to the City associated with this rezone.

Attachments:

1. Ordinance No. 45-15
2. Hearing Examiner's Recommendation
3. Staff Report to Hearing Examiner

WHEN RECORDED RETURN TO:

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

ORDINANCE NO. 45-15

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. 55 so as to change the zoning on 18.7 acres from General Business (C-3) to Commercial Limited Business (C-LB); said property is located at the northwest corner of the intersection of SR 240 and Kingsgate Way [Coastal Community Bank].

WHEREAS, on June 25, 2015, 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 June 25, 2015 public hearing, the Richland Hearing Examiner issued a written decision recommending approval of the requested rezone On July 17, 2015; and

WHEREAS, the Richland City Council has considered the record created at the June 25, 2015 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 Commercial Limited Business (C-LB) when consideration is given to the interest of the general public.

Section 2. Said property is more particularly described as follows:

That portion of the southwest Quarter of Section 21 and that portion of the Northwest Quarter of Section 28, all in Township 10 North, Range 28 East, W.M., Benton County, Washington, described as follows:

Commencing at the Northeast corner of Section 28 monumented by a found scribed “X” on a stone in a concrete box;
Thence South 68^{0}10’57” West 3,278.94 feet to a point on the West right of way of a city street known as Kingsgate Way and the Northeast corner of Tract G as shown on record Survey No. 1-2515, records of said County, said point being the True Point of Beginning. Said point of beginning lies at the beginning of a curve to the left, the radius point of which bears North 57^{0} 57’05” West 1,460.00 feet;
Thence Northerly along said curve and said right of way 894.43 feet;
Thence North 89^{0} 21’36” West 175.26 feet;
Thence North 54^{0} 53’48” West 1,029.12 feet;
Thence South 35^{0} 06’12” West to the North right of way of State Highway 240 a distance of 800.00 feet;
Thence South 54^{0} 53’48” East along said right of way 954.00 feet;
Thence North 04^{0} 34’08” West 97.44 feet;
Thence South 54^{0} 53’48” East 591.70 feet to the said True Point of Beginning;
EXCEPTING THEREFROM Lots 1, 2 & 3, Block 8 of Binding Site Plan No. 2056 recorded under Auditor’s File No. 95-18807.

Containing 18.7 acres, more or less.

Such land is rezoned from General Business (C-3) to Commercial Limited Business (C-LB).

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. 55 which is one of a series of maps constituting said Official Zoning Map, as shown on the attached Sectional Map No. 55 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. 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. 55, duly certified by the Clerk as a true copy.

Section 5. 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 18th day of August, 2015.

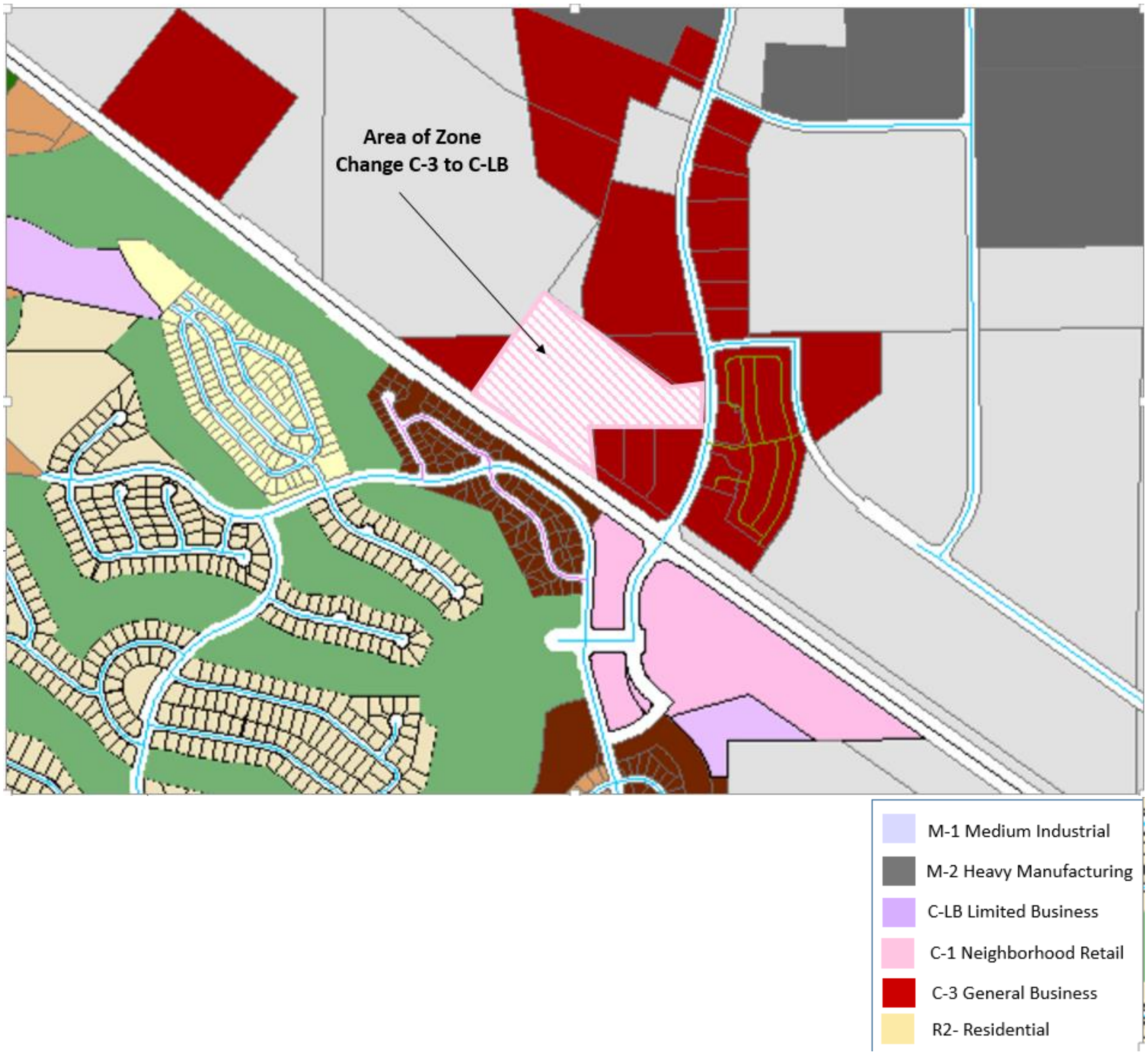
DAVID W. ROSE
Mayor

ATTEST: APPROVED AS TO FORM:

MARCIA HOPKINS
City Clerk

HEATHER KINTZLEY
City Attorney

Date Published: August 23, 2015


Area of Zone
Change C-3 to C-LB
M-1 Medium Industrial
M-2 Heavy Manufacturing
C-LB Limited Business
C-1 Neighborhood Retail
C-3 General Business
R2- Residential

Before Hearing Examiner
Gary N. McLean

BEFORE THE HEARING EXAMINER
FOR THE CITY OF RICHLAND

Regarding the Application to ***Rezone*** a an 18.7 acre site generally located in the northwest corner of the Kingsgate Avenue and SR 240 intersection from C-3 (General Business) to C-LB (Commercial Limited Business), submitted by the property owner **Coastal Community Bank**, Applicant,	**File No. Z2015-105** **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 Commercial under the City's Comprehensive Plan, and the applicant is only seeking a change from one type of Commercial zone to another. The applicant has indicated that it (or a purchaser) would like to move forward with a multi-family housing development on the site, but current C-3 zoning does not permit such use. While the C-LB zone expressly permits apartment/condominium uses, the building setback and height requirements are more restrictive than those applied in the C-3 zone. 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.

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). Here, the applicants are not proposing a specific development project, but any future site development activities will include a full review of potential transportation system impacts.

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 required[1]; 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).

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[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).

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 C-3 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 June 25, 2015:

1. Rick Simon, Development Services Manager for the City of Richland;

2. Derrick Smith, Development Consultant with the MacKay Sposito firm, appeared for the applicant, Coastal Community Bank; and

3. Scott Lybbert, introduced himself as a potential developer for the site.

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. Commercial Zoning Regulations, Chapter 18.22 of the Richland Municipal Code.

3. Site photos.

4. Public Notices.

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

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

V. FINDINGS OF FACT.

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

Application, Public Notice, and Review

1. On or about April 16, 2015, the owner of the subject-property, Coastal Community Bank, of Everett, Washington, submitted an application seeking to rezone its property located along Kingsgate Way/SR 240, Parcel No. 128082000007000, in the City of Richland, Washington, from one Commercial zoning designation to another – specifically from C-3 (General Business) to C-LB (Commercial Limited Business). *Exhibit 1.*

2. Scott Lybbert's email address appears on the application as a contact point for the applicant. The application includes the following notation as "Justification" for the requested rezone: *"Seek to develop the property for multi-family housing." (Ex. 1).*

3. Following receipt, City staff complied with all applicable public notice requirements for the rezone application and the public hearing held for the matter. *Staff Report, Pages 5, 6, and Exhibit 4, copies of various public notices published and mailed.*

4. Because staff deemed the application to be consistent with the City's Comprehensive Plan, which already designates the rezone site as "Commercial", and the City's plan was analyzed in an environmental impact 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, pages 6 and 7.*

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

Site location, transportation concurrency.

6. The rezone site is currently vacant, undeveloped land fronting SR 240 to the south, and connecting with Kingsgate Way to the east. Access will only come from Kingsgate Way, as the state will not permit access onto SR 240, a state highway. Staff determined that adequate capacity exists in the local street network to accommodate development of the parcel that is subject to the current application as well as adjacent vacant parcels. In fact, the city has already secured funding to signalize (add red-lights, or similar devices to) the intersection of SR 240 and Kingsgate Way, but it is awaiting approval by WSDOT until such time as warrants (i.e. traffic volumes) are high enough to justify installation of traffic signals. *Staff Report, page 6.*

Summary of Public Hearing.

7. At the public hearing, Mr. Simon made a brief presentation regarding the application, the site, and his recommendation, as explained in the Staff Report. He noted that the rezone site would be one of very few large sites in the vicinity available for multi-family residential uses, and that many acres of adjacent property remain zoned C-3 and sit undeveloped. He observed that there were several employment facilities north of the site and that the RV Park across Kingsgate from the rezone site is used by some contractors and workers in the area, presumably reflecting a demand for residential options in the vicinity.

8. The applicant's representative, Mr. Smith, expressed his agreement with the Staff Report, and raised no objections to its content. Mr. Smith thanked the city's staff for their work reviewing the application.

9. Mr. Lybbert introduced himself as a potential developer for the site. He indicated that he presently has the site and a neighboring parcel of land under contract, for future development, pending rezone approval and several other factors. On questioning from the Examiner, Mr. Lybbert described his vision for the site, looking into the next 5 to 7 years. He expressed an interest in a building a convenience store or similar facility to serve the neighboring RV park and the increased truck traffic using nearby roads (perhaps on the neighboring parcel, which is not a part of this rezone), and a quality residential apartment project, most likely four-plexes, on the parcel that is the subject of the pending rezone

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application. Mr. Lybbert explained that he believed there is an unmet demand for multi-family residences in the vicinity, noting it would be attractive to employees working in nearby offices and recently opened commercial/job sites, as well as retirees or others looking to downsize, simplify, and enjoy amenities that the new development could provide.

Site Plan Review required for any future multi-family development on the site.

10. In a C-LB zone, "Site Plan Review" (which entails another public hearing process before an Examiner) would be required for any multi-family project seeking to development 20 or more units. RMC 23.48.020(B). As noted in the city's code, the purpose of the site plan approval process is to facilitate project design that is compatible with adjacent land uses and is in keeping with the physical constraints of the project site. The site plan review is not intended to determine whether a particular land use activity is appropriate on a particular site. Land uses that are otherwise permitted shall not be denied through the site plan review process unless such uses cannot meet the development and/or performance standards required for the use. RMC 23.48.010. Current site plan review requirements and potential conditions of approval are addressed in RMC 23.48.030 and .040.

Site visit.

11. On the day of the hearing, the Examiner visited the site of the proposed rezone, and drove along public streets leading to and from the location. Newer or expanded job-locations, including industrial and research centers, are found to the north and northeast, accessible using Kingsgate and connecting streets. The rezone site appears readily available for development purposes, with no apparent or unusual physical challenges. The Hanford Legacy Park (Richland Babe Ruth Complex) of ball fields is located to the west of the rezone site, where a large public information sign is located to provide information from the Benton County Emergency Management office regarding the site's location within ten miles of the Energy Northwest Nuclear Project, notification methods in the event of an emergency, and how to obtain more information. The property owners are on notice that future development should involve consultation with city staff and local emergency management officials to develop appropriate plans and notification measures for future tenants, occupants or customers.

Public services and utilities are adequate and readily available to serve the site.

12. As part of the review process, City staff confirms that adequate utilities, including without limitation water, power, and sewer, are in place and/or readily available to serve the parcel that is at issue in this matter. *Staff Report, page 6.*

Surrounding uses and zones.

13. As noted elsewhere, the parcel at issue in this rezone borders upon the ball fields called "Hanford Legacy Park" to the west, with the Horn Rapids RV Park located across Kingsgate Way to the east. Properties immediately north and south along Kingsgate are zoned Commercial, and sit vacant and undeveloped. The Horn Rapids Golf Course Community is located to the south, though it is well separated by, and across from, SR 240. There are no C-LB zoned properties along the Kingsgate Way corridor moving north of SR 240. In the event a C-LB permitted use is placed on the site, it would be the applicant's burden to ensure that suitable design features, buffering, and other factors are considered to ensure ongoing compatibility with future development that is permitted on neighboring C-3 properties. If the site is developed with a multi-family residential project, it would have to satisfy all requirements and conditions for Site Plan Approval, found in RMC 23.48, as discussed above.

Consistency with City Codes and Comprehensive Plan.

14. The application is consistent with existing city codes, particularly RMC 23.22.010(A)(re: purpose of C-LB zone), as well as the City's Comprehensive Plan, which already designates the site as suitable for Commercial land uses. *Staff Report, page 3.*

15. Based on the record, particularly the various Commercial zoning district classifications available for properties in the area of the rezone, the Examiner finds and concludes that the requested rezone from C-3 to C-LB is not totally different from or inconsistent with existing land uses located on or zoning designations assigned to surrounding properties in the area.

16. Standing alone, the requested rezone conforms to the Comprehensive Plan, because the plan already identifies the property as "Commercial". The City's zoning code includes multiple varieties of Commercial Zoning Districts available for "some portions of the City that are designated Commercial" in the City's Comprehensive Plan. See RMC Chapter 23.22. The pending rezone would simply change the zoning classification from one type

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of Commercial zoning to another, permitting certain uses not allowed in the existing zone, but limiting site development with more stringent setbacks and reduced building heights. *Staff Report, page 5.*

General findings.

17. The requested rezone bears a substantial relationship to the public health, safety, and general welfare. It expands the list of permitted uses in the immediate area to include a residential housing option, which appears to be in demand given recent industrial and research jobsites developed nearby.

18. The requested rezone is appropriate in the context of adjacent properties, particularly evidence that shows an increased demand for multi-family residential uses in the vicinity, which may be greater than anticipated when the C-3 zone was initially adopted for the site.

19. The Development Services Manager's Staff Report includes a number of specific findings and explanations that establish how the underlying application satisfies provisions 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. Any factual matters set forth in the foregoing or following sections of this Recommendation are hereby adopted by the Hearing Examiner as findings of fact, and incorporated into this section as such.

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, including without limitation Nos. 4, 7, 9, 11, 12, 13, 14, 15, 16, and 19.*

2. The applicant has met its burden to demonstrate that the requested rezone bears a substantial relationship to the public health, safety, or welfare. *Findings, including without limitation Nos. 4, 7, 9, 11, 12, 13, 14, 15, 16, 17, 18 and 19.*

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CITY HALL – 505 SWIFT BOULEVARD
RICHLAND, WASHINGTON 99352

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 such as fire, to accommodate additional development such as that envisioned for the rezone site. The rezoned property can provide for an appropriate level of commercial 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 promote commercial growth and expand the city's tax base.

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 C-3 zoning was adopted for the site, with new and expanded job sites located to the north and east, served by limited multi-family housing opportunities, which would be permitted with the requested C-LB zoning.

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.

8. As required by RMC 19.50.010(C), the record includes staff assurances that the transportation system is sufficient to accommodate the type of development envisioned with the proposed rezone, and subsequent development application(s) will include a determination if any specific improvements to such system are needed/triggered by such proposals.

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

10. Approval of this rezone will not and does not constitute, nor does it imply any 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.

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

VII. RECOMMENDATION.

Based upon the preceding Findings and Conclusions, the Hearing Examiner recommends that Coastal Community Bank's application to rezone its 18.7-acre site located at Kingsgate Way and SR 240 from C-3 to C-LB, should be **APPROVED.**

ISSUED this 17th Day of July, 2015

Gary N. McLean
Hearing Examiner

CITY OF RICHLAND DEVELOPMENT SERVICES DIVISION
STAFF REPORT TO THE HEARING EXAMINER

GENERAL INFORMATION:

PROPOSAL NAME:	Coastal Community Bank Rezone
LOCATION:	Kingsgate Avenue and SR 240
APPLICANT:	Coastal Community Bank
FILE NO.:	Z2015-105
DESCRIPTION:	Request to change zoning on 18.7 acres from C-3 General Business to C-LB Commercial Limited Business
PROJECT TYPE:	Type 3 Site-specific rezone
HEARING DATE:	June 25, 2015
REPORT BY:	Rick Simon, Development Services Manager
RECOMMENDED ACTION:	Approval

Figure 1 - Vicinity Map (site outlined in red)

DESCRIPTION OF PROPOSAL

The applicant, Coastal Community Bank, owns the subject property, and has filed a rezone request to change the zoning on an 18.7 acre site from C-3 General Commercial to C-LB Commercial Limited Business. The applicants have not provided plans identifying their proposed use of the property but have indicated their intent is to pursue a multi-family housing project on the site.

SITE DESCRIPTION & ADJACENT LAND USES

The site is undeveloped. As with much of the surrounding area, the natural topography is gently sloping. However, much of the property has been re-graded and is generally level. During the grading process, the native vegetation was largely removed and ground cover consisting of native grasses and weeds has partially been reestablished.

The adjacent property to the west has been developed as a baseball park and includes four baseball diamonds called Hanford Legacy Park. Property to the east across Kingsgate Way has been developed with the Horn Rapids RV Park. Three existing commercial properties that generally lie east of and south of the subject site are vacant, as are properties to the north. Property to the south across SR 240 is developed with the Horn Rapids Golf Course Community.

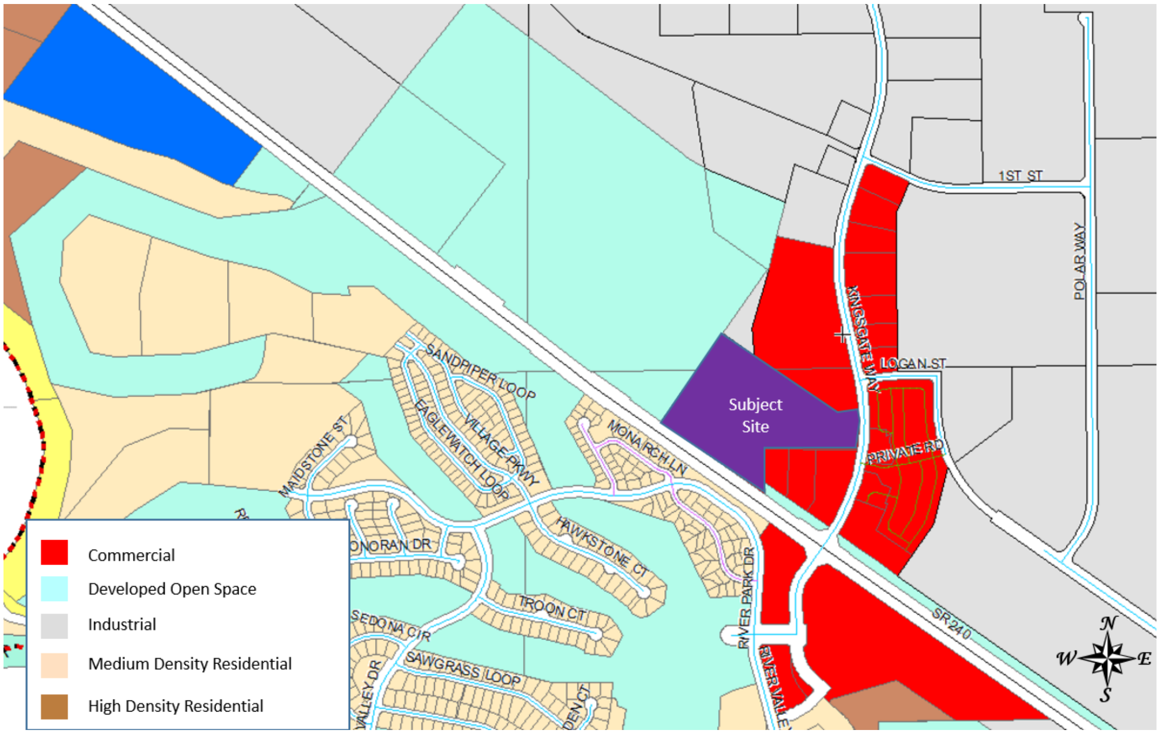


Figure 2 – Comprehensive Plan Map

<u>COMPREHENSIVE PLAN</u>

The City's comprehensive plan designates the site as suitable for commercial land uses. Generally properties north of State Route 240 are designated for industrial purposes except that the corridor along Kingsgate Way has been identified as suitable for future commercial development. The subject parcel is a part of this corridor. The land use goals and policies contained within the comprehensive plan generally speak to the promotion of commercial growth and revitalization but do not address any preferences for the specific types of commercial development that should be encouraged within specific locations.

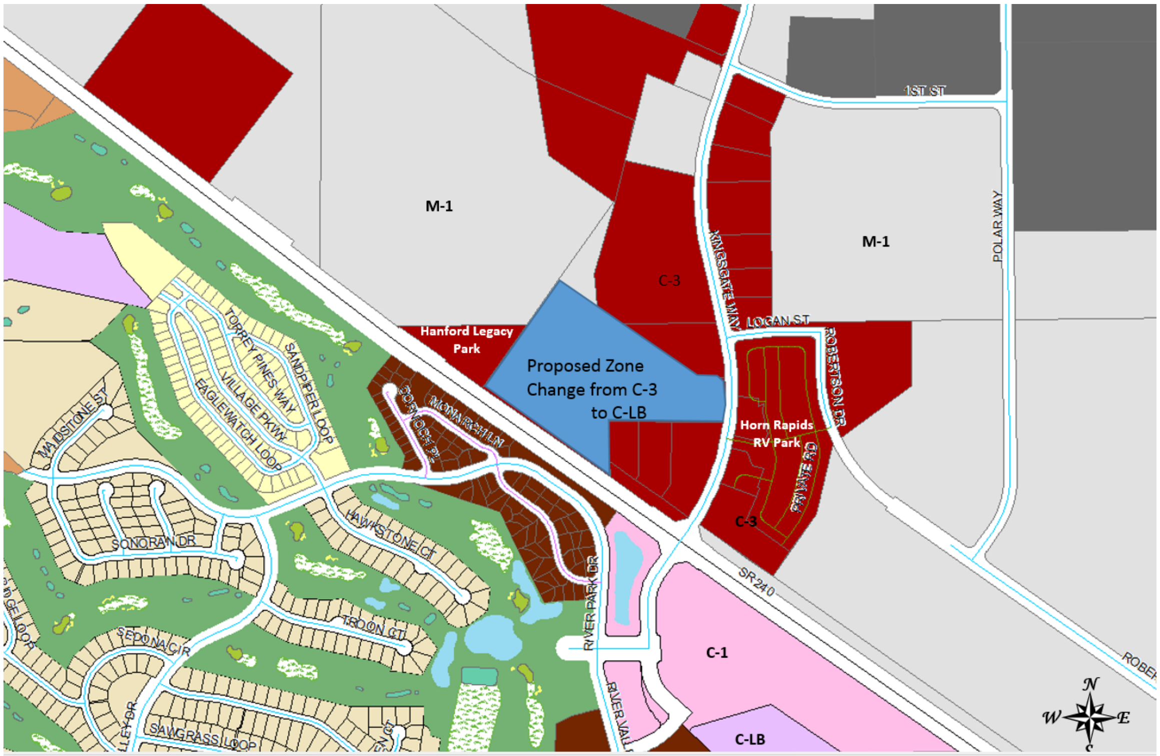


Figure 3 – Zoning Map

EXISTING ZONING

Properties in the vicinity of the project site are zoned for a variety of land uses. Lands immediately south, east and north of the site and are zoned C-3 General Business. Properties to the northwest are zoned M-1 Medium Industrial.

The stated purposes of the C-3 and C-LB zones (as set forth in RMC 23.22.010) are as follows:

> *The general business use district (C-3) is a zone classification providing a use district for commercial establishments which require a retail contact with the public together with incidental shop work, storage and warehousing, or light manufacturing and extensive outdoor storage and display, and those retail businesses satisfying the essential permitted use criteria of the C-2 use district. This zoning classification is intended to be applied to some portions of the city that are designated commercial under the city of Richland comprehensive plan.*

> *The limited business use district (C-LB) is a zone classification designed to provide an area for the location of buildings for professional and business offices, motels, hotels, and their associated accessory uses, and other compatible uses serving as an administrative district for the enhancement of the central business districts, with regulations to afford protection for developments in this and adjacent districts and in certain instances to provide a buffer zone between residential areas and other commercial and industrial districts. This zoning classification is intended to be applied to some portions of the city that are designated either commercial or high-density residential under the city of Richland comprehensive plan.*

There are some differences in the dimensional requirements associated with the existing and proposed zone, as shown in the following table:

Zoning	**Proposed C-LB**	**Existing C-3**
STANDARD	**REQUIRED/ALLOWED**	**REQUIRED/ALLOWED**
Min. Lot Area	None	None
Max. Lot Coverage	None	None
Building Setbacks		
Front	20 ft.	0 ft.
Side(s)	0 ft.*	0 ft.
Rear	0 ft.*	0 ft.
Building Height	55 ft.	80 ft.

***No setbacks required unless adjacent to residential zone

Table 1 – Comparison of R-2 & C-3 Dimensional Standards

Specific uses permitted in the C-3 and C-LB zones are identified in Exhibit 2. The fundamental difference between the two zoning districts is that the C-3 zone permits a wide variety of retail and even light industrial land uses but does not permit multi-family housing, while the C-LB zone permits multi-family housing and office uses and only very limited retail uses.

PUBLIC NOTICE

Application Date:	April 17, 2015
Notice of Application & Hearing Mailed:	June 5, 2015
Notice of Application & Hearing Published:	May 31, 2015

Notice of Application & Hearing Posted: June 8, 2015
Public Hearing: June 25, 2015

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 adjacent to the site along Kingsgate Way. An 8 inch water main is also located in the access road that borders the site on the north. Electrical power lines are also located along the Kingsgate Way right-of-way and along the southerly boundary of the site adjacent to SR 240.

TRANSPORTATION

Kingsgate Way is classified as a minor arterial in the City's Transportation Plan and would provide access to the site. State Route 240, which borders the site along its southerly boundary is a state highway. Direct access onto the highway would not be permitted by the state. An access road which extends along the northern boundary of the site from Kingsgate Way to the Hanford Legacy Park could also serve as access to the site.

The City's transportation plan calls for the signalization of the Kingsgate Way/SR 240 intersection. The City has already secured funding for this improvement, but is awaiting approval from the Washington State Department of Transportation until warrants are met to justify the signalization of the intersection.

Adequate capacity exists in the local street network to accommodate development of the subject property as well as the adjacent vacant properties. Specific

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 commercial under the comprehensive plan. The City zoning code includes several commercial zones which would be consistent with a commercial comprehensive plan designation including both the existing C-3 zone and the proposed C-LB zone. The owner desires to develop the property and believes that the current market would better support multi-family development, rather than retail development.

In fact, in the immediate vicinity, there are approximately 32 acres of undeveloped C-3 zoned properties that front along Kingsgate Way and an additional 24 acres of C-3 property that would take access from but do not have direct frontage onto Kingsgate Way. There are no C-LB zoned properties along the Kingsgate Way corridor; although there are approximately 21 acres of undeveloped C-LB zoned property located south of SR 240 within the Horn Rapid Golf Course Community.

The majority of properties that are close to the subject property are currently undeveloped. The Hanford Legacy Park is the existing use that is closest to the site and would be generally compatible with multi-family development. The other existing use in the general vicinity is the Horn Rapids RV Park, which also could be compatible with multi-family development. Other vacant lands that are adjacent to the subject property are zoned either C-3 or M-I Medium Industrial. Future uses on those properties may not be as compatible with multi-family development.

As the applicants would be introducing multi-family development into the area where only commercial and light industrial uses are presently allowed, the responsibility for providing a suitable buffer between the residential development and the adjoining future commercial or light industrial developments should rest with the residential developer. The City requires a site plan approval process for any multi-family development (RMC 23.48) of 20 or more units within the C-LB zone, so the City can ensure that appropriate buffers are provided between future residential and non-residential developments.

City water and sewer mains are located adjacent to the site and have adequate capacity to serve future development. Likewise, the local street system has capacity to accommodate additional traffic that would be generated from future development.

FINDINGS AND CONCLUSIONS

Staff has completed its review of the request for a change in zoning (Z2015-105) and recommends approval of the request based on the following:

1. The City of Richland Comprehensive Plan designates the subject site as suitable for commercial land uses;

2. The site is immediately adjacent to Kingsgate Way, a minor arterial street and is also adjacent to State Route 240 along its southerly border;

3. Commercial development of the site, whether zoned C-3 General Commercial or C-LB Limited Business is consistent with the intent of the comprehensive plan;

4. City water and sewer mains are in close proximity to the site and have adequate capacity to serve future development of the site;

5. The local street system that serves the project site has capacity to support the future development of the site;

6. The subject property is immediately adjacent to Hanford Legacy Park and to the Horn Rapids RV park, two land uses that could be compatible with multi-family residential development;

7. The rezone would slightly decrease the supply of C-3 zoned land in the vicinity but even with the rezone, there would still be approximately 56 acres of undeveloped C-3 zoned land along the Kingsgate Way corridor;

8. The proposed rezone could result in the first development of multi-family residential development in an area that is presently zoned for retail and light industrial land uses;

9. If the rezone request is approved, specific development plans for any multi-family development proposal of 20 or more dwellings would be reviewed through a public site plan review process;

10. The site plan process would provide the City with the opportunity to ensure that adequate buffers would be provided between future residential and commercial development;

11. The project is exempt from the provisions of the State Environmental Policy Act, as identified in WAC 197-11-800(6) (c); and

12. 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. Commercial Zoning – Chapter 18.22 of the Richland Municipal Code
3. Site Photos
4. Public Notices

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Ordinances - Second Reading/Passage

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:

Ordinance No. 46-15, Adding a New Section to RMC Title 24 Plats & Subdivisions, Providing for the Vacation of a Binding Site Plan

Department:	Ordinance/Resolution Number:	Document Type:
Community & Development Services	46-15	Ordinance

Recommended Motion:

Give second reading and pass Ordinance No. 46-15, amending RMC Title 24 to add a provision for the vacation of a binding site plan.

Summary:

City staff recently determined that the City's code related to binding site plans is missing a provision required by state law. RCW 58.17.035 provides that when a city adopts an ordinance allowing for the division of land by way of a binding site plan, the ordinance must contain a process for the alteration or vacation of the binding site plan. This provision is currently lacking from RMC 24.14.

Proposed Ordinance 46-15 will rectify the discrepancy by including a provision for amending and/or vacating a binding site plan. The Planning Commission held a public hearing to consider this issue at their regular meeting on July 22, 2015 and recommend approval of the changes contained in proposed Ordinance 46-15.

Staff recommends adoption of proposed Ordinance 46-15.

Fiscal Impact:

The proposed code change is not anticipated to have direct fiscal impacts to the City.

Attachments:

1. Ordinance No. 46-15
2. Staff Report to Planning Commission
3. Planning Commission Minutes

ORDINANCE NO. 46-15

AN ORDINANCE of the City of Richland amending Richland Municipal Code Title 24: Plats and Subdivisions, providing a procedure for the rescission of a binding site plan.

WHEREAS, RCW 58.17.035 authorizes cities to establish procedures for binding site plans as an alternative method of land division for commercial or industrial properties; and

WHEREAS, the City of Richland adopted Richland Municipal Code (RMC) Chapter 24.14 which establishes standards and procedures for binding site plans; and

WHEREAS, the RMC does not include specific provisions that identify a process for the rescission of a binding site plan.

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

Section 1. A new section, entitled Rescission, is hereby created and codified as RMC 24.14.110, and shall read as follows:

Chapter 24.14
BINDING SITE PLAN PROCEDURE

Sections:

24.14.110 Rescission.

A. The city may rescind, vacate or modify all or a portion of a general or final binding site plan upon the request of the owner or owners of a legal lot or lots subject to a recorded binding site plan provided that any portion of a binding site plan which is rescinded, vacated or modified shall be considered to be configured as it was immediately prior to the time that the binding site plan was recorded.

B. Signatures of all the owners of those portions of a binding site plan which are proposed to be altered by an amendment, rescission or vacation are required on the application for rescission, vacation or modification.

C. The process for rescinding, modifying or vacating a binding site plan shall be accomplished by following the same procedure and satisfying the same laws and conditions as required for a new binding site plan for small properties as set forth in Section 24.14.070 and shall further be found by the city to further the public interest and not cause a significant environmental or land use impact on or beyond the site.

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 on this 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

Date Published: August 23, 2015

STAFF REPORT

TO: PLANNING COMMISSION | PREPARED BY: RICK SIMON
FILE NO.: Z2015-107 | MEETING DATE: JULY 22, 2015

GENERAL INFORMATION:

APPLICANT: CITY OF RICHLAND Z2015-107

REQUEST: TEXT AMENDMENTS TO CHAPTER 24.14 – BINDING SITE PLAN, ADDING A PROVISION AUTHORIZING THE RECISSION OF A BINDING SITE PLAN.

LOCATION: CITYWIDE

REASON FOR REQUEST:

Recently, an applicant who had used the City's binding site plan process had a need to vacate a binding site plan after it had been recorded and discovered that there is no process set forth in City code to authorize a vacation. Staff has proposed adding a new section 24.14.110 to provide for the rescission of a recorded binding site plan.

FINDINGS AND CONCLUSIONS
Staff has completed its review of the proposed amendments to the city's wireless communication facilities regulations and submits that:

1. Chapter 24.14 of the RMC regulates the division of property through a binding site plan, which is an alternative process to the division of land for commercial and industrial properties;

2. State law, through RCW 58.17.035 authorizes cities to establish binding site plans as an alternative method of land division and requires that provisions be put in place for the vacation of binding site plans;

3. The City's existing code does not contain currently contain provisions for the vacation of a binding site plan;

4. The proposed amendments to RMC Chapter 24.14, through the adoption of a new section 24.14.110 would provide the City with a means of vacating a binding site plan through an administrative process;

5. Based upon the above findings and conclusions, the adoption of a new section to the RMC – Section 24.14.110 providing for the vacation of a binding site plan 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 (Z2015-107) and recommend to the City Council adoption of the proposed new section to the Richland Municipal Code – RMC 24.14.110 – Rescission.

ATTACHMENTS

A. Supplemental Information
B. RMC Chapter 24.14

ATTACHMENT A
(Z2015-107)

SUPPLEMENTAL INFORMATION

CURRENT SITUATION

The City has a long established practice of dealing with binding site plans that involves a two-step process. The first step involves the recording of a “general binding site plan” A general binding site plan is created following approval by the City through a public hearing process. The general binding site plan identifies the boundaries of the land included in the binding site plan and establishes the configuration of future streets and utility corridors. Often, the general binding site plan shows proposed lot boundaries, but the lots are not actually created by the general binding site plan. Much of the time, the size and configuration of commercial lots are dictated by the specific user. So, lots are not created until a specific buyer can reach agreement with the developer on a specific parcel configuration. Then the developer would record a “specific binding site plan”. The specific binding site plan would identify the dimensions of the particular lot or lots that it is creating; would identify any needed utility and access easements and would specify any conditions that the City requires as a pre-condition of development of the particular lot(s).

The City’s current binding site plan ordinance does not clearly identify the distinctions between general and specific binding site plans, so some re-write of the regulations is needed. Staff plans to address this issue later this year. However, an immediate need for code revision has been identified with the recording of the Veneto Villaggio Binding Site Plan in the Badger Mountain South master planned community. In 2014, the Planning Commission approved this binding site plan application to create a total of 40 commercial lots. A general binding site plan recorded last fall showed the potential configuration of all 40 lots. However, a mistake was made in that the document was not specifically labeled as a “General Binding Site Plan”. The result is that the Benton County Assessor is now considering those lots as legal lots of record and will value the property accordingly for purposes of property tax collection. It was neither the applicant’s nor the City’s intention to create these lots. The applicant therefore is seeking to vacate or rescind the binding site plan. The City code, as it currently exists makes no provision for the vacation of an existing binding site plan.

Beyond the applicant’s need to limit the tax burden for the lots included in this binding site plan, the City also has reason to seek resolution to this situation. As it was intended to only be a general binding site plan, the Veneto Villaggio binding site plan did not include the survey of lot corners, nor did it identify easements needed for the future extension of City utilities. The result is that lots of record have been created without surveys and without necessary easements.

STATE AUTHORITY

State law provides for binding site plans as an alternative method of land division to the subdivision process. RCW 58.17.035 in pertinent part states:

A city, town, or county may adopt by ordinance procedures for the divisions of land by use of a binding site plan as an alternative to the procedures required by this chapter. The ordinance shall be limited and only apply to one or more of the following: (1) The use of a binding site plan to divisions for sale or lease of commercially or industrially zoned property as provided in RCW 58.17.040(4); (2) divisions of property for lease as provided for in RCW 58.17.040(5); and (3) divisions of property as provided for in RCW 58.17.040(7). Such ordinance may apply the same or different requirements and procedures to each of the three types of divisions and shall provide for the alteration or vacation of the binding site plan, and may provide for the administrative approval of the binding site plan.

State law requires that a binding site plan ordinance provide for the vacation of a binding site plan, but it does not provide any specific guidance into how a binding site plan is to be vacated, leaving the City with flexibility to determine the best process for considering vacations.

State law, through RCW 58.17.212, provides more specific guidance as to how a subdivision is to be vacated, calling for the signatures of all parties having an ownership interest in the portion of the subdivision that is subject to the proposed vacation. It also requires a public hearing before the legislative body.

PROPOSED CODE AMENDMENT

Staff has drafted the following language to be added to the City code:

24.14.110 Rescission

A. The city may rescind all or a portion of a general or final binding site plan upon the request of the owner or owners of a legal lot or lots subject to a recorded binding site plan; provided, that any portion of a binding site plan which is rescinded shall be considered to be configured as it was immediately prior to the time that the binding site plan was recorded.

B. Signatures of the owners of those portions of a binding site plan which are not proposed to be altered by an amendment or rescission are not required on the amended binding site plan or application for rescission.

ANALYSIS

The draft amendment would implement a simple process to provide for the vacation of a binding site plan through an administrative process. The code would require the signatures of all parties that have an ownership interest in the portion(s) of the binding site plan to be vacated. Once vacated, the property would revert to the configuration of parcels that existed prior to the binding site plan.

SUMMARY

The proposed amendments to the City's regulations pertaining to the vacation of a binding site plan are necessary both to comply with the state law contained in RCW 58.17.035 and to provide a mechanism that will allow for the vacation of a binding site plan that is currently lacking in the City code.

EXCERPT MINUTES
PLANNING COMMISSION MEETING
City Hall – 550 Swift Boulevard – Council Chamber
WEDNESDAY, July 22, 2015
7:00 PM

Call to Order:

Chair Madsen called the meeting to order at 7:00 PM.

Attendance:

Present: Commissioners Berkowitz, Clark, Palmer and Vice-Chair Wallner. Also present were City Council Liaison Phil Lemley, Block Grant Coordinator Michelle Burden, Community Development Services Manager Rick Simon, and Recorder Pam Bykonen.

New Business

1. **CITY OF RICHLAND – Zoning Code Amendments Relating to the Rescission of a Binding Site Plan (Z2015-107)**

   Mr. Simon introduced the proposed code amendments to RMC 24.14.110 relating to the rescission of a binding site plan in the event a property owner wishes to vacate an existing binding site plan. Current code does not contain provisions for this type of action.

   Public Hearing
   The Public Hearing was opened at 8:19 p.m.
   The Public Hearing was closed at 8:19 p.m.

   Discussion:

   Commissioner Clark asked staff if this proposal was related to recent changes to the Badger Mountain South LUDR. **Mr. Simon** said it was not.

   Commissioner Berkowitz asked for clarification of the terms “rescind” and “vacate” when referring to a binding site plan. **Mr. Simon** explained the terms were interchangeable. **Commissioner Berkowitz** asked for clarification of process for a large parcel requesting a binding site plan and for a smaller property. **Mr. Simon** explained that parcels greater than 200,000 square feet must undergo a public hearing for a binding site plan with conditions for easements, etc. Parcels smaller than 200,000 square feet requesting a binding site plan may do so administratively.

   Commissioner Berkowitz objected to the term “modify” regarding large parcel binding site plans.

A motion was made by Commissioner Clark and seconded by Commissioner Palmer to concur with the Findings and conclusions set forth in Staff Report Z2015-107 and recommend to the City Council adoption of the proposed new section to the Richland Municipal Code 24.14.110 – Rescission, as presented in a separate handout.

MOTION PASSED 3-1 with Berkowitz casting the dissenting vote.

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Ordinances - Second Reading/Passage

Key Element: Key 2 - Infrastructure & Facilities

Subject:
Ordinance No. 47-15, Proposed Increase in Appropriation of the Parks Project Construction and Industrial Development Funds

Department:	Ordinance/Resolution Number:	Document Type:
Parks & Public Facilities	47-15	Ordinance

Recommended Motion:
Give second reading and pass Ordinance No. 47-15, Proposed Increase in Appropriation of the Parks Project and Industrial Development Funds.

Summary:

State law requires that an ordinance be adopted to increase budgeted appropriations. Ordinance No. 47-15 proposes to amend the Parks Project Construction and Industrial Development Funds. Unbudgeted funds from the Industrial Development Fund reserves will be transferred to the Parks Project Construction Fund to increase parking capacity at the City Shops facility.

The additional parking capacity is needed to offset parking displaced as a result of constructing Fire Station 74 at the City Shops facility. The fire station had previously been planned to be constructed on City-owned property adjacent to the unimproved City View Drive, but the project was relocated to the City Shops facility as a cost savings measure. The former site can now be combined with other, contiguously-owned City land at City View. The Industrial Development Fund will benefit from the future land sale and is the appropriate funding source to increase parking capacity at the City Shops.

As required, a public hearing was held at the August 5, 2015 Council meeting to consider this proposal. First reading of Ordinance No. 47-15 was given at the August 5, 2015 Council meeting as well.

Fiscal Impact:	$49,355 will be appropriated from existing Industrial Development Fund unappropriated fund balance, as a transfer to the Parks Project Construction Fund. The funds transferred will be appropriated in the Parks Project Construction Fund for expenditure on the parking project.

Attachments:
1. Ordinance No. 47-15

ORDINANCE NO. 47-15

AN ORDINANCE of the City of Richland amending the 2015 Budget to provide for additional appropriations in the Industrial Development Fund and Parks Project Construction Fund, and declaring that a public emergency exists in the Industrial Development Fund.

WHEREAS, the Construction of Fire Station 74 displaced employee and visitor parking at the City Shops facility; and

WHEREAS, the original site for Fire Station 74 on City View Drive is adjacent to other City-owned land that is actively for sale; and

WHEREAS, combination of the former Fire Station 74 site on City View Drive with adjacent, existing City-owned land will make the property more desirable to potential buyers; and

WHEREAS, the Industrial Development Fund will receive a future benefit from selling the additional City-owned property; and

WHEREAS, no funds were appropriated in the Industrial Development Fund for transfer to the Parks Project Fund, and no funds were appropriated in the Parks Project Construction Fund to construct additional off-street parking at the City Shops facility; and

WHEREAS, the Industrial Development Fund currently has adequate capacity to fund the construction of additional off-street parking at the City Shops facility.

WHEREAS, a public hearing was held pursuant to RCW 35.33.091 on August 5, 2015, regarding the increase in appropriations from beginning fund balance in the Industrial Development Fund.

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

<u>Section 1</u>. Facts Constituting Emergency. The expenses contained within this ordinance were not anticipated when the 2015 budget was approved.

<u>Section 2</u>. Declaration of Public Emergency. Due to circumstances described above, the City Council declares that a public emergency exists in the Industrial Development Fund.

<u>Section 3</u>. Amendment of the 2015 Budget. The 2015 Budget is hereby amended to provide for additional appropriations in the Industrial Development Fund from unappropriated fund balance; and to provide for additional appropriations in the Parks Project Construction Fund from increased interfund transfers as follows:

Industrial Development Fund	
Current Appropriation:	$ 8,447,813
Increase in Appropriation:	$ 49,355
Amended Appropriation:	$ 8,497,168

Parks Project Construction Fund	
Current Appropriation:	$3,368,078
Increase in Appropriation:	$ 49,355
Amended Appropriation:	$3,417,433

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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

Date Published: August 23, 2015

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Resolutions – Adoption

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 129-15, Approving Consultant Agreement with RH2 Engineering, Inc. for Comprehensive Water System Plan Update

Department:	Ordinance/Resolution Number:	Document Type:
Public Works	129-15	Resolution

Recommended Motion:

Adopt Resolution No. 129-15, authorizing the City Manager to sign and execute an agreement with RH2 Engineering, Inc. for completion of the Water System Plan Update.

Summary:

Washington State regulations require the City to update its Water System Plan (WSP) every 6 years. In 2010, the current WSP was approved by the Washington State Department of Health, Office of Drinking Water (DOH). The current plan expires in December 2016, however, DOH staff requests that a WSP be submitted for review a full nine months prior to the expiration date to allow for multiple changes and reviews. The City's requested submittal date is March 20, 2016.

On June 16, 2015, the City received a single response to its Request for Qualifications (RFQ). In accordance with City purchasing policies, the RFQ was sent to nine qualified engineering firms as found on the MRSC Consultant Roster. The single response was from RH2 who has an office in Richland. As RH2 completed the City's 2010 WSP and is currently working on other water related work for the City, staff believes RH2 to be very qualified to complete the required update.

The negotiated scope of work with RH2 includes the full update to the WSP required by DOH regulations, an update to the Water Utility rate model intended to guide the utility's finances for the next four to five years, and two special study items prioritized by staff. The first is development of a Large User Water Audit Procedure to promote water conservation. The second is an assessment and preliminary plan for automated meter reading. This item is considered important to compliment smartgrid planning underway for the City's Electric Utility. Including the rate model and these special studies in the WSP scope is beneficial in that the rate analysis can accurately analyze the rate impacts of plan elements and can be utilized to satisfy required elements of the WSP, and the studies will leverage the planning consultant's knowledge of City operations to efficiently complete their analysis.

The consultant's work will begin in September and run through next year.

Fiscal Impact:	
Yes	The total cost of the proposed contract is $199,754. Council passage of Ordinance 26-15 on May 19, 2015 appropriated $200,000 to support the Water System Plan Update. There is currently $228,809 available in the Water Administration Expert Services budget.

Attachments:

1. Resolution 129-15
2. Consultant Agreement - Water System Plan - RH2 Engineering

RESOLUTION NO. 129-15

A RESOLUTION of the City of Richland authorizing the execution of a Consultant Agreement with RH2 Engineering, Inc., for completion of a Water System Plan Update.

WHEREAS, Washington State regulations require public water utilities to prepare and submit system plans every six (6) years; and

WHEREAS, the current plan is set to expire in December 2016; and

WHEREAS, City staff solicited proposals from nine firms from its professional services roster and received one response, from RH2 Engineering, Inc.; and

WHEREAS, RH2 Engineering, Inc. prepared the City's 2010 Water System Plan update and has provided periodic technical support for the City's Water Utility since then; and

WHEREAS, RH2 Engineering, Inc. is highly qualified to complete the required Water System Plan update; and

WHEREAS, a scope of work and project budget has been negotiated with RH2 Engineering, Inc. to include State-required work and several special studies recommended by staff; and

WHEREAS, City staff recommends executing the proposed contract because it will fulfill the City's planning obligations and the proposed special studies at a reasonable price within the available budget.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Richland authorizes the City Manager to sign and execute a Consultant Agreement with RH2 Engineering, Inc. to complete the Water System Plan Update.

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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

Contract No. ________

AGREEMENT BETWEEN CITY AND CONSULTANT

THIS AGREEMENT, entered into this ___ day of ________ , 20__ by and between the City of Richland, 505 Swift Ave., Richland, Washington, (hereinafter referred to as the "City"), and RH2 Engineering, Inc., 114 Columbia Point Drive, Ste. C, Richland, WA 99352 (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 analysis and rate modeling services for the City's Water Comprehensive Plan Update.

b) The following exhibit(s) are attached hereto and made a part of this Agreement:
   (i) [Exhibit A: Scope of Work.

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. ________
   (ii) Exhibit A: Scope of Work
   (iii) City Richland RFQ 15-0075
   (iv) Exhibit B: RFQ 15-0075 proposal response submitted by RH2 Engineering, Inc. dated June 16, 2015

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 __________.

4) PAYMENT

a) For services rendered under this Agreement, the City shall pay the Consultant an amount not to exceed One Hundred Ninety Nine Thousand Seven Hundred Fifty Four Dollars ($199,754.00) to complete the services rendered under this Agreement. 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

a) 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 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. In the event this contract 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) 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 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 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

10) 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.

11) ATTORNEY'S FEES

The parties agree that should legal action be necessary to enforce any of the provisions of this Agreement, that the 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.

12) 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.

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 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.

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.

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 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.

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) AMENDMENTS

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 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.

20) 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 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.

21) 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.

22) 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	CONSULTANT
______________________________	______________________________
CYNTHIA D. JOHNSON, ICMA-CM City Manager	Signature
	______________________________
ATTEST:	Printed Name & Title
	______________________________
______________________________	______________________________
MARCIA HOPKINS City Clerk	Address
	Phone: __________________________
APPROVED AS TO FORM:	Email: ___________________________
	Fax: ____________________________
______________________________	
HEATHER D. KINTZLEY City Attorney	

EXHIBIT A: Detailed Scope of Work Attached

EXHIBIT A
Scope of Work
City of Richland
Water Comprehensive Plan Update
August 2015

Background

The City of Richland's (City) Water Comprehensive Plan (WCP) was last updated in December 2010. Based on the current planning requirements of Washington Administrative Code (WAC) Chapter 246-290, the City's WCP must be updated every six (6) years, and the City's update is due by March 20, 2016.

This Scope of Work includes tasks necessary for RH2 Engineering, Inc., (RH2) to update the City's WCP and evaluate the ability of the water system to meet the needs of existing and projected future water system customers throughout a 20-year planning period. It is anticipated that the planning requirements will be modified to extend the WCP update cycle to ten years. In anticipation of this upcoming change, the WCP will be prepared with analyses and projections, based on both 6-year and 10-year planning cycles. This approach has been approved by the Washington State Department of Health (DOH) and will extend the WCP update cycle to ten years once the WAC is modified.

Additional tasks presented in this Scope of Work perform a detailed water cost-of-service rate study that will result in a model that includes rates for potable, non-potable, and wholesale water service to identified customers.

This Scope of Work is based on published regulatory requirements for comprehensive water system plans known at the time of this writing and a draft pre-plan agreement used in a meeting between the City and DOH on March 16, 2015. If new or expanded regulatory requirements are published during the course of this project, a contract amendment, along with a scope of work and fee estimate, can be provided for the additional work needed to satisfy the requirements. Enclosed, as **Exhibit D,** is a list of data to be provided by the City prior to commencement of the activities contained in this Scope of Work.

Task 1 – Water Comprehensive Plan

Task 1.1 – Data Collection

Objective: Assist the City in collecting data to complete the water system planning process.

Approach:

1.1.1 Coordinate with City staff during the data collection process. This includes coordinating via telephone, submitting the list of data needed, and reviewing data provided by the City.

Assumptions: *To reduce the level of effort needed to update the WCP, RH2 will rely on the accuracy and completeness of existing information, data, and materials provided by the City and others in relation to this Scope of Work.*

Task 1.2 – Introduction and Existing Water System Description

Objective: Provide a description of the components of the existing water system.

Approach:

1.2.1 Describe the water system ownership and management. Include the system type, system identification number, address, and contact person.

1.2.2 Describe the authorization and purpose of the WCP and the WCP contents, and provide a definition of terms and a list of abbreviations used in the WCP.

1.2.3 Review previous plans, existing system information and data, and available facility as-builts.

1.2.4 Visit each new facility constructed since the last WCP with City staff to collect field information, and observe equipment layouts and existing conditions.

1.2.5 Provide a brief overview of the history of the water system using information from the previous WCP and historical summaries compiled and provided by the City. Include the current number of existing and approved service connections.

1.2.6 Describe the physical characteristics of the existing water service area and its effects on water system planning, including topography, geology, sensitive areas, and flood zones.

1.2.7 Describe the City's existing and projected future service areas, including the Urban Growth Area (UGA), retail water service area, and water service agreements. Include existing plans for expanding the current service area.

1.2.8 Provide a brief overview of the operation of the existing water system.

1.2.9 Provide a table of water main inventory that includes total lengths, diameters, materials, and age, based on available data.

1.2.10 Review existing City standards pertaining to water system policies and criteria.

1.2.11 Identify existing policies and recommend additional or revised policies, as necessary, so that projected future City facilities can meet minimum and acceptable design standards and criteria. Use DOH, Washington State Environmental Protection Agency (EPA), American Water Works Association (AWWA), and standard engineering practices as the basis for identifying policies, criteria, and requirements.

1.2.12 Summarize each policy and design criteria.

1.2.13 Describe the process for responding to requests for new water service (individual and group services), including timeframes.

1.2.14 Describe the process for determining whether the system's capacity is adequate to provide water service requests for new service. *The process will include the determination of sufficient water rights.*

1.2.15 Describe conditions of a non-technical nature that may impact the City's ability to provide new water service (e.g., annexation procedures, local ordinances, and instream flow rule, etc.).

1.2.16 Describe the procedures for granting and/or requesting extensions of time during a project. Describe the procedures for handling disputes and appeals if requests are denied.

1.2.17 Describe policies for extensions of water service outside of current system boundaries. Describe how the policies are consistent with current local and county comprehensive land-use plans and developmental regulations.

1.2.18 Prepare color figures of the following:

- Existing Water System
- Existing System Hydraulic Profile
- Service Area and Adjacent Systems

RH2 Deliverables:

- Descriptions and figures of existing system components for City review and comment. Attendance at one (1) facility visit with City staff.
- Descriptions of policies and design criteria for City review and comment.
- Chapter 1 of the WCP.

Task 1.3 – Basic Planning Data

Objective: Review planning-related documents and identify impacts on the City's water system for use in the WCP.

Approach:

1.3.1 Prepare and review an inventory of related plans to provide a summary of the impacts or constraints on the water system, including the *Benton County Comprehensive Land Use Plan* and the *Regional Water Supply Feasibility Study*, and review how the Growth Management Act (GMA) impacts the City.

1.3.2 Complete DOH's Consistency Statement checklist for each planning agency with which the WCP must be consistent, specifically the City and county.

1.3.3 Identify existing and projected future land use patterns in and adjacent to the City and their potential impacts on existing and potential future facilities and water sources for the water system. Include discussions of the land use in the possible water system expansion area.

1.3.4 Identify current and projected housing trends and household sizes within the City's service area, based on available information from City staff, as well as county and state population data.

1.3.5 Include a table of 6-year, 10-year, and 20-year population projections for both the City and the water service area that comply with the GMA.

1.3.6 Prepare a color figure of the City's existing and future land use.

1.3.7 Tabulate monthly totals of metered consumption for each customer class and the average number of accounts in service for each year from 2010 through 2014, based on available information provided by the City. Identify the summer and winter variations in consumption for each customer class.

1.3.8 Tabulate monthly and annual usage for water supplied to other systems, including the City of West Richland, Tri-Cities Estates Water System, Badger Mountain Irrigation District, and the Kennewick Irrigation District's Lorayne J. Water System.

1.3.9 Tabulate ten (10) to twenty (20) of the largest water users and the total water use of each for the year 2014.

1.3.10 Tabulate monthly and yearly totals of water supply from each supply facility from 2008 through 2014.

1.3.11 Calculate per-capita demands, based on the average day demand (ADD), and water system population data from 2008 through 2014, based on lands with and without irrigation water from other sources.

1.3.12 Calculate the number of equivalent residential units (ERUs) within the system, based on the water consumption and supply data.

1.3.13 Identify the total amount of distribution system leakage (DSL) from 2008 through 2014. Calculate the three (3)-year rolling average of the DSL.

1.3.14 Tabulate total consumption of customers within each pressure zone, based on the hydraulic model and the parcel-consumption database provided by the City.

1.3.15 Calculate the system ADD, based on the yearly water supply data from 2008 through 2014.

1.3.16 Estimate the system's maximum day demand (MDD) and peak hour demands (PHDs).

1.3.17 Prepare a table of general fire flow requirements of each land use classification and identify buildings with the largest fire flow requirements within the service area.

1.3.18 Document the historical demands from 2008 through 2014.

1.3.19 Describe the basis for and results of the existing and projected future water demand evaluation.

1.3.20 Evaluate, describe, and prepare a graphic or table to demonstrate the summer and winter variations in consumption patterns for each customer class.

1.3.21 Document the results of the demand analyses in summary tables and the chapter text.

RH2 Deliverables:

- Descriptions and figures of planning data for City review and comment for the WCP.
- Descriptions and tables of historic and projected demand data for City review and comment.
- Chapter 2 of the WCP.

Task 1.4 – Water System Analyses

Objective: Evaluate each water system component to identify deficiencies and recommend improvements. Utilize the hydraulic model of the City's water system to perform pressure and fire flow hydraulic analyses.

Approach:

1.4.1 Describe water system design and construction standards for new construction.

1.4.2 Describe each pressure zone and existing facilities, including sources of supply, pressure reducing stations, pipelines, reservoirs, interties, and telemetry and supervisory control systems.

1.4.3 Examine each of the existing pressure zones and identify areas of low and high pressures. Include a table showing each existing zone, its maximum and minimum service elevation, and service pressures (at static conditions).

1.4.4 Calculate the quantity of water supply required for the existing and projected future conditions, and compare those requirements to the system's existing supply capability.

1.4.5 Identify and describe supply facility deficiencies.

1.4.6 Evaluate booster pump stations (BPS) and briefly describe deficiencies.

1.4.7 Based on the requirements contained in WAC 246-290-235 and the most current DOH *Water System Design Manual*, calculate the quantity of water storage required for the existing and future system, and compare those requirements to the existing storage capacity of the system. *Storage analyses will be performed for the system as a whole, as well as for individual pressure zones or storage operating areas.*

1.4.8 Identify and briefly describe storage deficiencies.

1.4.9 Document the hydraulic analyses criteria and hydraulic model settings for the distribution system analyses.

1.4.10 Update the City's existing WaterGEMS® hydraulic model with current water system mapping. Update the model with recent water system improvements.

1.4.11 Allocate the existing (2014) demand data among the nodes in the model using a parcel-consumption database provided by the City and customized routines.

1.4.12 Using the hydraulic model of the water system, perform a steady-state hydraulic analysis of the system simulating a PHD condition with no fire flows to determine the pressures and flow distribution during this demand condition.

1.4.13 Perform a steady-state fire flow analysis for each node in the system while simulating MDDs to determine the capability of the existing system to provide adequate flows and pressures and identify existing system deficiencies.

1.4.14 Export the results of the existing system PHD and fire flow analyses to a Geographic Information System (GIS) shapefile for transmittal to the City.

1.4.15 Input future demand data into the hydraulic model's nodes using the results from the future water demand evaluation. *Demand distribution shall be based on estimates of future growth allocations.*

1.4.16 Identify and input proposed water system improvements into the model, based on the results of the existing system hydraulic analysis and identification of deficiencies.

1.4.17 Perform a steady-state fire flow analysis for each node in the system while simulating future MDDs to review that the proposed improvements address existing system deficiencies and are sized properly to accommodate anticipated growth, based on meeting the City's policies and design criteria. Repeat the analyses for the 6-year, 10-year, and 20-year projections.

1.4.18 Prepare a table that summarizes the results of the existing system and future system fire flow analyses.

1.4.19 Identify and describe distribution system deficiencies and the results of the hydraulic analyses.

1.4.20 Evaluate and identify deficiencies for the existing water main, pressure reducing valve (PRV) stations, interties, and telemetry and supervisory control systems.

1.4.21 Perform an existing system, 6-year, and 10-year system capacity analysis to determine the unused, available system capacity expressed in ERUs. Prepare a 6-year and 10-year projected system capacity analysis with proposed improvements. Document the criteria and results of the analyses.

1.4.22 Document water supply characteristics and effects from existing and projected future water use on the water quantity and quality of the bodies of water from which the City withdraws supply. Describe water supply characteristics by identifying seasonal source variability, water rights limitations, water reliability, and legal constraints. Utilize existing data and studies available from the City.

1.4.23 Provide an overview of existing and future drinking water regulations, the Safe Drinking Water Act (SDWA) and the Endangered Species Act (ESA). Describe the impacts of the regulations on the City.

1.4.24 Identify the water quality monitoring requirements for the City's water system.

1.4.25 Summarize the results and compliance status of recent source and distribution system water quality monitoring.

1.4.26 Identify improvements, as needed, to comply with the water quality requirements.

1.4.27 Meet with City staff to discuss the system analyses, deficiencies, and recommended improvements.

1.4.28 Document the results of the system analyses in summary tables and the chapter text.

Assumptions:

- *The City's existing hydraulic model accurately represents the actual water system, and no hydraulic model calibration tasks will be necessary or required by DOH to complete the hydraulic analyses described in this Scope of Work.*

RH2 Deliverables:

- Descriptions, tables, and figures of the water system analyses for City review and comment. Attendance at one (1) meeting with City staff.
- GIS shapefile containing the results of the existing system PHD and fire flow analyses. Calibrated WaterGEMS® hydraulic water model for use in steady-state hydraulic analyses.
- Water System Design Manual Table 6-1 for the existing, 6-, and 10-year system.
- Coordination with City to review the hydraulic water model.

- Chapter 3 of the WCP.

Task 1.5 – Water Use Efficiency Program

Objective: Update the City's Water Use Efficiency (WUE) program and WUE goals for the water system.

Approach:

1.5.1 Evaluate the City's existing WUE program developed through the *Regional Water Forecast and Conservation Plan Update*, and incorporate elements into the WCP necessary for consistency with regulations.

1.5.2 Prepare a summary of the WUE planning efforts that have been completed since the WUE program was adopted.

1.5.3 Document the current and past WUE efforts and their impact on water demand over the past six (6) years. Describe the WUE improvements.

1.5.4 Develop annual demand projections for the first ten (10) years and projections for year twenty (20), based on projected water system population data and historical per-capita demands. Demand projections shall be tabulated with and without additional water use reductions from the proposed WUE program.

1.5.5 Coordinate with the City to provide data necessary to conduct the WUE public forum. *The City will conduct the meeting to satisfy the public forum requirements of the WUE program and to present the WUE goals for adoption by the City council.*

1.5.6 Identify and evaluate WUE measures for appropriateness and cost-effectiveness.

1.5.7 Prepare a schedule for implementation of the WUE measures and cost estimates for each measure.

1.5.8 Summarize the City's current water rights.

1.5.9 Perform a water rights evaluation that compares current water rights with existing and projected demands on a system-wide basis.

1.5.10 Document water supply characteristics and effects from existing and projected future water use regarding the water quantity and quality of the bodies of water from which the City withdraws supply. Describe water supply characteristics by identifying seasonal source variability, water rights limitations, water reliability, and legal constraints. Utilize existing data and studies available from the City.

1.5.11 Review adjacent water systems and provide a brief description of the adjacent water systems and the potential for emergency interties. Document existing interties and include agreements in the appendices.

RH2 Deliverables:

- Descriptions documenting the City's WUE program for City review and comment.
- Evaluation of existing water rights for City review and comment.

- Water rights self-assessment for current use, 6-year, 10-year, and 20-year growth periods.
- Chapter 4 of the WCP.

Task 1.6 – Source Water Protection

Objective: Document the City's existing efforts toward watershed control and wellhead protection.

Approach:

1.6.1 Prepare a summary of the state's regulatory requirements.

1.6.2 Document the City's past efforts toward protection of its water sources, including the monitoring program the City uses to assess the adequacy of watershed and wellhead protection.

1.6.3 Document the results of the City's susceptibility assessment and the monitoring waivers that were granted by DOH.

1.6.4 Perform delineation of the wellheads using the calculated fixed-radius method, and document the delineation method, results, and future requirements.

1.6.5 Identify owners and operators of known and potential sources of water contamination, and businesses, regulatory agencies, local governments, emergency response agencies, and City customers that must be notified of the City's watershed control and wellhead protection programs.

1.6.6 Document watershed control and wellhead protection measures, including ownership and relevant written agreements, and monitoring of activities and water quality.

1.6.7 Document normal system operation and a contingency plan for operating the water system in the event of contamination of one of the City's water sources, or other source-related emergency.

1.6.8 Document water quality trends of source water quality monitoring from past records.

1.6.9 Document implementation of the watershed control and wellhead protection program and provide recommendations.

Assumptions:

- *The City's existing watershed control program does not require updating and can be included as an appendix to the 2015 WCP without edits.*
- *An inventory of potential contaminant sources and activities, including site locations and owners/operators, will be provided by the City and can be included as an appendix to the 2015 WCP without edits.*

RH2 Deliverables:

- Documentation of the City's watershed control and wellhead protection plan for City review and comment.
- Chapter 5 of the WCP.

Task 1.7 – Operations and Maintenance

Objective: Document the water system's operations and maintenance (O&M) program.

Approach:

1.7.1 Document the current water staff organization and prepare an organizational chart.

1.7.2 Prepare a table listing water operations personnel, their positions, and certifications.

1.7.3 Provide a brief description of the key responsibilities of the water operations personnel.

1.7.4 Provide a list of major equipment, supplies, and chemicals used by the water system.

1.7.5 Comment on the general impacts and effects of changing water quality requirements regarding O&M responsibilities.

1.7.6 Identify safety procedures that must be followed to help avoid potential work place hazards. Incorporate the existing safety program activities and recent Labor and Industries' inspection reports.

1.7.7 Prepare a description of the water system, as required by the Coliform Monitoring Plan (CMP).

1.7.8 Document source water quality monitoring requirements and procedures.

1.7.9 Document distribution system water quality monitoring requirements and procedures, including a schedule for coliform monitoring.

1.7.10 Discuss the impact of expanding the use of water supply produced by the City on the water quality monitoring requirements.

1.7.11 Prepare a color figure of the locations needed to meet the various monitoring requirements.

1.7.12 Prepare a brief description of the City's existing Emergency Response Plan (ERP) and Vulnerability Assessment (VA). For security purposes, those documents will not be included in the WCP.

1.7.13 Review the City's existing cross-connection control ordinance and programs it has developed. Evaluate the documents and incorporate elements into the WCP necessary for consistency with regulations.

1.7.14 Describe the consequences for failing to comply with the cross-connection control ordinance.

1.7.15 Document the responsibility of each City department for implementing the program, and their relationship with one another and outside agencies.

1.7.16 Identify the primary and back-up staff positions delegated to the responsibility of organizing and implementing the cross-connection control program.

1.7.17 Identify the qualifications required for personnel working in the cross-connection control plan.

1.7.18 Document the City's approval of qualifications for cross-connection control testers and specialists.

1.7.19 Document procedures for prioritizing and conducting surveys of existing facilities to identify existing and potential cross-connections.

1.7.20 Document guidelines for assessing the degree of hazard and the selection of the appropriate backflow assemblies.

1.7.21 Document standard requirements for installing and testing approved backflow assemblies.

1.7.22 Describe the recordkeeping system requirements for the cross-connection control plan.

1.7.23 Describe the methods or processes that will provide information (public education, etc.) regarding the cross-connection control program to the existing and future system customers.

1.7.24 Document procedures for responding to backflow incidents.

1.7.25 Identify procedures for keeping and compiling records and reports. Provide a general list of records on file and identify where they are filed.

1.7.26 Identify maintenance schedules for each facility and summarize..

1.7.27 Evaluate staffing requirements and document recommendations.

1.7.28 Identify O&M improvements and costs for budgeting purposes.

1.7.29 Document the O&M program in summary tables and the chapter text.

RH2 Deliverables:

- Descriptions and tables documenting the City's existing O&M program.
- Completed cross-connection control plan included in the WCP as an appendix.
- Descriptions and figures documenting the City's existing water quality and coliform monitoring programs for City review and comment.
- Chapter 6 of the WCP.

Task 1.8 – Distribution Facility Design and Construction Standards

Objective: Apply for submittal exceptions for distribution, booster pumps, and reservoir projects under WAC 246-290-125.

Approach:

1.8.1 Discuss the City's existing construction standards, and include a copy in an appendix of the WCP.

1.8.2 Document the City's design and construction standards for distribution-related projects.

1.8.3 Document the City's design and construction standards for BPSs and reservoirs.

RH2 Deliverables:

- City construction standards.
- Design and construction standards for distribution-related projects.
- Design and construction standards for BPSs and reservoirs.
- Chapter 7 of the WCP.

Task 1.9 – Improvement Program

Objective: Describe and schedule improvements to address deficiencies identified in the water system analyses. Prepare planning-level cost estimates for each project identified.

Approach:

1.9.1 Describe the water system improvements that have been completed since the last WCP update.

1.9.2 Prepare a list of proposed water system improvements, based on the results of the existing system and proposed system analyses. Briefly describe each group of related improvements and the purpose/benefit of the improvements.

1.9.3 Prepare a planning-level (approximate) cost estimate for each improvement, based on current industry prices.

1.9.4 Coordinate with City staff to establish criteria for prioritizing and scheduling improvements. Prioritization and scheduling will consider other scheduled utility and transportation projects based on information provided by the City.

1.9.5 Schedule improvements, based on the results of the prioritization. Prepare up to two (2) modified Capital Improvement Plan (CIP) schedules, based on input from the City from the results of the financial analysis.

1.9.6 Prepare a table of improvements that includes an improvement identification number, a brief description of each improvement, the associated cost estimate, and the scheduling of the improvements on an annual basis for the first ten (10) years and for the twenty (20)-year planning period.

1.9.7 Describe the criteria and procedures used for prioritizing and scheduling improvements.

1.9.8 Document the CIP prioritization analyses in summary tables and the chapter text.

1.9.9 Prepare color figures of the following:

- Proposed Water System Improvements
- Proposed Improvements Hydraulic Profile

1.9.10 Meet with City staff to discuss the water system improvements and the proposed schedule of implementation.

RH2 Deliverables:

- Draft CIP tables and figures for City review and comment. GIS files containing proposed water main improvements. Attendance at one (1) meeting with City staff.
- Chapter 8 of the WCP.

Task 1.10 – Financial Analysis

Objective: Identify the financial requirements of the City's water system.

Approach:

1.10.1 Coordinate with the City during the project to provide information in support of the financial analysis chapter.

1.10.2 Summarize past income and expenses for 2010 through 2014, and identify trends.

1.10.3 Provide a balanced one (1)-year operational statement for 2015.

1.10.4 Develop a plan for collecting revenue necessary to maintain cash flow stability and to fund projected capital and emergency improvements.

1.10.5 Compare necessary revenue to the City's ability to pay, based upon current 1.5 percent of median household income for the City.

1.10.6 Evaluate conservation rate structures and the feasibility of implementing rate structures that encourage water demand efficiency.

1.10.7 Attend one (1) meeting with City staff to review draft financial analysis results before finalizing the financial chapter.

RH2 Deliverables:

- Attendance at one (1) meeting with City staff.
- Chapter 9 of the WCP.

Task 1.11 – Miscellaneous Documents

Objective: Prepare miscellaneous appendices for inclusion in the WCP.

Approach:

1.11.1 Obtain copies of signed minutes from informational meetings for consumers, including notification.

1.11.2 Attach notices to adjacent utilities that the WCP is available for review and comment. Attach comments received.

1.11.3 Prepare a State Environmental Policy Act (SEPA) Checklist and Determination of Non-significance (DNS) for inclusion in the appendices.

1.11.4 Obtain the City service area and intertie agreements, and include in the appendices.

1.11.5 Obtain copies of applicable City resolutions/ordinances, and include in the appendices.

1.11.6 Include copies of Water Facilities Inventory (WFI) forms.

1.11.7 Include copies of water right certificates and permits.

1.11.8 Include a copy of the most recent Consumer Confidence Report (CCR).

1.11.9 Include a copy of the City's construction standards.

1.11.10 Include copies of water system facilities data, consistency statement checklists, and agency review comments.

RH2 Deliverables:

- Miscellaneous appendices for inclusion in the WCP.
- Chapter 10 of the WCP.

Task 1.12 – Finalize, Print, and Present Draft WCP

Objective: Prepare a final draft of the WCP and submit it to review agencies and adjacent water purveyors.

Approach:

1.12.1 Develop a cover format that includes the WCP name and revision date.

1.12.2 Transmit electronic copies of the draft WCP documents to the City for review and comment.

1.12.3 Revise the WCP, based on City review comments.

1.12.4 Bind the final WCP documents, and print up to three (3) sets of the WCP and color figures. Two (2) sets of the WCP will be supplied to DOH.

1.12.5 Create an electronic PDF document, including all chapters, appendices, and figures of the WCP. *The electronic WCP will contain hyperlinks and an organizational format that will be fully functional.* Provide up to ten (10) copies of the electronic plan on CD format.

1.12.6 Submit the final WCP to adjacent water systems for their review and comment.

1.12.7 Submit the final WCP to the county and DOH for their review.

RH2 Deliverables: Up to three (3) sets of the final WCP in three-ring binder format, and ten (10) copies in electronic PDF on CD. Attendance at one (1) meeting to present the final draft WCP to City staff, City council, and the public.

Task 2 – DOH and Agency Review Revisions to WCP

At the completion of Task 1, the WCP will be in a final format, ready for review by the regulatory agencies and adjacent water purveyors. The number of comments, number of meetings, and amount of required WCP modifications from review by the regulatory agencies and adjacent water purveyors are difficult to predict.

Objective: Finalize the WCP.

Approach:

2.1 Respond to DOH, Ecology, county, and adjacent water purveyor comments.

2.2 Print revised maps and chapters and distribute three (3) hard copies, and provide up to ten (10) copies of the updated electronic plan on CD format.

RH2 Deliverables: At the completion of the project, a copy of the computer files of the WCP Word documents, water model, and AutoCAD® and GIS figures will be provided to the City.

Task 3 – Water Rate Analysis Study

Objective: Coordinate with RH2's subconsultant, FCS Group, who will prepare a water rate analysis study.

Approach:

See Water Rate Analysis Study, Scope of Work, prepared by FCS Group (**Exhibit A-1**). RH2 will coordinate with FCS Group during the project and have up to three (3) phone conferences to provide information in support of the financial analysis chapter to be prepared by FCS Group.

RH2 Deliverables:

- Water rate analysis study.

Task 4 – Large User Water Audit Procedures

Objective: Prepare procedures to be used by the City to perform water audits of large water users.

Approach:

4.1 Review water audit procedures and documentation for similarly-sized water purveyors.

4.2 Assess applicability of water audit procedures to the City's existing users and land uses.

4.3 Prepare water audit procedures for the City's large water users.

RH2 Deliverables:

- List of water audit procedures.

Task 5 – Automatic Meter Reading System Review

Objective: Review the feasibility of implementing an automatic meter reading (AMR) system for the City's water system meters.

Approach:

5.1 Review the City's electrical utility *Smart Grid Assessment* prepared by UtiliWorks Consulting, LLC in 2014.

5.2 Review the City's existing utility billing process and customer service needs as they relate to an AMR system. Evaluate integration of these needs with an AMR system.

5.3 Assess the feasibility of an AMR for the City's water system meters, including the feasibility of combined water and electric meters. Estimate the AMR system implementation and operating cost with the cost of the existing meter reading procedures.

RH2 Deliverables:

- Assessment of an AMR system for the City's water system.

EXHIBIT A-1

TECHNICAL SPECIFICATIONS

WATER RATE ANALYSIS STUDY

Approach

In conjunction with the City of Richland's Comprehensive Waster System Plan (CWSP), FCS GROUP will develop both a corresponding financial chapter, as well as a water cost-of-service rate study. The water cost-of-service study will result in a model that include rates for potable water service to identified customers, wholesale potable water service to other water retailers and non-potable irrigation water services. A wholesale water rate update will be completed for West Richland and Badger Mountain Irrigation District (BMID).

Scope of Work

Task 3.1 – Initial Project Meeting

The Consultant will schedule a project initiation Go-To meeting with the City project team. Attendees will ideally include representatives from engineering, operations, administration, finance and customer service. The meeting will introduce the project team, identify study objectives, review methodology and expectations, confirm schedule, and discuss team roles.

Task 3.2 – Data Collection

The Consultant will provide a data needs list encompassing historical and projected revenue, expenses, capital improvement plans, debt schedules, fiscal policies, customer billing data and other relevant planning information. The City will provide the requested data to the consultant. The data will be reviewed, analyzed and validated for inclusion in the study process.

Task 3.3 – Revenue Requirements (Financial Plan)

The Consultant will develop the revenue requirements to be in compliance with the WSP financial chapter requirements and also to meet the revenue requirement objectives of a self-supporting, financially sustainable utility. The financial plan will be developed for a 6 and 20 year time period for the financial plan with a 5 year rate strategy period. The following components define the comprehensive needs of water the utility:

- Long-term capital investment funding (improvements, expansion, and replacement)
- Expenses incurred to operate, maintain, and manage the systems
- Debt repayment
- Cash flow needs
- Fiscal policy achievement

The Consultant will design the analysis to mirror the City's own funds and to be flexible and stable enough to analyze multiple scenarios. Sub-tasks include:

3.3.a. Review the actual 2012-2014 customer statistics for the water utility to identify demand trends for use in future projections. Many entities have experienced declining demand in use, analyzing the City's specific customer use profiles and recalibrating anticipated revenue levels for future projections is warranted. Of particular emphasis will be validating the customer billing statistics with the revenue generated. This task has proven beneficial in uncovering anomalies in customer statistics and/or incorrect billing units that can impact forecast revenue. The compilation of this data offers consistency throughout the rate study process by using the same units to calculate rate revenue in the revenue requirement, allocate costs as part of the cost of service, and to design rate structures that generate necessary revenue levels.

3.3.b. Complete a historical financial performance review (requirement of WSP). Review and document the financial operations (revenue and expenses) and financial condition (assets and liabilities) of the water utility for the previous 6-year period. Noteworthy financial trends will be summarized.

3.3.c. Review and evaluate the current rate-setting policies of the City. A comparison of existing policies to industry standards can help provide context in determining whether there are possible enhancements that would strengthen the financial health/rate setting of the utility. Key areas evaluated include: type and amount of reserves; asset management / system reinvestment funding from rates; and debt management policies and ratios (debt coverage/debt to equity, etc.). New policies will be recommended, as warranted.

3.3.d. Develop the forecast of operating revenues and expenses to reflect budget 2015/2016. Adjust for any known future changes in annual non-capital costs associated with the operation, maintenance, and administration of each the water systems such as additional staffing needs and other operating costs associated with maintaining the systems along with initiating new or enhanced program activities.

3.3.e. Incorporate the capital plan from the WSP planning effort. Develop a capital funding plan that determines an optimal mix of resources from rate revenue, facility fees, existing reserve funds and additional debt (if warranted) to maintain the ongoing financial health of the system and to smooth future rate impacts. A key point of emphasis will be to discuss with staff the importance of incorporating a dedicated component in rates to fund system reinvestment.

3.3.f. Provide a reserve analysis. We will review existing fund balances (e.g., operating, capital, contingency, rate stabilization, etc.) for compliance with existing or newly established fund balance targets.

3.3.g. Incorporate existing debt service and any anticipated new issues in the revenue requirement. Debt service coverage and debt capacity will be monitored.

3.3.h. Review the separation of existing costs into fixed and variable components. This analysis will inform the design of rates, particularly if the balance between fixed and variable costs should be refined for revenue stability.

3.3.i. Test the sufficiency of each current revenue stream in meeting all system obligations. After identifying the full array of financial requirements, we will compare those needs against available rates and miscellaneous operating revenues, identifying any projected shortfalls over the forecast period. Rate revenue sufficiency will be tested from two perspectives: the ability to meet all cash obligations, and the attainment of any debt coverage requirements.

3.3.j. Develop an annual rate transition strategy that meets the water system's financial obligations. The City has asked for 5-year planning period. To comply with the WSP financial chapter the rate strategy will also cover a 6-year and 20-year period.

3.3.k. Provide up to three (3) sensitivity analyses to evaluate the impact of changes to key variables such as funding sources, growth rates, project timing, or others identified by the City.

3.3.l. Perform an affordability test (WSP requirement) as an indication of a residential customer's ability to pay the existing and forecasted rates. This includes a median household income index analysis and comparison of the water system's existing and forecasted average residential bills to 1.5% of the median household income. This test will be conducted for the six-year and 20-year study periods.

Task 3.4 – Cost of Service Analysis

The Consultant will provide a cost of service analysis (COSA) that provides a defensible basis for assigning "cost shares" and establishing "equity" for system customers with the development of a series of allocations that will be based on customer data and engineering/planning criteria in order to assign utility cost recovery to customers in proportion to their actual demands. This exercise needs to establish the projected amount of annual revenue to be recovered from the rates for each class. The results will identify any warranted shifts in cost burden that could improve equity between customers from the existing rate structure being evaluated. Key task outcomes include the following:

3.4.a. Determine the appropriate grouping of customers/customer classes to review. The intent of the service distinction is to evaluate any potential cost differences that may exist in serving different customer classes or if new service groupings are warranted. The classes identified for review include the following: residential, multi-family, commercial, large user/industrial, landscape irrigation, non-potable irrigation and wholesale potable. Any additional customer classes identified will be evaluated independently in the cost-of-service analysis.

3.4.b. Allocate 2015/2016 costs to customers. The typical cost of service conducts cost of service based on the functions of service identified as "traditional" in **Exhibit 1**. In an effort to quantify the different levels of service being delivered by the City (potable, non-potable and wholesale) we believe that a cost of service analysis using the "alternative" functions identified in **Exhibit 1** may more clearly and transparently quantify unit costs for providing differing levels of service. Only the unit costs that are applicable to deliver service for each customer type would be allocated to the customer class. For example, treatment costs would not be allocated to non-potable water customers. Or another example BMID wholesale would not be allocated distribution costs.

3.4.c.

Exhibit 1: Traditional and Alternative Functions

Traditional Functions	Alternative Functions
■ Base capacity (average demand ■ Peak capacity (peak demand ■ Customer—accounts and meter & services ■ Fire protection	■ Supply ■ Treatment ■ Transmission ■ Distribution ■ Fire Protection ■ Customer - accounts and meter & services

3.4.d. Distribute functional cost pools. Each functional cost pool developed above will be distributed to each existing customer class based on the class demands and facility requirements. The results will identify any warranted shifts in cost burden from the existing rate structures that could improve equity.

3.4.e. Provide the unit cost for each major utility service function. The unit costs will serve as the building block for rate design. The unit costs will assist in comparing how current fixed and variable rates align with the cost based rates of the system and where adjustments may be warranted to align with the fixed and variable costs of each system.

Task 3.5 | Update Water Service Agreement Rates

The City currently has two water service agreements, one with the City of West Richland and the other with Badger Mountain Irrigation District. Each Agreement has a description of the method for developing rates. This task will update the rates as specified per the Agreement. Key tasks include the following:

3.5.a. Review of existing Water Service Agreements (West Richland and BMID).

3.5.b. Use the methodology identified in each Agreement to complete cost of service analysis.

3.5.c. Develop unit costs and resulting water rates for each Agreement.

Task 3.6 – Rate Design/Structures

The Consultant will evaluate existing rate structures for alignment with the City's current and/or recommended fiscal policies, generate sufficient revenue to meet the revenue requirement forecast, and address inequities identified in the cost-of-service findings.

3.6.a. Identify rate structure goals/objectives (e.g., revenue stability, conservation, etc.).

3.6.b. Compare current charges with cost-of-service based unit costs.

3.6.c. Evaluate meter factor, by size, for appropriateness

3.6.d. Develop three rate design options that capture different recovery of fixed and variable costs of the system: 1) current rate structure. 2) Higher fixed charge. 3) Higher volume charge.

3.6.e. Develop a bill comparison for all customer classes showing the anticipated impacts on existing bills from the proposed rate options under consideration.

Task 3.7 | Facility Fee Update

The regular update of Facility Fees (FFs) is instrumental in capturing the proper value of infrastructure used to provide service. The implementation and regular update of FFs ensures that new customers bear the cost of existing infrastructure used and future facilities planned to serve new growth. A FF recovers a proportionate share of existing and future capital costs incurred by the utility to serve a new customer, so the new customer is considered financially equivalent to a comparable existing customer. Work tasks include the following:

3.7.a. Follow state law, legal precedence and industry guidelines regarding the allowable FFs methodology.

3.7.b. Review of existing FF methodology used to establish existing charge.

3.7.c. Develop the existing cost basis by reviewing existing asset values and applying applicable interest or carrying costs on those assets. Adjust the existing cost basis for construction work in process, contributed assets, debt service and value of existing system assigned to current connections.

3.7.d. Develop the future cost basis by detailing future capital project contained in the Water System Plan. Work closely with City staff to determine the appropriate allocation of each capital project to the categories of (a) repair & replacements, (b) upgrades/improvements, (c) expansion or (d) combination.

3.7.e. Calculate available system capacity by plant function (e.g. supply, storage, etc.).

3.7.f. Define one equivalent service unit.

3.7.g. Calculate the maximum allowable or reasonably allowable FF by meter size and develop a proposed schedule of charges.

3.7.h. Review the calculation methodology and approach with the City attorney and staff.

3.7.i. Consider Badger South agreement with BMID. Additional discussion regarding the specific needs of the City is warranted.

Task 3.8 – Meeting/Presentations

The Consultant will need to interact frequently with City staff throughout the project, to ensure that the findings and recommendations reflect approaches that are understood by impacted parties and that they can be implemented within the City's administrative practices. In addition, frequent interaction will ensure that the study develops work products collaboratively, reflecting the industry expertise of the Project Team and the specific needs and goals of the City. The review points identified with staff will be the first presentation of analytical outcomes and recommendations held before any presentation to the City Council.

3.8.a. Meet with City staff in up to (3) three meetings to review study results at key milestones.

- One Go-To meeting to review draft revenue requirements and cost of service (2 hours)
- One Go-To meeting to review rate designs and Facility Fees (2 hours)
- One Go-To meeting to finalize analyses (2 hours)

Task 3.9 – Documentation

Craft the draft Financial Chapter for RH2 and City staff review. An electronic copy of the draft Financial Chapter and Excel-based tables will be provided to RH2 to incorporate into the WSP documents. Incorporate requested changes, as appropriate, and submit the final version of the Financial Chapter.

Task 3.10 - Spreadsheet Modeling Tool

FCS GROUP will deliver a final copy of the Excel-based spreadsheet modeling tool for City use. Part of maintaining the utility rate study model is an understanding by staff of the inputs/outputs and functionality of the model. Our models are used and updated internally by a number of clients. One of the best ways to understand the model is to conduct a hands-on training workshop. The training workshop will walk the user from model beginning to end including: analysis overview, key policy elements, rate model characteristics, explanation of worksheets and how to use the model (input, results, validation of results, changing inputs and key policy variations). Ultimately, staff will "graduate" with a developed understanding of what makes the model work and how to run sensitivity analyses. Key tasks include:

3.10.a. ½ day Go-To meeting model training session

3.10.b. User guide

EXHIBIT B

City of Richland

Water Comprehensive Plan Update

Estimate of Time and Expense

	Classification	Total Hours	Total Labor	Total Subconsultant	Total Expense	Total Cost
Task 1	**Water Comprehensive Plan**					
Task 1.1	**Data Collection**					
1.1.1	Coordinate with City staff regarding data collection	8	$ 1,320	$ -	$ 216	$ 1,536
	Subtotal	**8**	**$ 1,320**	**$ -**	**$ 216**	**$ 1,536**
Task 1.2	**Introduction and Existing Water System Description**					
1.2.1	Describe water system ownership and management	1	$ 144	$ -	$ 36	$ 180
1.2.2	Describe the authorization and purpose of the WCP	3	$ 484	$ -	$ 72	$ 556
1.2.3	Review previous plans, existing system information, and available facility as-builts	6	$ 1,196	$ -	$ 34	$ 1,230
1.2.4	Visit each new facility with City staff	5	$ 782	$ -	$ 183	$ 965
1.2.5	Provide water system history	1	$ 144	$ -	$ 36	$ 180
1.2.6	Describe physical characteristics	1	$ 144	$ -	$ 36	$ 180
1.2.7	Describe existing and future service areas	3	$ 588	$ -	$ 19	$ 607
1.2.8	Provide overview of the existing water system operation	4	$ 784	$ -	$ 24	$ 808
1.2.9	Provide table of water main inventory	2	$ 288	$ -	$ 67	$ 355
1.2.10	Review existing City standards pertaining to policies and criteria	2	$ 288	$ -	$ 67	$ 355
1.2.11	Identify existing policies and recommend additional or revised policies	1	$ 144	$ -	$ 36	$ 180
1.2.12	Summarize each policy and design criteria	6	$ 978	$ -	$ 139	$ 1,117
1.2.13	Describe process for responding to new water service requests	1	$ 144	$ -	$ 36	$ 180
1.2.14	Describe process for determining adequate system capacity	1	$ 144	$ -	$ 36	$ 180
1.2.15	Describe the ability to provide new water service	1	$ 144	$ -	$ 36	$ 180
1.2.16	Describe the procedures for time extensions and handling disputes	1	$ 144	$ -	$ 36	$ 180
1.2.17	Describe policies for extensions of water service outside of boundaries	7	$ 672	$ -	$ 49	$ 721
1.2.18	Prepare color figures	32	$ 4,900	$ -	$ 949	$ 5,849
	Subtotal	**78**	**$ 12,112**	**$ -**	**$ 1,887**	**$ 13,999**
Task 1.3	**Basic Planning Data**					
1.3.1	Prepare and review related plans	2	$ 392	$ -	$ 14	$ 406
1.3.2	Complete DOH's Consistency Statement checklist	2	$ 392	$ -	$ 14	$ 406
1.3.3	Identify existing and future land use patterns	2	$ 392	$ -	$ 14	$ 406
1.3.4	Identify current and projected housing trends	8	$ 1,352	$ -	$ 38	$ 1,390
1.3.5	Prepare population projections	4	$ 784	$ -	$ 24	$ 808
1.3.6	Prepare color land use figures	11	$ 1,750	$ -	$ 284	$ 2,034
1.3.7	Tabulate water consumption	4	$ 784	$ -	$ 24	$ 808
1.3.8	Tabulate wholesale water supplied to other systems	2	$ 392	$ -	$ 14	$ 406
1.3.9	Tabulate ten (10) to twenty (20) of the largest water users	2	$ 392	$ -	$ 14	$ 406
1.3.10	Tabulate monthly and yearly water supply from 2008 to 2014	3	$ 588	$ -	$ 19	$ 607
1.3.11	Calculate per-capita demands	4	$ 753	$ -	$ 51	$ 804
1.3.12	Calculate the number of ERUs	3	$ 588	$ -	$ 19	$ 607
1.3.13	Identify amount of DSL from 2008 through 2014	3	$ 557	$ -	$ 46	$ 603
1.3.14	Tabulate demand by zone	5	$ 949	$ -	$ 56	$ 1,005
1.3.15	Calculate ADD	8	$ 1,568	$ -	$ 44	$ 1,612
1.3.16	Estimate the systems MDDs and PHDs	1	$ 196	$ -	$ 9	$ 205
1.3.17	Prepare table of fire flow requirements	2	$ 392	$ -	$ 14	$ 406
1.3.18	Document historical demands from 2008 through 2014	4	$ 784	$ -	$ 24	$ 808
1.3.19	Describe water demand evaluations	6	$ 1,176	$ -	$ 34	$ 1,210
1.3.20	Evaluate seasonal consumption and supply patterns	6	$ 852	$ -	$ 26	$ 878
1.3.21	Provide tables integrated with chapter text	2	$ 392	$ -	$ 14	$ 406
	Subtotal	**84**	**$ 15,425**	**$ -**	**$ 799**	**$ 16,224**
Task 1.4	**Water System Analyses**					
1.4.1	Describe water system design and construction standards	5	$ 990	$ -	$ 29	$ 1,019
1.4.2	Describe each pressure zone and existing facilities	2	$ 392	$ -	$ 14	$ 406
1.4.3	Evaluate existing pressure zones	2	$ 392	$ -	$ 14	$ 406
1.4.4	Evaluate water supply	4	$ 784	$ -	$ 24	$ 808
1.4.5	Identify supply facility deficiencies	2	$ 392	$ -	$ 14	$ 406
1.4.6	Evaluate BPSs	6	$ 1,176	$ -	$ 34	$ 1,210
1.4.7	Evaluate storage capacity	8	$ 1,568	$ -	$ 44	$ 1,612
1.4.8	Evaluate storage deficiencies	2	$ 402	$ -	$ 15	$ 417
1.4.9	Document the hydraulic analysis criteria and settings	2	$ 392	$ -	$ 14	$ 406
1.4.10	Update the City's hydraulic model	7	$ 1,320	$ -	$ 123	$ 1,443
1.4.11	Prepare demand allocation	12	$ 1,980	$ -	$ 274	$ 2,254
1.4.12	Determine existing PHD hydraulic analyses	15	$ 2,950	$ -	$ 106	$ 3,056
1.4.13	Determine existing MDD fire flow analyses	17	$ 3,342	$ -	$ 116	$ 3,458
1.4.14	Convert data into shapefiles	2	$ 392	$ -	$ 14	$ 406
1.4.15	Input future demand data	4	$ 784	$ -	$ 24	$ 808
1.4.16	Input proposed water system improvements into the model	12	$ 2,352	$ -	$ 91	$ 2,443
1.4.17	Perform steady-state fire flow analyses	25	$ 4,910	$ -	$ 155	$ 5,065
1.4.18	Prepare fire flow summary table	6	$ 1,176	$ -	$ 34	$ 1,210
1.4.19	Identify and describe distribution system deficiencies	4	$ 784	$ -	$ 24	$ 808
1.4.20	Evaluate and identify deficiencies of other facilities	6	$ 1,176	$ -	$ 34	$ 1,210
1.4.21	Perform capacity analyses in terms of ERUs	10	$ 1,960	$ -	$ 81	$ 2,041
1.4.22	Describe water supply characteristics	6	$ 1,094	$ -	$ 32	$ 1,126
1.4.23	Describe drinking water regulations, the SDWA, and ESA	2	$ 310	$ -	$ 12	$ 322
1.4.24	Identify the water quality monitoring requirements	10	$ 1,550	$ -	$ 43	$ 1,593
1.4.25	Summarize the results of water quality monitoring	10	$ 1,550	$ -	$ 43	$ 1,593
1.4.26	Identify improvements needed to comply with water quality requirements	10	$ 1,550	$ -	$ 43	$ 1,593
1.4.27	Meet with City staff and discuss water quality improvements	5	$ 641	$ -	$ 21	$ 662
1.4.28	Provide summary tables and integrate into text	6	$ 1,196	$ -	$ 37	$ 1,233
	Subtotal	**211**	**$ 39,063**	**$ -**	**$ 1,552**	**$ 40,615**

	Classification	Total Hours	Total Labor	Total Subconsultant	Total Expense	Total Cost
Task 1.5	**Water Use Efficiency Program**					
1.5.1	Evaluate the City's existing WUE program	4	$ 660	$ -	$ 104	$ 764
1.5.2	Prepare summary of past WUE efforts	2	$ 330	$ -	$ 40	$ 370
1.5.3	Describe WUE improvements	2	$ 330	$ -	$ 40	$ 370
1.5.4	Develop water demand projections, with and without additional water use reductions from WUE	9	$ 1,516	$ -	$ 207	$ 1,723
1.5.5	Assist City staff with WUE public forum	4	$ 722	$ -	$ 80	$ 802
1.5.6	Evaluate WUE measures for appropriateness and cost-effectiveness	2	$ 330	$ -	$ 40	$ 370
1.5.7	Prepare implementation schedule	3	$ 526	$ -	$ 45	$ 571
1.5.8	Summarize the City's current water rights	7	$ 1,244	$ -	$ 36	$ 1,280
1.5.9	Perform a water rights evaluation	6	$ 1,063	$ -	$ 59	$ 1,122
1.5.10	Document water supply characteristics	2	$ 346	$ -	$ 13	$ 359
1.5.11	Review adjacent water systems	5	$ 594	$ -	$ 47	$ 641
	Subtotal	**46**	**$ 7,661**	**$ -**	**$ 711**	**$ 8,372**
Task 1.6	**Source Water Protection**					
1.6.1	Prepare summary of the state's regulatory requirements	2	$ 330	$ -	$ 40	$ 370
1.6.2	Document the City's past efforts	2	$ 330	$ -	$ 40	$ 370
1.6.3	Document susceptibility assessment	2	$ 330	$ -	$ 40	$ 370
1.6.4	Perform delineation of the wellheads	8	$ 1,352	$ -	$ 121	$ 1,473
1.6.5	Identify owners and operators for notification purposes	2	$ 330	$ -	$ 40	$ 370
1.6.6	Document watershed control and wellhead protection measures	2	$ 330	$ -	$ 40	$ 370
1.6.7	Document normal system operation and a contingency plan	2	$ 371	$ -	$ 41	$ 412
1.6.8	Document water quality trends	4	$ 684	$ -	$ 49	$ 733
1.6.9	Document implementation of watershed control and wellhead protection program	3	$ 418	$ -	$ 42	$ 460
	Subtotal	**27**	**$ 4,475**	**$ -**	**$ 455**	**$ 4,930**
Task 1.7	**Operations and Maintenance**					
1.7.1	Document the current water staff organization	1	$ 144	$ -	$ 36	$ 180
1.7.2	Prepare a list of operations personnel	1	$ 144	$ -	$ 36	$ 180
1.7.3	Describe key responsibilities	1	$ 144	$ -	$ 36	$ 180
1.7.4	Provide a list of major equipment, supplies, and chemicals	1	$ 144	$ -	$ 36	$ 180
1.7.5	Describe water quality impacts	1	$ 155	$ -	$ 8	$ 163
1.7.6	Identify safety procedures	1	$ 144	$ -	$ 36	$ 180
1.7.7	Prepare water system description	1	$ 144	$ -	$ 36	$ 180
1.7.8	Document source water quality monitoring requirements	3	$ 465	$ -	$ 16	$ 481
1.7.9	Document distribution system monitoring requirements	4	$ 671	$ -	$ 21	$ 692
1.7.10	Discuss impact of using more City water	4	$ 594	$ -	$ 19	$ 613
1.7.11	Prepare monitoring color figure	9	$ 1,307	$ -	$ 257	$ 1,564
1.7.12	Describe ERP and VA	1	$ 144	$ -	$ 36	$ 180
1.7.13	Review the City's cross-connection control ordinance	2	$ 340	$ -	$ 41	$ 381
1.7.14	Describe cross-connection control ordinance consequences	1	$ 144	$ -	$ 36	$ 180
1.7.15	Document the responsibility of each City department	1	$ 144	$ -	$ 36	$ 180
1.7.16	Identify cross-connection control program staff positions	1	$ 144	$ -	$ 36	$ 180
1.7.17	Identify qualifications of staff positions	1	$ 144	$ -	$ 36	$ 180
1.7.18	Document the City's approval of qualifications	1	$ 144	$ -	$ 36	$ 180
1.7.19	Document procedures for prioritizing and conducting surveys	1	$ 144	$ -	$ 36	$ 180
1.7.20	Document guidelines for assessments	1	$ 144	$ -	$ 36	$ 180
1.7.21	Document standard requirements	1	$ 144	$ -	$ 36	$ 180
1.7.22	Describe recordkeeping	1	$ 144	$ -	$ 36	$ 180
1.7.23	Describe methods to provide public information	1	$ 144	$ -	$ 36	$ 180
1.7.24	Document procedures for responding to backflow incidents	1	$ 144	$ -	$ 36	$ 180
1.7.25	Prepare list of records	1	$ 144	$ -	$ 36	$ 180
1.7.26	Identify maintenance schedules	1	$ 144	$ -	$ 36	$ 180
1.7.27	Evaluate staffing requirements	2	$ 350	$ -	$ 41	$ 391
1.7.28	Identify O&M improvements	1	$ 144	$ -	$ 36	$ 180
1.7.29	Document O&M program in summary tables and chapter text	4	$ 634	$ -	$ 48	$ 682
	Subtotal	**50**	**$ 7,540**	**$ -**	**$ 1,199**	**$ 8,739**
Task 1.8	**Distribution Facility Design and Construction Standards**					
1.8.1	Discuss existing construction standards	2	$ 288	$ -	$ 67	$ 355
1.8.2	Document the City's design and construction standards for distribution-related projects	2	$ 288	$ -	$ 67	$ 355
1.8.3	Document facility standards for BPSs and reservoirs	4	$ 582	$ -	$ 74	$ 656
	Subtotal	**8**	**$ 1,158**	**$ -**	**$ 207**	**$ 1,365**
Task 1.9	**Improvement Program**					
1.9.1	Describe improvements since last WCP	2	$ 288	$ -	$ 67	$ 355
1.9.2	Prepare a list of proposed improvements	9	$ 1,348	$ -	$ 258	$ 1,606
1.9.3	Prepare cost estimates based on current industry prices	7	$ 1,060	$ -	$ 196	$ 1,256
1.9.4	Coordinate with City staff to establish prioritization criteria	2	$ 288	$ -	$ 67	$ 355
1.9.5	Prepare a schedule of improvements	13	$ 1,924	$ -	$ 383	$ 2,307
1.9.6	Prepare a table of improvements	9	$ 1,348	$ -	$ 258	$ 1,606
1.9.7	Describe criteria and procedures for the improvements	2	$ 288	$ -	$ 67	$ 355
1.9.8	Prepare tables and integrate into the text	11	$ 1,412	$ -	$ 205	$ 1,617
1.9.9	Prepare color figures	28	$ 4,116	$ -	$ 904	$ 5,020
1.9.10	Meet with the City staff	6	$ 1,206	$ -	$ 38	$ 1,244
	Subtotal	**89**	**$ 13,278**	**$ -**	**$ 2,441**	**$ 15,719**
Task 1.10	**Financial Analysis**					
1.10.1	Coordinate with the City to provide financial data	1	$ 206	$ -	$ 10	$ 216
1.10.2	Summarize past income and expenses for 2010 through 2014	6	$ 1,236	$ -	$ 35	$ 1,271
1.10.3	Provide balanced one (1)-year 2015 operational statement	4	$ 824	$ -	$ 25	$ 849
1.10.4	Develop a plan to maintain cash flow stability and to fund improvements	4	$ 824	$ -	$ 25	$ 849
1.10.5	Compare necessary revenue to ability to pay	3	$ 577	$ -	$ 46	$ 623
1.10.6	Evaluate conservation rate structures	3	$ 577	$ -	$ 46	$ 623
1.10.7	Attend one (1) meeting with City staff to review financial analysis results	3	$ 500	$ -	$ 20	$ 520
	Subtotal	**24**	**$ 4,744**	**$ -**	**$ 208**	**$ 4,952**

	Classification	Total Hours	Total Labor	Total Subconsultant	Total Expense	Total Cost
Task 1.11	**Miscellaneous Documents**					
1.11.1	Obtain informational meeting minutes	2	$ 402	$ -	$ 15	$ 417
1.11.2	Submit the WCP to adjacent water systems	1	$ 196	$ -	$ 9	$ 205
1.11.3	Prepare SEPA and DNS	20	$ 2,992	$ -	$ 79	$ 3,071
1.11.4	Obtain agreements	1	$ 196	$ -	$ 9	$ 205
1.11.5	Obtain resolutions/ordinances	1	$ 88	$ -	$ 7	$ 95
1.11.6	Include WFI forms	1	$ 88	$ -	$ 7	$ 95
1.11.7	Include water rights certificates and permits	1	$ 196	$ -	$ 9	$ 205
1.11.8	Include Consumer Confidence Report	1	$ 88	$ -	$ 7	$ 95
1.11.9	Include the City's construction standards	1	$ 88	$ -	$ 7	$ 95
1.11.10	Include copies of data, checklists, and review comments	2	$ 284	$ -	$ 12	$ 296
	Subtotal	31	$ 4,618	$ -	$ 160	$ 4,778
Task 1.12	**Finalize, Print, and Present Draft WCP**					
1.12.1	Develop a cover format	3	$ 320	$ -	$ 40	$ 360
1.12.2	Transmit electronic copies	5	$ 664	$ -	$ 131	$ 795
1.12.3	Revise WCP	15	$ 1,992	$ -	$ 384	$ 2,376
1.12.4	Bind the final WCP documents and print up to three (3) sets	14	$ 1,568	$ -	$ 1,694	$ 3,262
1.12.5	Create electronic version of WCP	5	$ 552	$ -	$ 169	$ 721
1.12.6	Submit the WCP to adjacent water systems	3	$ 320	$ -	$ 45	$ 365
1.12.7	Submit the WCP to the county and DOH	4	$ 526	$ -	$ 50	$ 576
	Subtotal	49	$ 5,942	$ -	$ 2,513	$ 8,455
	Subtotal Water Comprehensive Plan Update Tasks	705	$ 117,336	$ -	$ 12,350	$ 129,686
Task 2	**DOH and Agency Review Revisions to WCP**					
2.1	Respond to agency review comments	58	$ 9,904	$ -	$ 1,036	$ 10,940
2.2	Produce revised chapters and figures (up to ten (10) copies)	10	$ 1,270	$ -	$ 826	$ 2,096
	Subtotal DOH and Agency Review Revisions to WCP Task	68	$ 11,174	$ -	$ 1,862	$ 13,036
Task 3	**Water Rate Analysis Study**					
3.1	Initial project meeting	-	$ -	$ 1,113	$ -	$ 1,113
3.2	Data collection	-	$ -	$ 1,344	$ -	$ 1,344
3.3	Revenue requirements (financial plan)	-	$ -	$ 11,865	$ -	$ 11,865
3.4	Cost of service analysis	-	$ -	$ 10,500	$ -	$ 10,500
3.5	Update Water Service Agreement rates	-	$ -	$ 3,108	$ -	$ 3,108
3.6	Rate design/structures	-	$ -	$ 2,016	$ -	$ 2,016
3.7	Facility fee update	-	$ -	$ 6,762	$ -	$ 6,762
3.8	Meeting/presentations	-	$ -	$ 1,517	$ -	$ 1,517
3.9	Documentation	-	$ -	$ 1,927	$ -	$ 1,927
3.10	Spreadsheet modeling tool	-	$ -	$ 1,848	$ -	$ 1,848
	Subtotal Water Analysis Rate Study Task	-	$ -	$ 42,000	$ -	$ 42,000
Task 4	**Large User Water Audit Procedures**					
4.1	Review water audit procedures for other systems	8	$ 1,318	$ -	$ 188	$ 1,506
4.2	Assess water audit procedure applicability to the City	8	$ 1,318	$ -	$ 188	$ 1,506
4.3	Prepare list of water audit procedures	18	$ 2,576	$ -	$ 385	$ 2,961
	Subtotal Large User Water Audit Task	34	$ 5,212	$ -	$ 762	$ 5,974
Task 5	**Automatic Meter Reading System Review**					
5.1	Review electrical utility Smart Grid Assessment	10	$ 1,814	$ -	$ 223	$ 2,037
5.2	Review billing and customer service needs	14	$ 2,392	$ -	$ 348	$ 2,740
5.3	Assess feasibility of AMR for water utility	24	$ 3,816	$ -	$ 465	$ 4,281
	Subtotal Water Analysis Rate Study Task	48	$ 8,022	$ -	$ 1,036	$ 9,058
	PROJECT TOTAL	855	$ 141,744	$ 42,000	$ 16,010	$ 199,754

EXHIBIT C
RH2 ENGINEERING, INC.
SCHEDULE OF RATES AND CHARGES

2015 HOURLY RATES

CLASSIFICATION		RATE	CLASSIFICATION		RATE
Professional	IX	$206.00	Technician	IV	$134.00
Professional	VIII	$206.00	Technician	III	$126.00
Professional	VII	$196.00	Technician	II	$94.00
			Technician	I	$87.00
Professional	VI	$184.00			
Professional	V	$173.00	Administrative	V	$127.00
Professional	IV	$165.00	Administrative	IV	$105.00
			Administrative	III	$88.00
Professional	III	$155.00	Administrative	II	$74.00
Professional	II	$144.00	Administrative	I	$64.00
Professional	I	$135.00			

IN-HOUSE SERVICES

In-house copies (each)	8.5" X 11"	$0.09	CAD Plots	Large	$25.00
In-house copies (each)	8.5" X 14"	$0.14	CAD Plots	Full Size	$10.00
In-house copies (each)	11" X 17"	$0.20	CAD Plots	Half Size	$2.50
In-house copies (color) (each)	8.5" X 11"	$0.90	CAD System	Per Hour	$27.50
In-house copies (color) (each)	8.5" X 14"	$1.20	GIS System	Per Hour	$27.50
In-house copies (color) (each)	11 X 17"	$2.00	Technology Charge		2.5% of Direct Labor
			Mileage		Current IRS Rate

OUTSIDE SERVICES

Outside direct costs for permit fees, reports, maps, data, reprographics, couriers, postage, and non-mileage related travel expenses that are necessary for the execution of the project and are not specifically identified elsewhere in the contract will be invoiced at cost.

All Subconsultant services are billed at cost plus 5%.

CHANGES IN RATES

Rates listed here are adjusted annually. The current schedule of rates and charges is used for billing purposes. Payment for work accomplished shall be based on the hourly rates and expenses in effect at the time of billing as stated in this Exhibit.

EXHIBIT D

City of Richland
Water Comprehensive Plan Update
Data to be Provided by the City

The following list contains the information and data to be provided by the City of Richland (City) that is needed to update the City's Water System Plan (WSP). Available resources from previous planning work will be utilized to reduce the level of effort necessary. RH2 Engineering, Inc., (RH2) will rely on the items listed herein. The list below is organized according to the Scope of Work activities.

Information Needed	Priority	Notes	Status/ Delivered
Task 1.2 – Introduction and Existing Water System Description			
~~1. Reservoir information that includes reservoir name, as-builts, location, year constructed, material, reservoir floor elevation, overflow elevation, diameter, ground elevation, operating levels (pump start level(s) for filling reservoir and pump stop level), fill pipe diameter, draw pipe diameter, and description of operation and control.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~2. Pressure reducing station data that includes station name, as-builts, location, main line and by-pass control valve size, normal inlet pressure, outlet pressure set points, operational priority (lead, lag, second lag, etc.), ground elevation, and pressure relief valve size and set point (if relief valve is included).~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~3. List of check valves and zone valves (closed isolation valves between pressure zones) in the distribution system.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~4. Intertie information that includes adjacent system name, as-builts, location, water main size, control valve size and model number, and any other facility information.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~5. Telemetry and supervisory control information that includes manufacturer and year of telemetry system, type of communications link (radio or phone), facilities monitored at master telemetry unit, facilities with remote telemetry units.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~6. Water treatment information that includes location of treatment facilities, as-builts, type of treatment (disinfection, fluoridation, filtration, etc.), chemicals used and concentrations, method of metering, initial dosage amounts, and capacity of mixing or holding tanks.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered

Information Needed	Priority	Notes	Status/ Delivered
~~7. Booster pump station data that includes pump station name, as-builts, location, year constructed, number of pumps, pump curves (or pump manufacturer and model number, pump serial number and impeller diameter), motor horsepower, ground elevation, normal pumping rate, and description of operation and control.~~	**H**	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~8. Well data that includes well name, well log, location, year constructed, pump curve (or pump manufacturer and model number, pump serial number and impeller diameter); motor horsepower, well casing diameter, well column diameter, ground elevation, well depth, screen depth range, pump intake depth, normal pumping rate, static water level, water level at normal pumping rate, and description of operation and control.~~	**H**	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
9. Copy of most recent Department of Health (DOH) Sanitary Survey.	M		
~~10. Copy of GIS files of the base map, aerial photo, existing water system (including all water main, sources, pumping and storage facilities, gate and check valves, and hydrants), and contours.~~	**H**	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~11. Describe the process for responding to requests for new water service (individual and group services), including timeframes.~~	L	Assumed same as described in previous WSP.	Delivered
~~12. Describe the process for determining if the system's capacity is adequate to provide water service to requests for new service. The process must include the determination of sufficient water rights.~~	L	Assumed same as described in previous WSP.	Delivered
~~13. Describe any conditions of a non-technical nature that may impact the ability to provide new water service (e.g., annexation procedures, water rights issues, local ordinances, etc.).~~	L	Assumed same as described in previous WSP.	Delivered
~~14. Describe the procedures for granting or requesting extensions of time during a project. Describe the procedures for handling disputes and appeals when requests are denied.~~	L	Assumed same as described in previous WSP.	Delivered
~~15. Describe policies for extensions of water service outside of boundaries. Describe how the policies are consistent with the local and county comprehensive (land use) plan, and development regulations.~~	L	Assumed same as described in previous WSP.	Delivered
~~16. Copy of sample letter and certificate of water availability that is issued prior to receiving a building permit.~~	L	Assumed same as described in previous WSP.	Delivered

Information Needed	Priority	Notes	Status/ Delivered
Task 1.3 – Basic Planning Data			
~~17. Copy of the City's Comprehensive (Land Use) Plan.~~	H	Provided as part of Regional Water System Feasibility Plan	Delivered
~~18. Summary of City's efforts and involvement in regional water system planning.~~	H	Provided as part of Regional Water System Feasibility Plan	Delivered
~~19. Identify on a map the areas where growth is expected to occur.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
~~20. List of planned developments. Provide name of development, type of development, number of units and development schedule.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
~~21. Copy of GIS file showing existing retail and future service area boundaries.~~	H	Provided as part of Regional Water System Feasibility Plan	Delivered
~~22. Copy of GIS file showing existing and future land use.~~	H	Assumed same as described in previous WSP.	Delivered
Task 1.4 – Water System Analyses			
~~23. How often are customer meters read (monthly, every other month, etc.)?~~	H	Assumed same as described in previous WSP.	Delivered
24. Hourly and daily reservoir level records (telemetry data, circular charts, data sheets, etc.) from each storage facility for 2008 through 2014 (to be used to determine the system's peaking factors).	H		
25. Hourly and daily water production records from each source of supply for 2008 through 2014 (to be used to determine the system's peaking factors).	H		
26. Monthly water production totals from each source of supply from 2008 through 2014.	H	2013 data already provided as part of Regional Water System Feasibility Plan	
27. Monthly water supply data for water supplied to other systems.	H		
28. Monthly (or bi-monthly) metered water consumption totals for each customer class from 2008 through 2014.	H	2013 data already provided as part of Regional Water System Feasibility Plan	
29. Average number of connections for each month for each customer class from 2008 through 2014.	H	2013 data already provided as part of Regional Water System Feasibility Plan	
30. Total number of multi-family units (number of apartment, condo, or townhome units) served in 2008 through 2014	H	2013 data already provided as part of Regional Water System Feasibility Plan	

Information Needed	Priority	Notes	Status/ Delivered
31. List of customers (approximately 10 to 20) that used the most water in 2014 (as measured by individual meters), customer address and amount of consumption of each customer for the year.	**H**		
32. List of buildings with the largest fire flow requirements in the service area (provide at least three in each pressure zone). Provide name of building, address and fire flow requirement.	M		
33. General level of service fire flow requirements and duration for all land use classifications, such as single-family, multi-family, commercial, industrial, etc.	M		
34. Provide total annual amounts of water usage for construction projects, fire department activities, water main flushing, and City treatment processes (backwash or priming water) from 2008 through 2014.	**H**		
35. Database of monthly totals of 2014 metered water consumption data for each meter, including address and parcel number, if available.	**H**		
36. Copy of water system policies and design criteria not contained in the previous WSP.	L		
37. List of known water system deficiencies and unsuitable pipe materials.	M		
38. List of past water main breaks dating back to 2008. Provide address and date that each occurred.	L		
39. List of facilities that have emergency power supply connections or stand-by emergency generator sets.	L		
40. As-builts for recent water system improvements not contained in the existing hydraulic model.	**H**		
~~41. Normal operating range of each reservoir (water elevation that well, intertie or control valve is called to fill reservoir or the normal drawdown in each reservoir).~~	**H**	Provided as part of Regional Water System Feasibility Plan.	Delivered
42. Sampling rotation schedule for coliform monitoring, if different than contained in coliform monitoring program.	M		
43. List of water source sampling sites. Indicate source of sample.	M		
44. Copy of monitoring waivers and related DOH correspondence.	M		
45. List of known backflow assemblies installed in the system.	L		
46. Copy of latest cross-connection control program summary report that is submitted annually to DOH.	L		

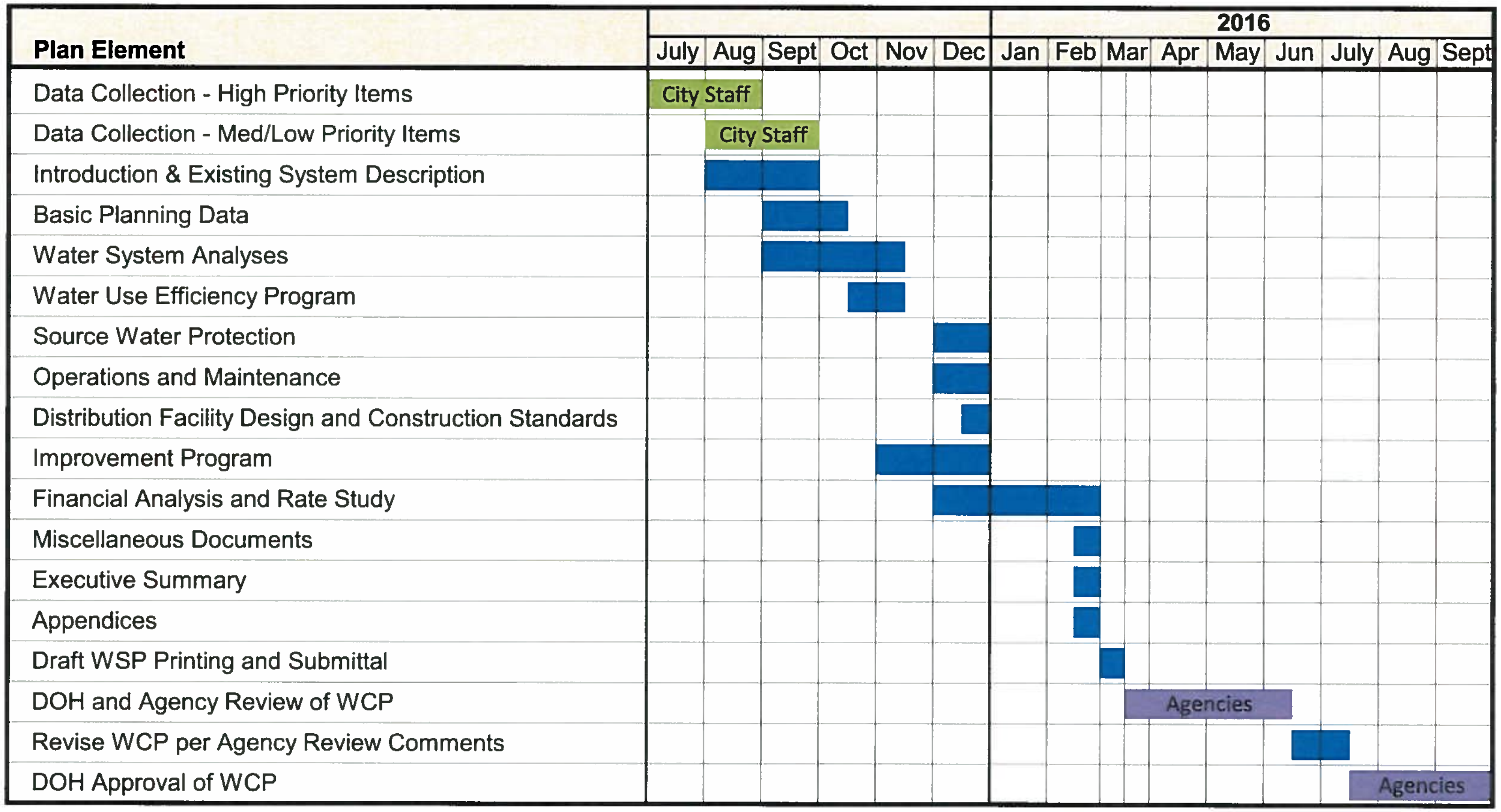
Information Needed	Priority	Notes	Status/ Delivered
47. Copy of past lead and copper monitoring results (2008 through 2014).	M		
48. Copy of asbestos monitoring results (2008 through 2014).	M		
49. Copy of source water quality monitoring results (2008 through 2014) for volatile organic chemicals, synthetic organic chemicals, inorganic chemical and physical substances, and radionuclides.	M		
50. Summarize the results of past (2008 through 2014) coliform monitoring. Indicate if monitoring results indicated levels above the regulatory limits. For each situation where the regulatory requirements were not met, describe the source of the problem and the follow up procedures that corrected the problem.	M		
51. Summarize the results of past (2008 through 2014) disinfectant concentration monitoring. Indicate if monitoring results did not meet the regulatory requirements. For each situation where the regulatory requirements were not met, describe the source of the problem and the follow up procedures that corrected the problem.	M		
52. Summarize the results of past (2008 through 2014) disinfectants and disinfection by-product monitoring and Initial Distribution System Evaluation.	M		
53. Summarize the method of disinfection and initial dosage at each source (2008 through 2014).	M		
54. Provide the initial dosage of fluoride at each source.	M		
55. Copy of Coliform Monitoring Plan.	M		
56. List of dirty water complaints (2008 through 2014), including date and location of each complaint.	M		
57. Copy of the most recent Consumer Confidence Report (CCR).	M		
58. Copy of 2008 through 2014 Water Quality Monitoring Reports (WQMR) from DOH that lists the specific monitoring requirements for the City's system.	M		

Information Needed	Priority	Notes	Status/ Delivered
Task 1.5 – Water Use Efficiency Program			
~~59. Copy of existing Water Use Efficiency Program.~~	H	Assumed same as described in previous WSP.	Delivered
~~60. Has leak detection been performed in the distribution system in the past? If so, indicate date, description of areas tested and findings. Provide a copy of the leak detection report.~~	M	Assumed same as described in previous WSP.	Delivered
~~61. List of current water use efficiency goals.~~	H	Assumed same as described in previous WSP.	Delivered
~~62. Describe what, if any, previous water use efficiency efforts will be discontinued. Identify why continuation of these efforts would be ineffective or describe that the program had a prescribed end date or savings level.~~	M		
~~63. Describe any available or potential sources of reclaimed water. Identify opportunities for the use of reclaimed water (i.e. irrigation for parks or schools, construction purposes or street cleaning) and an estimated annual volume for each use.~~	M	Assumed same as described in previous WSP.	Delivered
64. Amount budgeted for each individual water use efficiency measure that is part of the water use efficiency program.	L		
~~65. Copy of water rights permits, certificates and other related information for all sources.~~	M	Assumed same as described in previous WSP.	Delivered
Task 1.6 – Source Water Protection			
66. Copy of any recent reports and studies for the sources of supply (not including the Wellhead Protection Plan and Watershed Control Program).	M		
67. Copy of DOH Susceptibility Study.	M		
~~68. Summarize the City's past efforts towards protection of its water sources.~~	L	Assumed same as described in previous WSP.	Delivered
69. List of known and potential water contaminant sources located within the watershed/wellhead protection areas.	L		
~~70. Identify present and past land uses (last 10 to 20 years) and proposed land uses that might pose a threat to the water sources.~~	L	Assumed same as described in previous WSP.	Delivered
Task 1.7 – Operations and Maintenance			
71. Personnel organization chart.	L		

Information Needed	Priority	Notes	Status/ Delivered
72. Brief description of the major responsibilities for any new staff positions shown on the organizational chart.	L		
73. Updated list of all operators and their certifications.	L		
74. Provide a list of all major equipment, supplies and chemicals used by the water system. Provide a list of the service representatives for major water system components and chemical suppliers.	L		
75. Provide a list of safety and first aid equipment owned by the system and identify safety training the personnel have and are required to have.	L		
76. Maintenance schedules for each facility.	L		
77. Staffing time for preventive maintenance of facilities and equipment.	L		
78. Staffing time for operation tasks.	L		
79. Identify procedures for keeping and compiling records and reports; provide a list of records that are on file; and identify where the records are filed.	L		
80. Procedures for testing the accuracy of water meters and identifying the frequency of tests. Indicate most recent calibration of source and customer meters.	L		
81. Indicate approximate age of source and customer meters.	L		
82. List of the Utilities Division safety program activities and recent Labor and Industries' inspection reports.	L		
83. Provide copies of the City's Emergency Response Plan and Vulnerability Assessment (For security purposes, the documents will not be included in the WCP).	L		
~~84. Copy of existing cross-connection control ordinance/resolution.~~	L	Assumed same as described in previous WSP.	Delivered
Task 1.8 – Distribution Facility Design and Construction Standards			
85. Copy of the City's water system construction standards.	L		
Task 1.9 – Improvement Program			
~~86. List of desired water system improvements not contained in previous CIP.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
~~87. List of projects completed since the last WSP. List can be descriptive or map based.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered

Information Needed	Priority	Notes	Status/ Delivered
~~88. Copy of the City's most recent six-year Capital Facilities Plan. If not available, provide a list of all road and utility improvements currently planned by the City for the next six years to assist in coordinating the timing of water improvements with other capital improvements.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
Task 1.10 – Financial Analysis			
89. Data request will be issued at a later date.	L	To be provided at a later date.	
Task 1.11 – Miscellaneous Documents			
90. Copy of current service area agreement. This was likely prepared during the development of the County's *Coordinated Water System Plan.*	L		
~~91. Copy of water resolutions or ordinances not specifically identified under other activities above.~~	L	Provided as part of Regional Water System Feasibility Plan	Delivered
92. Copy of most recent Water Facilities Inventory (WFI) form.	**H**		
93. Copy of standard maintenance logs and forms used.	L		
~~94. Copy of intertie agreements.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
Task 3 – Water Rate Analysis Study			
95. Data request will be issued at a later date.	L	To be provided at a later date.	
Task 5 – Automatic Meter Reading System Review			
96. Staffing time for radio, touch, and hand meter reads.	L		
97. Information regarding utility billing process and customer service needs as they relate to an AMR system.	L		

Exhibit E
City of Richland
2015 Water Comprehensive Plan Update
Estimated Schedule
8/6/2015



CITY OF RICHLAND
REQUEST for QUALIFICATIONS
Water System Comprehensive Plan Update
RFQ -15-0075

Project Title: WATER SYSTEM COMPREHENSIVE PLAN UPDATE

General Information

The City of Richland is a rapidly growing eastern Washington City located in Benton County. The City has a City Manager-Council form of government, and operates as a First Class City under RCW 35. The City was incorporated in 1958 with a current population of approximately 48,500. Several thousand additional area residents work in Richland, or commute to work north of Richland, every day.

The City is a full-service municipality employing approximately 500 people to provide general government, public works, public safety, planning and community development, and recreational services. The City also operates an electric distribution utility, solid waste landfill-collection system, public library, and administers the regional emergency management and 911 dispatch center.

The City last completed a Comprehensive Water System Plan update in 2010. Current plan is set to expire on December 20, 2016.

Purpose

The purpose of this Request for Qualifications is to collect statements of qualifications from qualified consultants to complete an update to the Comprehensive Water System Plan and perform a rate analysis. The existing water system plan is effective until December 20, 2016.

Technical Information and Questions

No oral interpretations of this RFQ will be made to any Proposer. All questions and any explanations must be requested in writing and directed to the designated person(s) below. Any oral communications will be considered unofficial and non-binding to the City of Richland. The City is not bound by information, clarification, or interpretation from other City officials or employees, except as directed in this RFQ.

RFQ Terms and Conditions
Cathy Robinson, Purchasing Manager
Phone: 509-942-7710 **Fax**: 509-942-7397 **Email**: purchasing@ci.richland.wa.us

Technical Questions
Sheldon Williamson, Civil Engineer II
Phone: 509-942-7492 **Fax**: 509-942-7468 **Email**: swilliamson@ci.richland.wa.us

Jay Marlow, Public Works Capital Project Manager
Phone: 509-942-7540 **Fax**: 509-942-7468 **Email**: jmarlow@ci.richland.wa.us

Questions received will be answered by addendum, if necessary. The City of Richland reserves the right to not answer any questions received three (3) business days or less than the due date of the RFQ to allow adequate time for issuance and addenda.

Funding and Cost

A lump sum fee shall be negotiated with the finalist(s). It is anticipated that the contract will be an hourly rate with a not to exceed maximum amount.

Schedule

The City would like all work performed under the contract completed by the consultant within time frames established by the Washington State Department of Health in regards to existing water plan expiration. Current approved plan expires on December 20, 2016 with first water system plan submittal required by March 20, 2016.

Consultant Qualifications

The City is seeking a consultant with an accompanying expertise in municipal water system comprehensive planning, modeling and permitting. Knowledge about water rights and the quad-city water rights and completing a rate analysis study is preferred.

Proposal Submission and Award

Consultant/Vendor shall submit one signed original and four (4) copies of proposal package. All proposals and accompanying documentation will become property of the City and will not be returned. Fax proposals or proposals submitted by e-mail are not acceptable.

Award will be based upon a review and evaluation by a committee consisting of personnel from the City's Public Works Administration and Engineering Division and the Water Department.

Written submittals and oral presentations, if necessary, may be utilized in selecting the winning proposal. The following evaluation criteria, not listed in order of significance will be used:

- General approach and plans to meet the requirements of the RFQ as well as overall ability to successfully complete the project within the stated schedule.
- Qualifications and experience of personnel.
- The Consultant's past performance on projects of similar size and scope including similar updates to water system comprehensive plans and water modeling ability.

Upon completion by the evaluation committee, the City may enter negotiations with one or more Respondents.

The final selection, if any, will be that proposal which, in the opinion of the city after review of all submissions by the evaluation committee, best meets the requirements set forth in the RFQ and is in the best interest of the City.

Submittals shall be good for the period stated in Appendix "A". Firms that take exception to this may be considered non-responsive and may be rejected.

Proposals are due no later than June 16, 2015 at 2:00 p.m. There will be no "pre-bid conference" or formal "bid opening". Qualifications and Proposals received by the deadline will be reviewed by the City, and selected firms may be invited to meet with selected city officials to discuss their proposal.

Respondents should allow sufficient delivery time to insure receipt on or before the deadline. Respondents assume the risk for the delivery method chosen. The City assumes no responsibility for delays caused by any delivery service. All submittals and any accompanying documentation become the property of the City, become public information upon receipt and will not be returned.

Mail, Hand Delivery or Fed Express to:

US Mail Address
City of Richland
Purchasing Department MS 11
P O Box 190
Richland, WA 99352

Physical Address
City of Richland
Purchasing Department MS 11
2700 Duportail Street
Richland, WA 99352

Contract/Purchase Order

The scope of work described herein may be authorized by Purchase Order, by Contract or both. If by contract, the City anticipates an hourly contract with a not to exceed figure to accomplish the Scope of Work. The final contract scope and schedule will be negotiated with the selected Consultant/Vendor. Please note terms and conditions are provided in the sample contract. Vendors should carefully review the Sample Contract to determine the stated requirements and terms.

One original copy of the RFQ proposal will require original signature. It must be signed upon submittal. Signature will also be validated through a formal signature as part of the contract document itself.

The City reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms which the Consultant/Vendor can propose. The Consultant/Vendor shall specifically stipulate that the proposal is predicated upon acceptance of all terms and conditions in the RFQ.

Consultant/Vendor should be prepared to accept this RFQ for incorporation into a contract resulting from this RFQ. Contract negotiations may provide for the incorporation of the Consultant's proposal. It is understood that the proposal will become a part of the official file on this matter without obligation to the City.

This RFQ does not, however, obligate the City to contract for services specified herein.

Timeline

This is to provide interested firms information about the schedule anticipated by the City. This is an estimate only, and may change.

- RFQ release date: May 28, 2015
- Submittals due: June 16, 2015
- Evaluate proposals: June 16 – 29, 2015
- Interviews (tentative, may or may not be scheduled): June 22 - 26, 2015
- Announce apparent successful Consultant/Vendor: June 28, 2015
- Council Approves Consultant agreement: July 7, 2015
- Work begins (on or before): August 1, 2015
- Draft water system comprehensive plan to Department of Health: March 15, 2016
- Final water system comprehensive plan approved by Department of Health: September 1, 2016

Revisions to RFQ

The City reserves the right to modify this RFQ and/or cancel or reissue this Request in whole or in part, prior to execution of a contract. In the event it becomes necessary to revise any part of the RFQ, it shall be the responsibility of the interested firms to obtain a copy of the addendum. The City shall make efforts to reach interested firms, but the responsibility shall be on the firms to insure that they have obtained current material.

Rejection of Submittals

The city reserves the right at its sole discretion to reject any and all Submittals received without penalty and not to issue a contract as a result of this RFQ. The City also reserves the right at its sole discretion to waive minor administrative irregularities contained in any Submittal.

Responsible Consultant Criteria

The City shall consider only responsible Consultants/Vendors. Responsible Consultants/Vendors are those that have, in the sole judgment of the City, the financial ability, experience, resources, skills, capability, reliability and integrity necessary to perform the requirements of the contract. The City may also consider references, financial stability, and any other information available to the City. Firms with an owner convicted within the past ten years of a crime that impugns honesty or integrity, or with unsatisfied tax or judgment liens, are ineligible to participate and shall not submit.

The final selection, if any, will be that proposal which, in the sole opinion of the City after review of all submissions by an evaluation committee, best meets the requirements set forth in the RFQ and is in the best interests of the city

Obligation to Contract and Costs

This RFQ does not obligate the City to contract for services specified herein. The City will not be liable for any costs incurred by the Consultant in preparation of a Submittal in response to this Request, in conduct of a presentation, or any other activities related to responding to this RFQ.

Commitment of Funds

The City Manager and/or Contracts Officer are the only individuals who may legally commit the City to Expenditures of funds for a contract resulting from this RFQ. **No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.**

Examination of RFQ and Contract Documents

The submission of a response shall constitute an acknowledgment upon which the City of Richland may rely that the Consultant/Vendor thoroughly examined and is familiar with the requirements and contract documents, and reviewed and inspected all applicable statutes, regulations, ordinances, and resolutions dealing with or related to the work and services to be provided. Failure or neglect of a submitter to examine such documents, work site(s), statutes, regulations, ordinances or resolutions, shall in no way relieve the submitter from any obligations with respect to the offer or to the contract. No claim for additional compensation will be allowed which is based upon a lack of knowledge of the same. A signed contract or purchase order furnished to the successful offer results in a binding contract without further action by either party.

Proprietary Information/Public Disclosure

Material submitted in response to this RFQ shall become the property of the City.

All proposals received shall remain confidential until the contract, if any, resulting from this RFQ is signed by the City and the Consultant/Vendor; thereafter the proposal shall be deemed public records as defined in RCW 42.17.250 to .340.

In the event a Consultant/Vendor desires to claim that portions are exempt from disclosure under the provisions of RCW 42.17.250 to .340, it is incumbent upon the Consultant/Vendor to identify those portions in the Consultants/Vendors proposal transmittal letter. The transmittal

letter must identify the page and the particular exception(s) from disclosure upon which it is making its claim. Each page claimed to be exempt from disclosure must be clearly identified by the word “confidential” printed on the lower right hand corner of the page.
The City will consider a Consultant’s/Vendor’s request(s) for exemption from disclosure; however. The City will make a decision predicated upon applicable laws. An assertion by a Consultant/Vendor that an entire volume of its proposal is exempt from disclosure will not be honored.

Submittal Requirements

Consultant/Vendor is specifically notified that failure to comply with any part of the Request for Proposal may result in rejection of the proposal as non-responsive.

All proposals must be on eight and one-half by eleven (8 ½ X 11) inch paper, with tabs separating major sections. The major sections shall include the **technical specifications** (**work plan**), the **management specifications**, and the **cost proposal** section.

Appendix “A” must be signed

At a minimum, the City of Richland requires that Consultant proposals address all criteria in this section and the Scope of Work section. Proposals shall be prepared in two (2) parts as follows:

Technical Specifications:

- The technical proposal must contain all work requirements necessary to accomplish the tasks as defined in the Scope of Work section. It will outline the proposed approach, methodology, work plan, and schedules to accomplish the tasks and to produce the deliverables.
    - Estimated hours dedicated to specific work tasks / personal for each task
- State as completely as possible, what the City is requiring, such as; 1) Description of all project requirements; 2) description of plan to accomplish tasks, study, project, etc.; and 3) required involvement of city staff, if any.
- For each task/requirement listed in the Scope of Work provide whether or not consultant can satisfy the requirement. Provide additional information regarding your solution that you deem appropriate.

Management Specifications: The management proposal must contain the following information;

- General and legal information about the individual or firm, including name, legal status, SSI or EIN Number, UBI Number, etc.
- Contact information including address, telephone, email, and fax, etc.
- A Statement of Qualifications of the proposed project team members, including identification of the project manager. Include specific experience related to this project.

Provide resumes’ for all staff to be assigned. Consultant must commit that the staff identified in its proposal will be actually assigned to this project.

- In the event the Consultant intends to subcontract any of the proposed work stated in its proposal, the Consultant shall submit the information required above for each proposed subcontractor.

- A list of at least three client references, including names addresses and telephone numbers and briefly describe the type of service required. Consultant must grant the City permission to contact all references provided.

Scope of Work

1. Review existing 2010 City of Richland Comprehensive Water System Plan for required updates as related to new laws, regulations, and rules as required by the Department of Health, Office of Drinking Water and State Department of Ecology.
2. Review of Department of Health Pre-Plan Agreement dated March 16, 2015 and address all items noted for inclusion.
3. Review 300 Area Expansion report
4. Define the City’s existing and future (UGA) retail service areas including water production needs.
5. Expansion of the City’s water rights place of use and evaluation of new water rights needs including how it relates to the Quad Cities Water Rights agreement
6. Development of 5-year, 10-year, and 20-year capital improvement program (CIP) based of efficiency and system needs
7. Updating the City’s water system hydraulic model (model is current as of December 2014 and is in Bentley WaterCAD V8i Select Series 5 format)
8. Update the City’s Water Use Efficiency Program (WUE) to Health Department’s current requirements
9. Perform water rate analysis study

Appendix "A"
Certifications and Assurances

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

1. The proposal was created independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
2. In preparing this proposal, I/we have not been assisted by any current or former employee of the City whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this proposal. (Any exceptions to these assurances are described in full detail on a separate page and attached to this document.)
3. I understand that the City will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals will become the property of the City, and I/we claim no proprietary right to the ideas, writings, items, or samples.
4. I/we warrant that, in connection with this proposal:
   (a) No attempt has been made or will be made by the Consultant/vendor to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.
5. 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.epls.gov and
   http://www.lni.wa.gov/TradesLicensing/PrevWage/AwardingAgencies/default.asp

______________________________ ______________

Signature Date

____

Print Name

____

Title, Company

Contract No. ___________

AGREEMENT BETWEEN CITY AND CONSULTANT

THIS AGREEMENT, entered into this ___ day of _________ , 20__ by and between the City of Richland, 505 Swift Ave., Richland, Washington, (hereinafter referred to as the "City"), and [Consultant Name], [business address] (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 [short description of services] services for the [Short description/title of project].

b) The following exhibit(s) are attached hereto and made a part of this Agreement:
(i) [Exhibit A: See Exhibit A instructions.

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. _________
   (ii) Exhibit A: Scope of Work
   (iii) City Richland RFP _______
   (iv) Exhibit B: RFP _______ proposal response submitted by [Consultant] dated [Date]

Revise or add to above as necessary for agreement precedence

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. [Required meetings should be designated in the scope of work where possible]

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 __________.

4) **PAYMENT**

a) For services rendered under this Agreement, the City shall pay the Consultant an amount not to exceed ____________________________________ ($________) to complete the services rendered under this Agreement. 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 [Section 1 Scope of Work –or- 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**

a) 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 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. In the event this contract 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) 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 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 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

10) 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.

11) ATTORNEY'S FEES

The parties agree that should legal action be necessary to enforce any of the provisions of this Agreement, that the 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.

12) 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.

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 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.

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.

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 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.

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) AMENDMENTS

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 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.

20) 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 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.

21) 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.

22) 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. JOHNSON, ICMA-CM
City Manager

ATTEST:

____
MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

____
HEATHER D. KINTZLEY
City Attorney

CONSULTANT

____
Signature

____
Printed Name & Title

____

____
Address

Phone: ________________________

Email: ________________________

Fax: ________________________

EXHIBIT A: Detailed Scope of Work

[The Scope of Work should include but is not limited to the following:

- Include necessary project details in a format that is measurable to specify the desired work to be completed
- Milestones and values to measure progress payments with maximum allowable (not to exceed) cost including any reimbursable expenses.
- Hourly rates for the consultants employees
- City and Consultant responsibilities
- Any extra services that will be allowed as a reimbursable cost (Travel is also included in section 4.d)
- Any maps, drawings or other supporting documentation.
- Reference if applicable the RFP and it's terms and conditions

Use additional Exhibits as required]

Appendix C

Department of Health, Office of Drinking Water
Eastern Regional Office
Pre-Plan Agreement

UPDATE >1000 connections

- Large city
- If previous plan did not include Muni Water Law provisions, the update needs to

If an item is shaded grey, then it should be included if it has changed from last plan

Pre-Plan Date:	March 16, 2015
Water System Name:	City of Richland
PWS #:	72250
Existing WSP expiration date:	December 20, 2016
Operating Permit Color:	GREEN
WSP Submittal Due Date:	March 20, 2016

WAC 246-290-100 requires purveyors of any new water systems, a system in a water coordination act area, a system serving 1,000 or more service connections, or a system that is expanding or experiencing problems to submit a Water System Plan (WSP) and update their WSP every six (6) years. The purpose of this preplan meeting is to determine the scope and level of detail of the WSP or update and establish a schedule for submittal of the document. This agreement is valid until the WSP submittal due date above. After this date, the agreement will need to be renegotiated. The operating permit color will change to yellow if the WSP is not received by the existing WSP expiration date noted above.

Pre-Plan Attendees:

	Pete Rogalsky, Richland	Sheldon Williamson, Richland
Jeff Johnson, PE, DOH	John Finch, Richland	
Brian A. Sayrs, DOH	Jay Marlow, Richland	

Water System Plan (WSP) Checklist for Municipal Systems (DRAFT)

	Include in plan	*Content Description*	*WSP Page #*
	(√)	**Water System Plan Submittal Form**	
Chapter 1		**Description of Water System**	
	(√)	Ownership and management (updated/current WFI) – updated WFI and plan should agree, otherwise explain	______
	( )	System history and background	______
	( )	Brief inventory of existing facilities	______
	( )	Description of and discussion about related plans: ~~CWSP, ground water management, basin and~~ City/County land use plans & zoning. Include land use maps for 6 & 20-years	______
	( )	Service area characteristics, agreements, & policies including conditions of service and how new service will be provided in the retail service area. Include maps for existing water rights place of use service area & for existing, future, retail and expanded water rights place of use service areas	______
	( )	Duty to serve statement for the retail service area	______
	( )	~~Satellite Management Agency information~~ – SMA approval no longer desired	______
	( )	Local Government Consistency from planning agencies – City of Richland, Benton County	______
	( )	ODW will obtain a “not-inconsistent” statement from Ecology for Water Resource Inventory Area #37.	______

Chapter 2		**Basic Planning Data**	
	(√)	**Current data:** population, service connections & ERUs	______
	(√)	**Data Collection:** Monthly and annual production totals per source ~~including purchased water~~ Annual usage by customer class Annual usage for water supplied to other systems – West Richland ≥ 1000 connections – description of seasonal variations in use by customer class	______
	(√)	**6 & 20 year service area projections for:** Land use (Comprehensive Plan) Zoning Population, service connections & ERUs Water demand - use WAC 246-290-221 and include demands with and without expected efficiency savings	______
	(√)	DSL percentage and volume (provide discussion in Chapter 4)	______
	(√)	≥ 1000 connections - include demand forecast if all measures deemed cost-effective were implemented (*)	______
Chapter 3		**System Analysis**	
	( )	System design standards (fire flow, system pressures, etc.) – Include anything that has changed. Big picture. These are the goals, not how you achieve them.	______
	(√)	System inventory, description and analysis	______
	(√)	Source	______
	(√)	Storage	______
	(√)	Distribution system/hydraulics (with equalization & FFS depleted)	______
	(√)	Add pressure zones	______
	(√)	Treatment – We will contact you regarding corrosivity related to change from Cl_2 to hypochlorite	______
	(√)	Written legal & physical system capacity analysis & DOH ERU Determinations (WSDM 6-1) form	______
	(√)	Water quality analysis	______
	(√)	Summary of system deficiencies – Yakima crossing will be in the next plan	______
	(√)	Analysis of possible improvement projects	______
Chapter 4		**Water Resource Analysis & Water Use Efficiency (WUE)**	
	(√)	**Metering Program** • Description of all source meters (existing and new sources) • Description of service meter program include how all meters are operated, calibrated, & maintained~~, if not fully metered submit installation schedule & include in the budget~~ • ~~Description of permanent & seasonal intertie meter program, if not fully metered submit meter installation schedule & include in the budget~~ • ~~Describe activities to minimize leakage if not fully service & intertie metered~~	______

* Call if your system chooses to evaluate rather than implement water use efficiency measures in order to satisfy the 9 measures requirement.

For WUE, provide a program update.

(√) **Water Use Efficiency Program (WUE)**

A WUE program should be designed to achieve the WUE goal by implementing cost effective measures per WAC 246-290-810

1. Describe the current conservation (WUE) program - link to the Quad Cities
2. Describe WUE goal & document public adoption process (include signed minutes)
3. Describe measures that will be implemented to achieve the goal & include schedule & costs in the budget - Provide at least 9 additional measures
4. Describe process used to evaluate the WUE measures you did not implement - see bracket below
5. Describe yearly consumer education
6. Estimate projected water savings from selected measures
7. Describe process that will be used to determine effectiveness of the program – data used, who decides

(√) ≥ 1000 Connections

- Estimate water saved from efficiency measures over the past 6 years

For measures evaluated NOT implemented

- Quantitative evaluation of measures to determine if they are cost-effective, include marginal costs of water production
- Evaluate measures for cost-effectiveness if shared with other systems
- Quantitative or qualitative evaluation of measures to determine if they are cost-effective from the societal perspective

(√) **Distribution System Leakage (DSL)** – 4.4% in 2011-2013

Evaluate and report DSL - WAC 246-290-820(2)

(   ) ~~**Water loss control action plan (WLCAP)** ***- if DSL is > 10%***~~

~~Submit the WLCAP as required by WAC 246-290-820(4)~~

(√) **Source of supply analysis:**

- Evaluate water supply alternatives if additional water rights will be pursued within 20 years
- Describe water supply characteristics & discuss any foreseeable impact (quantity & quality) to the resource (WAC 246-290-100 (4)(f) (ii) (B))

Dave Holland, CRO

(√) **Water rights self-assessment: Consult with Ecology regarding water rights prior to plan submittal.** Put all water right information together in Chapter 4, including water right self-assessment forms for existing, 6 & 20 year.

(√) Water supply reliability analysis ***–depth to water over time (and other studies or reports) if available***

(√) Interties – descriptions and agreements – consider including discussion of potential consolidations and reorgs

(√) ≥ 1000 connections - explore reclaimed water opportunities

Chapter 5 **Source Water Protection (Check One or Both)**

(√) Wellhead protection program or 2 year update (updated inventory, letters, and map) per WAC 246-290-135

(√) Watershed control program (surface water systems) ~~***– if applicable***~~ – update if changed, otherwise just repeat

Chapter 6 **Operation and Maintenance Program**

(   ) Water system management and personnel – personnel changes

(   ) Operator certification

(   ) Routine operating procedures and preventive maintenance

(   ) Water quality sampling procedures & program

(   ) Coliform monitoring plan and map – update for groundwater rule

( ) Emergency program, service reliability requirements & water shortage plan per WAC 246-290-420

( ) ~~Address sanitary survey findings~~

(√) Cross-connection control program (> 1000 connections provide copies of annual summary report form)
-provide a status report, or provide complete program if not in previous plan.

( ) Recordkeeping, reporting, and customer complaint program

( ) Summary of O&M deficiencies, include cost in budget

Chapter 7 **Distribution Facilities Design and Construction Standards**

Current expires → December 20, 2016

( ) Standard construction specifications for distribution mains

( ) Design and construction standards for distribution-related projects

Optional, if water system wants this

Chapter 8 **Improvement Program**

(√) Capital improvement program including 6-year CIP schedule

Chapter 9 **Financial Program (See Financial Viability Manual)**

A financial program to demonstrate financial viability:

(√) Summary of past income and expenses – sufficient to show trends

(√) > 1000 connections – Balanced 1-year operational budget

(√) Plan for collecting the revenue necessary to maintain cash flow stability and to fund capital and emergency improvements

(√) Rate structure evaluation that considers the feasibility of implementing rate structure that encourages water demand efficiency – rate study?

Chapter 10 **Miscellaneous Documents**

(√) Informational meeting for the consumers, include notification and signed minutes

(√) Attach notice to adjacent utilities that WSP is available for review & comment. Attach comments received.

(√) >1000 connections - completed SEPA process with signed Determination

(√) Agreements: franchise, wheeling, mutual aid, inter-local and other agreements ~~– *if applicable*~~ – Quad Cities

( ) ~~Satellite Management Contract and Water User Agreement~~

(√) When DOH is ready to approve the final WSP, the plan must be adopted by the governing body; include meeting minutes

***All maps should be a minimum of 11”x17”**
***If requesting source approval with WSP include all source documents in a separate section**

$5484 for review of the 1st and 2nd drafts. Additional drafts are an additional 25% each.
Please send 2 copies of each draft. We will send one copy to Ecology.

CITY OF RICHLAND
PUBLIC WORKS DEPARTMENT
840 Northgate Drive, Richland WA 99352
Telephone (509) 942-7500

PO BOX 190 • RICHLAND, WA 99352 • CI.RICHLAND.WA.US

TO: ALL PLAN HOLDERS

FROM: Cathy Robinson
Purchasing Manager

DATE: June 2, 2015

SUBJECT: ADDENDUM NO. 1
RFQ 15-0075

ADDENDUM NO 1

The following Scope clarifies item no. 9 of the Scope of Work, Perform Water Rate Analysis Study, listed in our Request for Qualifications for the Water System Comprehensive Plan Update.

WATER RATE ANALYSIS STUDY SCOPE OF SERVICES

The scope of work shall include, but not be limited to:

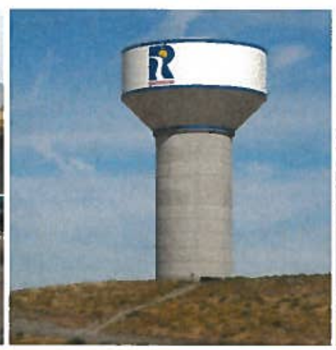
1) Review 2011 cost of service and rate design model to determine applicability to 2015 / 2016 study
2) Review rate setting policies with City staff and Utility Advisory Committee
3) Develop a 5 year financial planning horizon
4) Develop cost of service and rate design model for 2015 / 2016 study
    i) Rate design model will include rates for potable water service to identified customer classes, wholesale potable water service to other water retailers, and non-potable irrigation water services
    ii) Wholesale water rate review for West Richland and BMID
5) Develop and Analyze alternative potable water rate designs including review of current rate designs as follows:
    i) Existing rate structure
    ii) Inclining block rate structure
    iii) Rate design to be determined at a later date
6) Facility fee update: Review and update current model with existing facility inventory and projected capital expenses. Keep the separation of portable water for irrigation users and separate irrigation water users. Also include consideration of Badger South agreement with BMID.
7) Analysis of rate equity between residential customers with City landscape water irrigation and non-treated irrigation water service.
8) Facilitate evaluation and selection of a recommended rate design
9) Present recommended rate design before the Utility Advisory Committee and City Council

Provide rate design spreadsheets for City staff use, including on-site training for City staff

Bid date and time remain as originally scheduled for Tuesday, June 16, 2015 at 2:00 p.m.

Engineering Services for the City of Richland

WATER SYSTEM COMPREHENSIVE PLAN UPDATE 15-0075



JUNE 2015

RH2
ENGINEERS
PLANNERS
SCIENTISTS

RICHLAND
114 Columbia Point Drive
Suite C
Richland, WA 99352
P: 509.946.5181
F: 509.946.4630

ORIGINAL

Paul Cross, PE
Principal-in-Charge
509.946.5181, x5452

Dear Ms. Robinson,

RH2 Engineering is pleased to present its statement of qualifications for your consideration in selecting consultants to provide Engineering Services for the City of Richland's 2015 Water System Comprehensive Plan Update.

The Right Team – RH2 has assembled an ideal team of professionals that can assist the City in successfully completing this project. Our firm's relevant experience with similar projects combined with our wide range of complementary skills will provide the City with a unique project team.

The Right Firm – Over the past 35 years, RH2 has completed an estimated 65 water system plans and 20 sewer system plans, including the accompanying evaluations and studies each plan has required. Not only is RH2 highly qualified from a technical standpoint, but from a service standpoint as well. RH2 focuses on client service and long-term support by consistently providing high-quality designs and services that meet or exceed our clients' expectations. This is why many of our clients have worked with us for decades, served by the same, long-term RH2 professionals who provide efficient, customer-focused solutions.

The Right Approach – RH2 is a client-oriented firm, therefore, we emphasize providing solutions unique to each of our clients' needs, and do not simply recycle past plans. This is one reason why many of our plans have received regional acclaim. Beyond our experience in successfully delivering similar projects, our engineers are experts in quickly learning and understanding the unique aspects of each new project, and anticipating a client's needs as the project evolves. We are confident that we can have this project completed in an efficient manner in support of the City's schedule.

If you have any questions or would like to discuss our qualifications in more detail, please contact me at 509.946.5181 x5452 or at pcross@rh2.com.

Sincerely,

Paul R. Cross, PE
Executive Vice President

RH2 ENGINEERS PLANNERS SCIENTISTS
RH2 ENGINEERING, INC.
114 Columbia Point Drive Suite C
Richland, WA 99352
P: 509.946.5181
F: 509.946.4630
www.rh2.com

TABLE OF CONTENTS

TECHNICAL SPECIFICATIONS

TECHNICAL PROPOSAL

PROPOSED APPROACH

RH2's approach to water system planning and water comprehensive plan preparation combines successful coordination efforts with a thorough understanding of the necessary elements of water comprehensive plans. Our methodology is simple and focused on utilizing the Washington State Department of Health's (DOH) outline to include all pertinent information in the most effective manner possible. RH2 staff has extensive experience preparing WCPs which allow them to efficiently create detailed content consistently meeting DOH requirements while also providing meaningful information for City staff.

COORDINATION

Coordination with Richland staff throughout the entire planning process and WCP development will be a major element in RH2's approach to preparing a successful plan. This includes requesting input from both Public Works and operations and maintenance (O&M) staff, as they have vital insight for developing an all-inclusive and usable WCP. Detailed lists of data requirements are provided to the City and prioritzed in high, medium, and low priority needs, are provided in **Appendix D** of this proposal.

Due to RH2's extensive experience in preparing WCPs, we are able to gain approval from DOH with minimal review comments. Specific areas of interest or concern to DOH are known by our experts and will be emphasized and discussed in detail to avoid unnecessary review comments that would otherwise delay plan approval. We coordinate directly with DOH throughout the planning process. These established relationships with review agencies enable us to stay informed and address future regulations in Richland's plan.

WATER RATE ANALYSIS STUDY

In conjunction with the City of Richland's Comprehensive Water System Plan, FCS GROUP will develop both a corresponding financial chapter, as well as a water cost-of-service rate study. The water cost-of-service study will result in a model that include rates for potable water service to identified customers, wholesale potable water service to other water retailers, and non-potable irrigation water services. A wholesale water rate review will be completed for West Richland and Badger Mountain Irrigation District.

WORKPLAN

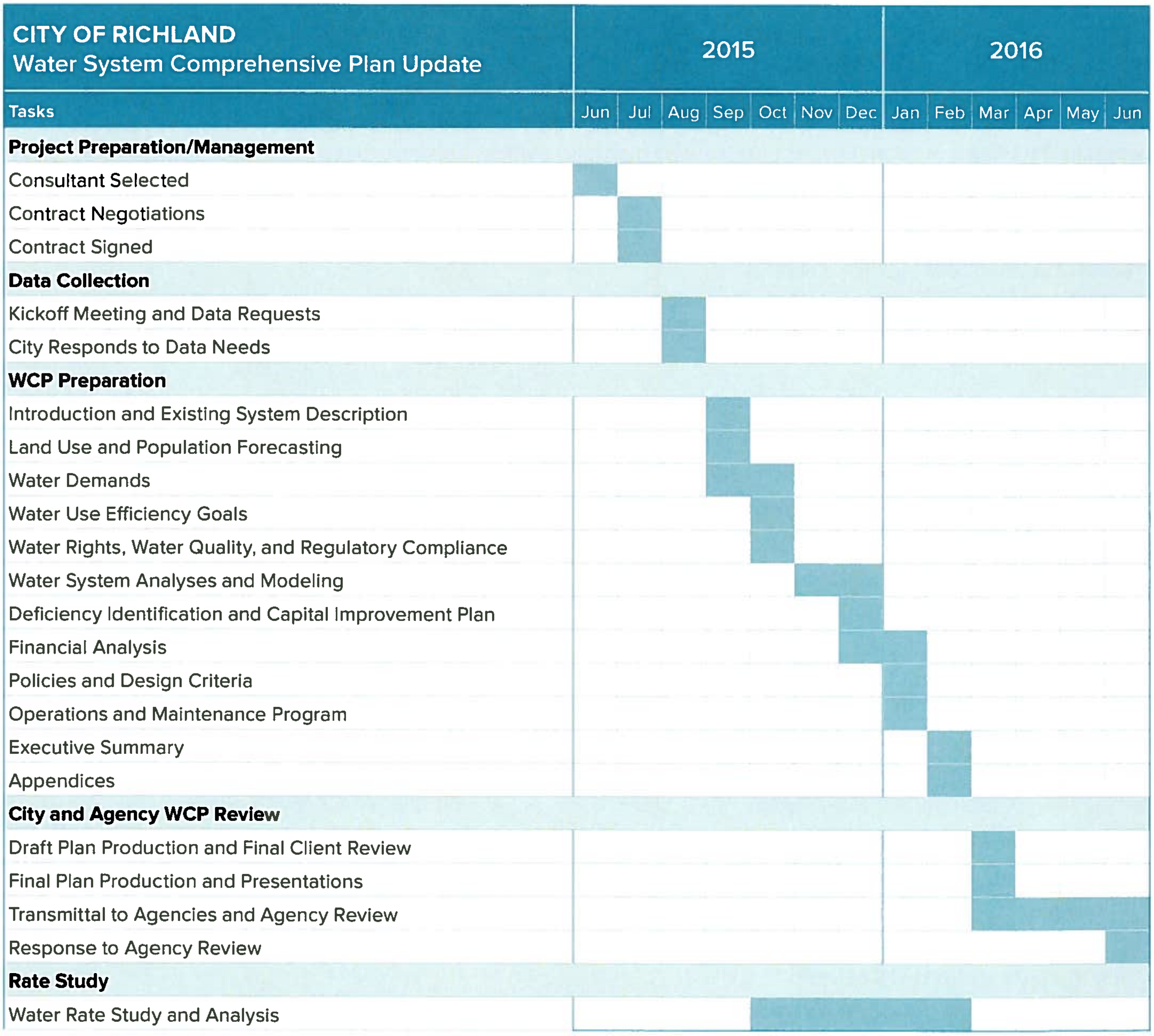
#	Task	Staff Member	Hours	RH2 / FCS Group can satisfy this requirement	Comments
1	Review existing 2010 City of Richland Comprehensive Water System Plan for required updates as related to new laws, regulations, and rules as required by the DOH, Office of Drinking Water, and Ecology.	Ryan Withers, Laura Reiter	5	√	RH2 prepared the 2010 WSP and will therefore be able to greatly reduce the amount of time needed to review the existing plan. The staff assigned to this work have recently completed many WSPs and are already very familiar with new laws, regulations, and rules.
2	Review of DOH Pre-Plan Agreement dated March 16, 2015, and address all items noted for inclusion.		447	√	Work is done by chapter in the Pre-Plan Agreement. City will be provided a list of data requirements to be completed in high, medium and low priority categories.
2.1		Paul Cross, Ryan Peterson, Ryan Withers, Laura Reiter	77	√	Introduction and Existing System Description
2.2		Paul Cross, Ryan Peterson, Barney Santiago	182	√	Water System Analysis
2.3		Paul Cross, Ryan Withers, Andy Dunn	38	√	Source Water Protection
2.4		Paul Cross, Laura Reiter, Barney Santiago	66	√	Operations and Maintenance
2.5		Paul Cross, Laura Reiter	8	√	Distribution Facility Design and Construction Standards
2.6		Paul Cross, Laura Reiter	13	√	Miscelleneous Documents
2.7		Paul Cross, Laura Reiter	8	√	Executive Summary
2.8		Paul Cross, Laura Reiter	55	√	Finalize Draft WCP

#	Task	Staff Member	Hours	RH2 / FCS Group can satisfy this requirement	Comments
3	Review 300 Area Expansion report.	Ryan Withers, Laura Reiter	2	√	RH2 prepared the site analysis of the expanded area.
4	Define the City's existing and future (UGA) retail service areas, including water production needs.	Paul Cross, Ryan Peterson, Laura Reiter	91	√	This work will align with the water system analysis.
5	Expansion of the City's water rights place of use and evaluation of new water rights needs, including how it relates to the Quad Cities Water Rights agreement.	Paul Cross, Andy Dunn	18	√	RH2 will be preparing the Regional Forecast and Water Conservation Plan for the Quad City Water Right, which will complement this activity.
6	Development of 5-year, 10-year, and 20-year capital improvement program (CIP) based on efficiency and system needs.	Paul Cross, Ryan Peterson, Laura Reiter	89	√	This work will align with the water system analysis.
7	Updating the City's water system hydraulic model (model is current as of December 2014 and is in Bentley WaterCAD V8i Select Series 5 format).	Ryan Peterson, Ryan Withers	85	√	This work will provide an opportunity to do model calibration needed to meet new Design Manual criteria.
8	Update the City's Water Use Efficiency Program (WUE) to DOH's current requirements.	Ryan Peterson, Ryan Withers	31	√	RH2 will be preparing the Regional Forecast and Water Conservation Plan for the Quad City Water Right, which will complement this activity.

#	Task	Staff Member	Hours	RH2 / FCS Group can satisfy this requirement	Comments
9	Perform water rate analysis study.		412	√	RH2 and FCS Group will work on this study and incorporation into the WCP. The City will be provided a list of data requirements to be completed in high, medium, and low priorities.
9.1		Paul Cross, Angie Sanchez, Sergey Tarasov	8	√	Initial Project Meeting
9.2		Paul Cross, Angie Sanchez, Sergey Tarasov	14	√	Data Collection
9.3		Paul Cross, Angie Sanchez, Sergey Tarasov	94	√	Revenue Requirements
9.4		Paul Cross, Angie Sanchez, Sergey Tarasov	66	√	Cost of Service Analysis
9.5		Paul Cross, Angie Sanchez, Sergey Tarasov	39	√	Wholesale Cost of Service
9.6		Paul Cross, Angie Sanchez, Sergey Tarasov	38	√	Rate Design
9.7		Paul Cross, Angie Sanchez, Sergey Tarasov	47	√	Facility Fee
9.8		Paul Cross, Angie Sanchez, Sergey Tarasov	58	√	Meeting/Presentations
9.9		Paul Cross, Angie Sanchez, Sergey Tarasov	40	√	Documentation
9.10		Sergey Tarasov	8	√	Spreadsheet Model Tool

PRELIMINARY PROJECT SCHEDULE

The project team members have the ability to prepare the initial chapter deliverables by winter 2015/2016 for City review, with a draft submittal to DOH by March 15, 2016. Based on our experience with preparing WCP updates, a realistic schedule for the City's update is as follows. Final approval by September 1, 2016 is not shown on this graphic, but is consistent with schedule.



DETAILED SCOPE OF WORK

A detailed scope of work for the WCP Update is included in **Appendix B**. A detailed scope of work for the Water Rate Analysis Study is included in **Appendix C.**

STATEMENT OF REQUIREMENTS

DESCRIPTION OF PROJECT REQUIREMENTS

Richland's WCP was last updated in June 2010. Based on the current planning requirements of Washington Administrative Code (WAC) Chapter 246-290, the City's WCP must be updated every 6 years, and the City's update is due by December 20, 2016.

This scope of work includes tasks necessary for RH2 to update the City's WCP and evaluate the ability of the water system to meet the needs of existing and future water system customers throughout a 20-year planning period. It is anticipated that the planning requirements will be modified to extend the WCP update cycle to 10 years. In anticipation of this upcoming change, the WCP will be prepared with analyses and projections, based on both 6-year and 10-year planning cycles. This approach has been approved by DOH, and will extend the WCP update cycle to ten 10 years once the WAC is modified.

PLAN TO ACCOMPLISH TASKS

We prepared the 2010 Water System Plan for the City of Richland and are very familiar with the City's hydraulic model. An outline of the tasks for this work is as follows.

WATER COMPREHENSIVE PLAN

- Data Collection and DOH Coordination
- Introduction and Existing Water System Description
- Basic Planning Data
- Water System Analyses
- Water Use Efficiency Program
- Source Water Protection
- Operations and Maintenance
- Distribution Facility Design and Construction Standards
- Improvement Program
- Financial Analysis
- Miscellaneous Documents
- Executive Summary
- Finalize, Print, Present Draft WCP

DOH AND AGENCY REVIEW REVISIONS TO WCP

WATER RATE ANALYSIS STUDY

- Data Collection and Project Coordination
- Revenue Requirements
- Cost of Service Analysis
- Wholesale Cost of Service
- Rate Design
- Facility Fee

CITY STAFF INVOLVEMENT

The involvement of City staff will be crucial in the development of a detailed WSP. As discussed previously, feedback from Public Works and O&M staff will be critical to fully understand the water system. Furthermore, to create a smooth review process, RH2 offers our clients the opportunity to review each chapter of the WCP as it is prepared. This approach will allow City staff to review the documents in smaller pieces, which tends to prevent the reviewers from getting bogged down with reviewing a large document. Final review is expedited using this method as the City has previously reviewed each of the plan sections.

MANAGEMENT SPECIFICATIONS

GENERAL, LEGAL, AND CONTACT INFORMATION

RH2 ENGINEERING, INC.
114 Columbia Point Drive, Suite C
Richland, WA 99352
Incorporated in 1980
Offices: Bellingham, Bothell, East Wendatchee, Tacoma, and Richland, Washington, and Bend, Central Point, and Portland, Oregon
Federal ID #: 91-1108443

CONTACT
Paul Cross, PE, Executive Vice President
509.946.5181, x5452
pcross@rh2.com

FCS GROUP
Redmond Town Center
7525 166th Avenue NE, Suite D-215
Redmond, WA 98052
Sub-Chapter S Corporation, incorporated in July 1988
Offices: Redmond, Washington, and Lake Oswego, Oregon
Federal ID #: 91-1417946

CONTACT
Angie Sanchez Virnoche, Principal
Phone: 425.867.1802, x230
angies@fcsgroup.com

QUALIFICATIONS FOR PROPOSED PROJECT TEAM MEMBERS

RH2 ENGINEERING QUALIFICATIONS
RH2 is an innovative, full-service engineering firm specializing in water-related projects. Since 1978, we have focused on providing the highest quality and best value services to local municipal and state government agencies throughout Washington and Oregon. Today, we have more than 75 professionals in nine offices thoughout Washington and Oregon. Our firm is organized in such a way that our local offices provide the primary contact and support for projects in the geographic area. This allows our local staff to directly support your projects while giving you company-wide access to experts and resources in all of our offices.

Our diverse skill set, together with our medium size, enables us to effectively adapt to the unique needs of our clients, while offering the advanced capabilities necessary to design and manage complex projects. Our staff includes licensed experts in civil, mechanical, electrical, and structural engineering; geology, hydrogeology, and geotechnical engineering; and water rights, wetlands delineation, environmental assessments, and permitting.

FCS GROUP QUALIFICATIONS
FCS GROUP provides utility rate, financial, economic, and management consulting services to public sector clients inclusive of city and county governments, municipal corporations and ports, special purpose districts, and state agencies. Since the firm's inception in 1988, FCS GROUP has delivered high-quality, cost-effective consulting services in over 3,000 engagements and served more than 550 clients. Their staff serves clients throughout the western United States and Canada from offices in Redmond, Washington, and Lake Oswego, Oregon.

Their Utility Rates, Charges and Advisory practice serves water, sewer, stormwater, recycled water, solid waste, electric, and transportation clients. They have performed more than 2,000 utility finance and business advisory projects ranging from preparing utility master plan financial chapters and developing full cost of service rates, to forming utilities and negotiating complicated wholesale agreements. FCS GROUP's experience with the City of Richland includes the development of the sewer plan financial chapter, sewer utility cost-of-service study, and electric cost-of-service study and support, in addition to other cost recovery studies. As a U.S. Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) registered Municipal Advisor, FCS GROUP is among a select group of firms specializing in infrastructure financing that complies with the new MSRB rules for financial consulting services.

RH2/FCS GROUP TEAMING HISTORY

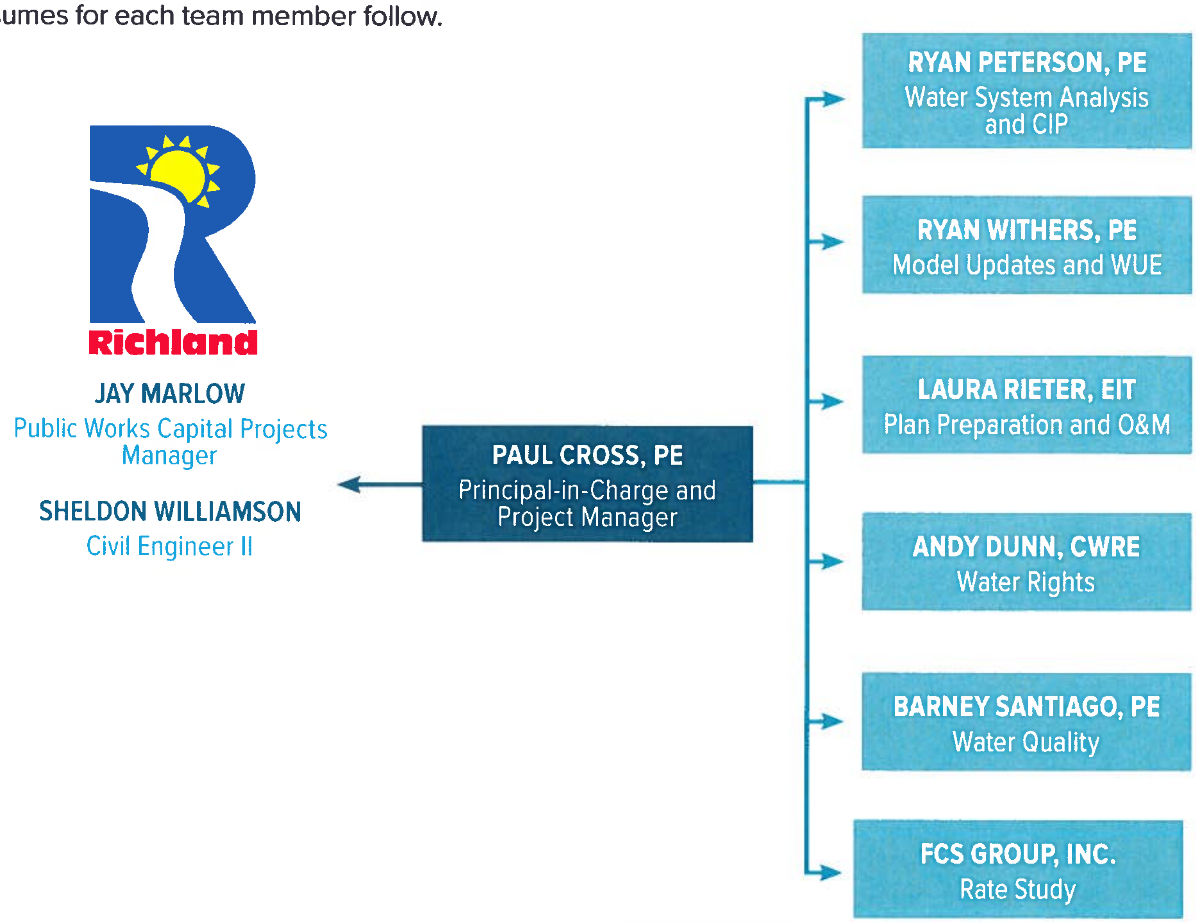
RH2 and FCS GROUP have a long history of working together on similar projects. We have teamed together on over 50 separate engagements, including water system plans for the Cities of Fife, Lynnwood, Stanwood, Duvall, and Snohomish, among others.

PROPOSED PROJECT TEAM ORGANIZATIONAL CHART

The project will be led from RH2's Richland office, with key team members able to provide a dedicated local presence and immediate availability to the City of Richland. For this project, we have teamed with FCS Group who will be responsible for the Water Rate Study Analysis.

The team members proposed for this project have worked with one another on numerous projects, bringing knowledge and confidence to our project approach. Our internal and external communication methods have been developed to balance the needs of complete documentation, clear communication, and confident decision-making, allowing the coordination of team members to be a seamless process.

RH2 is pleased to present our proposed project team, as shown in the team organizational chart below. Full resumes for each team member follow.



EDUCATION

BS Civil Engineering
University of Washington, 1981

LICENSES

Licensed Professional Engineer
States of Washington, Oregon, and Idaho

Certified Water Rights Examiner
State of Oregon
Licensed Operator
State of Washington
WDM-4 and WTPO-3

AFFILIATIONS

American Water Works Association

American Society of Civil Engineers

American Water Works Association

US Committee on Irrigation and Drainage

Washington Water Resource Association

EXPERIENCE

33 years of experience
8 years at RH2

PAUL CROSS, PE

ROLE: PRINCIPAL-IN-CHARGE/PROJECT MANAGER

Paul is RH2's Executive Vice President and the Southeast Washington Regional Manager in RH2's Richland office. He has managed planning, design, and contract administration for municipal water, sewer, irrigation, water quality, and watershed projects in eastern Washington for more than 25 years. His effective communication skills, knowledge of regulatory and local issues, and ability to address challenges provides sound leadership and direction for projects.

Paul's experience includes comprehensive plan preparation for irrigation, water, and sewer systems; design of utility systems; development of hydraulic models and system analysis; contract administration and management; formation of Local Improvement Districts; and loan and grant preparation and administration. He has also directed several water quality assessments and plans and participated in water quality advisory committees.

PROJECT EXPERIENCE

» Butterfield Water Treatment Plant Intake, City of Pasco

» Wanapum Indian Village Water System, Grant County PUD No. 2

» Wanapum Maintenance Center Source No. 2 Well, Grant County PUD No.2

» Efficiency and Power Consumption Evaluations, Klamath Basin Project

» Water System Plan, City of Colllege Place

» Red Mountain South LID Irrigation Project, Kennewick Irrigation District

» Thompson Hill Reservoir and Booster Pump Station, City of Kennewick

» Water System Plan, Priest Rapids, Grant County PUD No.2

» Electrical Design and Upgrades for Radar Pumping Plant, South Columbia Basin Irrigation District

» Water System Plan, Wanapum Water Systems, Grant County PUD No.2

» Water System Plan, City of Richland

RYAN PETERSON, PE

ROLE: HYDRAULIC MODELING

Ryan is experienced in civil, water, storm, and wastewater system analysis and facility design. He has more than 20 years of experience consisting of all phases of system planning and design, including mechanical, structural, pumping, site work, drainage, and control systems. He also has experience in construction management, including inspection and administration. Ryan has been involved with comprehensive and capital improvements planning, state and local permitting, and overall project management. He possesses a strong background in utilizing current technologies, including hydraulic modeling, 3D design, and photo realistic imaging.

Ryan practices RH2's philosophy of maximizing communication between all parties on a project facilitates efficient progress, cost reduction, and long-term productive relationships. Ryan currently shares responsibility as District Engineer for the East Wenatchee Water District.

PROJECT EXPERIENCE

- 2010 Comprehensive Water System Plan, City of Cashmere
- 2010 Comprehensive Water System Plan, City of Richland
- 1995, 2003, and 2010 Comprehensive Water System Plans, City of Wenatchee
- 1997, 2005, and 2013 Comprehensive Water System Plans, East Wenatchee Water District
- 2006 Comprehensive Plan, Wenatchee Heights Reclamation District
- Northshore Facility Plan, City of Chelan
- 2000 Comprehensive Water System Plan, Sunnyslope Facility Plan, West and South Wenatchee Facility Studies, Chelan County Public Utility District No. 1
- Regional, Shop, Nile and Grover Pump Stations, Baker Flats 1.5 MG Reservoir and Transmission Main, Canyon Hills Reservoir, 24-inch Regional Transmission, East Wenatchee Water District
- Springwater, Ohme, and Lovell Pump Stations, Lower Skyline, Crestview and Knowles Reservoirs, Chelan County Public Utility District No. 1
- Pump Station Evaluations and Hydraulic Model, Lake Chelan Reclamation District
- Pump Station Evaluations and Hydraulic Model, Greater Wenatchee Irrigation District

EDUCATION

BS Mechanical Engineering
Washington State University, 1989

LICENSES

Licensed Professional Engineer
State of Washington

AFFILIATIONS

National Society for Professional Engineers

EXPERIENCE

23 years of experience
23 years at RH2

EDUCATION
BS Civil Engineering
Washington State
University, 2007

LICENSES
Licensed Professional
Engineer
State of Washington

AFFILIATIONS
American Water
Works Association

EXPERIENCE
7 years of experience
7 years at RH2

RYAN WITHERS, PE

ROLE: MODEL UPDATE AND WUE

Ryan is a water system design, analysis, and hydraulic modeling expert. He specializes in identifying efficient and effective solutions to resolve deficiencies or to optimize operational controls for water purveyors. His projects include optimizing booster pump station set points to reduce energy consumption, consolidating existing pressure zones, determining the hydraulically optimal location for proposed reservoirs, and selecting pumps.

Ryan has also designed and managed construction for gravity sewer projects, including Utility Local Improvement District replacements, trenchless rehabilitation, developer extensions, and trunk lines. Projects have included alternative analyses for efficiently maximizing service basin areas, coordinating the formation of ULIDs, maintaining continuous sewer service to customers during sewer main and lateral replacements, cost allocation strategies, and construction management. Ryan has extensive experience preparing construction plans and specifications for gravity sewer construction.

PROJECT EXPERIENCE

» **Comprehensive Water System Plan Development**: Cities of Arlington, Kirkland, Snohomish, Stanwood, and Sultan, Crystal Mountain Inc., Priest Rapids Water System, Spanaway Water Company, and Wanapum Water System

» Butterfield Water Treatment Plant Intake, City of Pasco

» Wanapum Indian Village Water System, Grant County PUD No. 2

» Wanapum Maintenance Center Source No. 2 Well, Grant County PUD No.2

» Electrical and Vibration Analysis, Radar Pumping Station, South Columbia Basin Irrigation District

» Electrical and Vibration Analysis, Klamath Basin Project

» Red Mountain South LID Irrigation Project, Kennewick Irrigation District

» Control Optimization Feasibility Study, Bonneville Power Administration

» System-Wide Fire Flow Optimization, City of Kirkland

» North-end Supply Optimization, City of Marysville

» Pressure Zone Conversion, City of Snohomish

» McMicken Heights Groundwater Treatment Plant, Highline Water District

LAURA RIETER, EIT

ROLE: PLAN PREPARATION

As a staff engineer, Laura has contributed to a wide variety of successful projects at RH2. She is experienced in utility design, having worked on numerous sanitary sewer, stormwater, irrigation, and potable water conveyance systems for public agencies in Oregon and Washington. Laura is skilled in the design of complex mechanical systems, and has been involved in the design, upgrade, and rehabilitation efforts for pump stations, lift stations, and water reservoirs throughout the Pacific Northwest.

She excels in utilizing AutoCAD to create high-quality 2D and 3D construction drawings that are clear and precise. In addition to her drafting skills, Laura creates photo-quality renderings of proposed designs for her clients using a variety of professional editing and rendering programs.

Laura has authored technical engineering reports for clients and permitting agencies. She also has experience modeling and analyzing systems in ArcGIS and WaterGEMS. Through her technical and academic research, she has provided valuable assistance in both expert witness cases and furthering RH2's innovative approach to engineering design.

EDUCATION

B.S. Civil Engineering, University of Washington, 2012

LICENSES

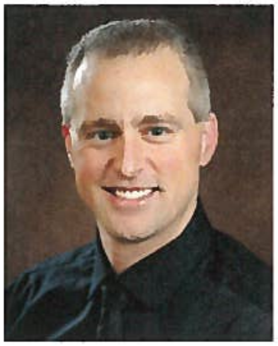
Engineer-in-Training
State of Washington

EXPERIENCE

3 years of experience
3 years at RH2

PROJECT EXPERIENCE

- Pump Station Rehabilitation and Well Improvements, City of Florence
- Tank Farm Booster Pump Station Improvements, Water District No. 19
- Suquamish Collection System Rehabilitation, Kitsap County Public Works
- View Acres Reservoir Seismic Retrofit, Oak Lodge Water District
- 810 Booster Pump Station and Reservoir, Kennewick Irrigation District
- Kiona Intake and Pump Station, Kennewick Irrigation District
- Indian Road Reservoir, Swinomish Indian Tribal Community
- Main Pump Station Alternatives Analysis, City of Sultan
- Lind Lift Station, City of Renton
- Expert Witness Pump Station Research, Ashbaugh Beal
- ULID 48R Sewer Extension, Valley View Sewer District
- 2010 Comprehensive Water System Plan, City of Richland (intern)



EDUCATION

MS Hydrology
New Mexico Institute of Mining and Technology, 2001

B.S. Geology, Environmental and Engineering Concentration, Minor in Chemistry, Western Washington University, 1997

LICENSES

Licensed Hydrogeologist and Geologist
State of Washington

Certified Water Right Examiner
State of Washington

AFFILIATIONS

American Water Works Association

EXPERIENCE

18 years of experience
5 years at RH2

ANDY DUNN, LG, LHG, CWRE

ROLE: WATER RIGHTS

Andy is a water rights expert and hydrogeologist at RH2. He assists RH2 clients throughout Washington State with water rights analyses, water right processing, reclaimed water permitting, water supply planning and development, aquifer testing and analysis, water system planning, technical document review and critique, and hydrologic/hydrogeologic testing and field measurements.

Prior to joining RH2 in January 2010, Andy served the Washington State Department of Ecology as a Section Manager and a hydrogeologist/ permit writer for the Water Resources Program in the Northwest Regional Office. His educational background in the earth sciences combined with his on-the-job training in Washington Water Law provides him with unique insight that has proven useful to both public and private clients. Andy strives to maintain excellent working relationships with Ecology staff by advising clients on the pathways to success that will be viewed most favorably by Ecology and stakeholders.

Andy enjoys participating in all stages of a project, including collecting background information, brainstorming potential solutions, interfacing with clients and regulatory agencies, participating in data collection, performing data analysis, and presenting the results.

PROJECT EXPERIENCE

- **Water System Plans**: Town of Eatonville, Crystal Mountain, Inc., City of College Place, Grant County PUD No. 2, Swinomish Indian Tribal Community, and the Lake Wenatchee Water District Fure Well Water Right Transfer for the City of Stanwood
- Bryant Well 3 Well Construction and Testing, City of Stanwood
- Certified Water Rights Examiner Proof Reports of Examination, The Highland Partnership and Bear Mountain Water District
- Water Rights Assistance, City of College Place
- Hatt Slough Springs Alternatives Analysis, City of Stanwood
- Water Rights Assistance, Grant County PUD No. 2
- Water Right Assistance and Engineering Services, Mr. David Stevens
- Taplett and Columbia Feeders Properties Water Rights Assistance, Excelsior Mortgage Equity Fund II, LLC.
- Reed Property Hydrogeologic Investigation, City of Bonney Lake
- Wastewater Treatment Facility Reclaimed Water Permitting, City of Cashmere
- Brewery Well Field Infrastructure Evaluation, Cities of Tumwater, Olympia, and Lacey

BARNEY SANTIAGO, PE

ROLE: WATER QUALITY

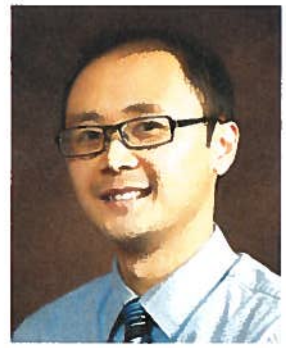
Barney is a potable water treatment expert and project engineer. He started his career at RH2 immediately after graduating from the University of Washington's Chemical Engineering program, and has since been immersed in water treatment and facility design. His experience includes researching and analyzing treatment alternatives to determine the most efficient and cost-effective means to improve potable water sources. This includes groundwater filtration, surface water treatment systems, and chemical feed systems for chlorine, sulfuric acid, ferric chloride, fluoride, and caustic soda.

Barney's experience with all aspects of a treatment project allows him to creatively approach treatment problems in a holistic way. He is adept at bench scale testing and conducting and operating pilot plants that are used to size treatment equipment and determine chemical doses. Although the facilities themselves can be large and complex, the 3D to scale drawings allow clients to easily see how their facilities will look and operate. Barney has also assisted plant operators troubleshoot problems with their treatment process.

Barney does not keep his treatment expertise within RH2 walls; he has given numerous technical sessions at industry conferences. One of the comments Barney received after a session was "He was very knowledgeable and a highly interesting, good speaker! He kept everyone's attention in a full room of about 230 people." He enjoys helping others solve their treatment problems and is always up for a challenge.

PROJECT EXPERIENCE

- Southwest Well 1A, City of Yelm
- Central Well, City of Sumner
- Irrigation Filtration Pump Station, Kennewick Irrigation District
- Wastewater Treatment Plant, City of Cashmere
- McMicken Heights Groundwater Treatment Plant, Highline Water District
- Stevens Pass Water Treatment Improvements, New Stevens, LLC
- ATEC Water Treatment Residuals Management Study, City of Lacey
- Bryant Well Field Treatment Facility, City of Stanwood



EDUCATION

BS Chemical Engineering, Minor in Chemistry
University of Washington, 2005

LICENSES

Licensed Professional Engineer
State of Washington

AFFILIATIONS

American Institute of Chemical Engineers

American Water Works Association

EXPERIENCE

10 years of experience
10 years at RH2

FCS GROUP
Solutions-Oriented Consulting

ANGIE SANCHEZ VIRNOCHE

ROLE: WATER RATE STUDY

EDUCATION

B.S., Business Administration and Finance

Oregon State University

REGISTRATION

SEC-registered Municipal Advisor

AFFILIATIONS

American Water Works Association - National, Rates and Charges Subcommittee; Standards Committee

Partnership for Water Conservation

Washington Finance Officers Association

Northwest Public Power Association

Washington Association of Public Utility Districts

EXPERIENCE

22 years of experience
6 years at FCS

Angie Sanchez Virnoche is an FCS GROUP principal with 22 years of experience providing financial services in a variety of capacities for water, sewer, stormwater, solid waste and electric utilities. Her project work includes multi-year financial planning, cost-of-service studies, rate design restructuring, capital/infrastructure planning, funding alternatives, cost benefit analyses, reserve analysis, and community education/ involvement.

Angie's utility rate expertise covers a broad range of areas including, expert review of the rate-setting framework and methodology used by clients, development of utility rates by service level, establishing renewals and replacement capital funding targets, evaluating fund balances, and development of a minimum charges.

In addition to her project management and technical skills, Angie routinely collaborates with bond advisors, attorneys, and engineering partners. She also frequently presents results to diverse audiences such as citizen rate advisory groups, advisory boards, commissions and councils to engage and educate participants in the benefits, costs, and decision-making process to achieve consensus and move towards objective fulfillment.

Angie provides financial services to clients throughout the United States and serves on the American Water Works Association National Rates and Charges Subcommittee and AWWA Standards Committee.

EXPERTISE

- Cost of Service Utility Rate Studies (Water, Sewer, Stormwater, Solid Waste and Electric)
- System Development Charges (SDCs)/Connection Charges
- Comprehensive and Master Plan Financial Chapters
- Rate Design Restructuring
- Utility Formations
- Multi-year Financial Planning
- Capital Infrastructure Planning
- Funding Alternatives
- Cost Benefit Analyses
- Reserve Analysis
- Community Education and Involvement

SERGEY TARASOV

ROLE: WATER RATE STUDY

FCS GROUP
Solutions-Oriented Consulting

Sergey Tarasov is an FCS GROUP project manager with nine years of experience in rate design and financial feasibility analysis for electric, water, sewer, stormwater and solid waste utilities. His areas of expertise are in customer statistics analysis creating customer specific profiles to aid in detailed demand forecasting, revenue requirement development, cost-of-service analysis, rate design analysis and unit cost determination.

In addition to the technical and project management work, Sergey frequently presents results to diverse audiences such as citizen rate advisory groups, advisory boards, commissions and councils to engage and educate participants in decision making processes. He also actively participates in numerous associations throughout the industry by presenting on verity of topics ranging from broad rate making principals to industry specific topics such as impacts of distributed generation (electric) on rates.

EXPERTISE

- Cost-of-Service Analysis and Rate Studies (Water, Sewer, Stormwater, Solid Waste and Electric)
- System Development Charges (SDCs)/Connection Charges
- Comprehensive Plans – Financial Elements
- Cost Benefit Analysis
- Rate Design Restructuring
- Utility Formation
- Multi-Year Financial Planning
- Capital Infrastructure Planning
- Funding Alternatives
- Bond Feasibility Analysis
- Reserve Analysis

EDUCATION

B.S., Economics,
University of Washington

AFFILIATIONS

Pacific Northwest Clean Water Association

Northwest Public Power Association

EXPERIENCE

10 years of experience
9 years at FCS Group

RH2 ENGINEERING REFERENCES

We grant the City of Richland permission to contact the references listed within this proposal.

CITY OF PASCO, WA

Water and Sewer Designs
Teresa Reed-Jennings, Senior Civil Engineer
509.545.3444
Reed-jenningst@pasco-wa.gov

RH2 has performed three separate projects for the City of Pasco on both the water and sewer systems. Highlights include:

- Fish screen design for the Butterfield Water Treatment Plant (WTP) intake structure, including obtaining all required permits from the Agencies for work in the Columbia River.
- Electrical system design for new variable frequency drives, a soft start, and a new programmable logical controller at Butterfield Intake to communicate with the WTP.
- Pump station design for the East Side Booster Pump Station to provide an additional 1,500 gpm capacity to the station, increasing the size of the building, and eliminating the old diesel powered backup motor and pump equipment.
- Hydraulic analysis of Zone 2 and prepared an initial analysis of storage requirements and potential reservoir locations for the Zone 2 service area.
- Caustic soda system design to treat new industrial waste loads at the Wastewater Treatment Plant in an accelerated schedule.

GRANT COUNTY PUD NO. 2

Water and Sewer Designs
Tim Fleisher, Facilities Manager
509.793.1568
tfleish@gcpud.org

RH2 Engineering has performed dozens of distinct projects for the PUD No. 2 of Grant County on both the water and sewer systems. Highlights include:

- Construction of a new reservoir, well, treatment, transmission, and distribution system for the Wanapum Maintenance Center.
- Water System Plans for both the Wanapum Water Systems and the Priest Rapids Water Systems.
- Water rights consolidation, change in points of diversion, place of use, and approval through the Grant County Conservancy Board and Ecology for the updated plans and expanded facilities.
- Construction of a new reservoir, well, treatment, transmission, and distribution system for the Priest Rapids water system.
- Construction of a new reservoir, well, treatment, transmission, and distribution system for the Wanapum Indian Village.
- Sewer system design, permits, and construction for the Hydro Operations Building at Wanapum Dam.
- Sewer system design and permits for the Wanapum Village large, on-site septic system.
- Sewer system design and permitting for Priest Rapids systems.
- Design, development, programming, and support for a new SCADA system for the Wanapum, Priest Rapids, and Cove water and sewer systems.

EAST WENATCHEE WATER DISTRICT

Water System Planning and Designs
Vince Johnston, Manager
509.884.3569
vjohnston@ewwd.org

RH2 Engineering has performed many projects for the East Wenatchee Water District (EWWD) on the water system within the District, and for the regional system serving the City of Wenatchee, EWWD, and Chelan PUD. Highlights include:

- Comprehensive Water System plans for EWWD in 2005 and 2013.
- Comprehensive Water System plan for the Wenatchee Regional Water System in 2010.
- Keller, Kent, 2nd and 11th Street water main design and construction management.
- Design of the Baker Flats Supply and Storage.
- Design of the 1070 Zone North End Supply Pump.
- Design of the Regional Water Supply Chlorination Facility.
- Design of the 35th Street Water Main Replacement.

FCS GROUP REFERENCES

CITY OF BREMERTON, WA

Water, Sewer, and Stormwater Rate Study and Revenue Requirement Update
Chal Martin, Public Works Director
City of Bremerton
(360) 473-5316
Chal.Martin@ci.bremerton.wa.us

FCS GROUP has performed four separate projects for the City of Bremerton including utility rate studies, GFC updates, excise tax reviews and on-call infrastructure finance assistance. Highlights include:

- Rate study for water, sewer, and stormwater utilities along with a benchmark analysis for the water and sewer utilities.
- Rate study included development of a self-supporting six-year financial plan and rate strategy for each utility.
- Sensitivity analyses were provided that evaluated rate impacts resulting from reduced revenue due to conservation, alternative capital plans, varying levels of system reinvestment and payment in-lieu of tax levels.
- Benchmarking analysis (performed by engineering partner) provided a quantitative comparative assessment of performance to national, regional and specific state agencies.
- Extensive public involvement throughout the study with a five-member utility advisory committee, public meetings, and community outreach.
- Assisted the City in developing a dedicated rate study web page and bill calculator through which the community was updated on study progress.

CITY OF LYNNWOOD, WA

Water, Sewer, and Stormwater Rate Study
Bill Franz, Public Works Director
City of Lynnwood
(425) 670-6657
wfranz@co.lynnwood.wa.us

FCS GROUP has performed nine independent public finance and rate engagements for the City of Lynnwood primarily focused on water, sewer and stormwater utility cost recovery. Highlights included:

- Performed the previous two City rate studies and the most recent update in 2013.
- Established fiscal policy targets for reserves and annual system reinvestment.
- Evaluated impacts of different funding and timing for $37 million in capital projects.
- Six-year cost of service rate transition plan to reach cost of service by class and minimize customer impacts.
- Developed a single-family conservation rate structure.
- Issue paper on conservation rate structures for multi-family/commercial customers.
- Options for senior/low income/disabled discount rate programs.
- Workshops with City staff and Council on the rate-setting process.
- 2015 financial plan update in support of water, sewer, stormwater bond issue.

CITY OF PORT ANGELES, WA

Water, Sewer, Stormwater, Solid Waste, and Electric Rate Studies
Phil Lusk, Deputy Director Power & Telecom System
City of Port Angeles
(360) 417-4703
plusk@cityofpa.us

FCS GROUP has performed nine individual studies for the city's water, sewer, stormwater, solid waste and electric utilities. The most recent engagements were completed in 2013 and 2014. Highlights include:

- Developed a six-year financial plan for all utilities and evaluated adequacy of target fund balances.
- Developed a capital funding plan for $54.3 million in capital projects.
- Multiple system reinvestment funding scenarios for Council.
- Evaluated the adequacy of customer class distinctions and phased-in cost of service results by class.
- Updated and phased-in water and sewer SDC increases over three years and updated water and sewer connection charges.
- Created a separate irrigation class composed of both commercial and residential customers to take advantage of state excise tax exemption.
- Multiple workshops with Utility Advisory Committee and Council on study results.

RH2 ENGINEERING - RELEVANT PROJECT EXPERIENCE

CURRENT CITY OF RICHLAND PROJECTS

RH2 is currently working on on-going updates to the water system hydraulic model and the Regional Water Supply Feasibility Study for Richland, Kennewick, and West Richland. We have also been selected to develop the 2016 update to the Regional Water Forecast and Conservation Plan for Kennewick, Richland, Pasco, and West Richland. These projects will provide significant insight into the needs of the Water Comprehensive Plan.

RECENT WATER SYSTEM PLAN EXPERIENCE

2015	Comprehensive Water System Plan Update Assistance, City of Black Diamond (in progress)
2014	Comprehensive Water System Plan Update, City of Sultan
2014	Comprehensive Water System Plan Update, City of Bonney Lake
2014	Comprehensive Water System Plan Update, Canterwood Water System
2014	Comprehensive Water System Plan, Lake Chelan Reclamation District
2014	Comprehensive Water System Plan, City of Kirkland
2014	Comprehensive Water System Plan, Crystal Mountain, Inc.
2014	Comprehensive Water System Plan, King County Water District No. 123
2014	Comprehensive Water System Plan, Stevens Pass, Inc.
2013	Comprehensive Water System Plan, Manchester Water District
2013	Comprehensive Water System Plan Update, East Wenatchee Water District
2013	Comprehensive Water System Plan, City of College Place
2013	Comprehensive Water System Plan, Town of Eatonville
2012	Comprehensive Water System Plan Update, City of Fife
2012	Comprehensive Water System Plan, Malaga Water District
2012	Comprehensive Water System Plan, Peshastin Water District
2012	Comprehensive Water System Plan, City of Cashmere
2011	Comprehensive Water System Plan Update, Riviera Community Club
2011	Comprehensive Water System Plan (Priest Rapids), Grant County PUD No. 2
2011	Comprehensive Water System Plan, Swinomish Indian Tribal Community
2011	Comprehensive Water System Plan, City of Sultan
2011	Comprehensive Water System Plan, City of Snohomish
2010	Comprehensive Water System Plan, City of Wenatchee
2010	Comprehensive Water System Plan, Lake Wenatchee Water District
2010	Comprehensive Water System Plan, Spanaway Water Company
2010	Comprehensive Water System Plan, City of Fife
2010	Comprehensive Water System Plan, Northeast Sammamish Sewer and Water District
2010	Comprehensive Water System Plan, City of Arlington
2010	Comprehensive Water System Plan, City of Stanwood
2010	Comprehensive Water System Plan, City of Richland
2010	Small Works Water System Management Plan, Pine Loch Sun Beach Club

FCS GROUP - RELEVANT PROJECT EXPERIENCE

CITY OF RICHLAND SEWER UTILITY COST-OF-SERVICE STUDY AND SEWER PLAN FINANCIAL CHAPTER

FCS GROUP is currently under contract to complete the financial chapter of the sewer plan along with completing a cost of service rate study for the utility.

SUMMARY OF SELECT WATER SYSTEM PLAN FINANCIAL EXPERIENCE

Anacortes	Comprehensive Water Plan Financial Chapter
Arlington	Water and Wastewater Rate and Charge Study and Financial Chapters
Auburn	Comprehensive Water Plan Financial Analysis
Battle Ground	Water and Sewer Financial Planning and Rate Study Update
Bonney Lake	Water System Financial Plan Rate and Connection Charge Review
Carnation	Water System Plan Financial Chapter
Dundee	Water System Master Plan Financial Evaluation
Duvall	Comprehensive Water System Plan Financial Chapter
Eatonville	Water System Plan Financial Chapter
Edmonds	Comprehensive Water System Plan Financial Chapter
Enumclaw	Water Financial Chapter
Everett	Comprehensive Water Plan Financial Chapter
Fife	Water Comprehensive Financial Plan and Rate Study
Forks	Water Plan Financial Chapter
Friday Harbor	Water System Plan Financial Chapter
Gig Harbor	Water Comprehensive Plan Financial Chapter
Kirkland	Water Comprehensive Plan Financial Element
Lacey	Water System Comprehensive Plan Financial Chapter
Lynnwood	Water System Comprehensive Plan
Ocean Shores	Water Financial Plan
Olympia	Water System Plan Financial Chapter
Redmond	Water Comprehensive Plan Financial Chapter
Sequim	Water Utility Revenue Forecast
Snohomish	Water System Plan Financial Chapter
Stanwood	Water System Comprehensive Plan Financial Chapter
Steilacoom	Water Comprehensive Plan Financial Chapter
Sultan	Water and Wastewater Financial Chapter for Comprehensive Plans
Tualatin	Water Master Plan Financial Element
Vancouver	Water Comprehensive Plan Financial Chapter
Washougal	Water System Plan Financial Program/Chapter
Yelm	Water System Plan Financial Forecast Update

Appendix "A"
Certifications and Assurances

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

1. The proposal was created independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
2. In preparing this proposal, I/we have not been assisted by any current or former employee of the City whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this proposal. (Any exceptions to these assurances are described in full detail on a separate page and attached to this document.)
3. I understand that the City will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals will become the property of the City, and I/we claim no proprietary right to the ideas, writings, items, or samples.
4. I/we warrant that, in connection with this proposal:
   (a) No attempt has been made or will be made by the Consultant/vendor to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.
5. 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.epls.gov and
   http://www.lni.wa.gov/TradesLicensing/PrevWage/AwardingAgencies/default.asp

Paul R Cross
Signature

6·16·15
Date

PAUL R CROSS
Print Name

EXEC. V-P, RH2 ENGINEERING
Title, Company

SCOPE OF WORK

CITY OF RICHLAND WATER SYSTEM COMPREHENSIVE PLAN UPDATE JUNE 2015

BACKGROUND

The City of Richland's (City) Water System Comprehensive Plan (WCP) was last updated in June 2010. Based on the current planning requirements of Washington Administrative Code (WAC) Chapter 246-290, the City's WCP must be updated every six years, and the City's update is due by December 20, 2016.

This Scope of Work includes the tasks necessary for RH2 Engineering, Inc., (RH2) to update the City's WCP, and evaluate the ability of the water system to meet the needs of existing and future water system customers throughout a 20-year planning period. It is anticipated that the planning requirements will be modified to extend the WCP update cycle to ten years. In anticipation of this upcoming change, the WCP will be prepared with analyses and projections, based on both six-year and ten-year planning cycles. This approach has been approved by the Washington State Department of Health (DOH) and will extend the WCP update cycle to ten years once the WAC is modified.

This Scope of Work is based on published regulatory requirements for comprehensive water system plans known at the time of this writing, and a draft pre-plan agreement used in a meeting between the City and DOH on March 16, 2015. If new or expanded regulatory requirements are published during the course of this project, a contract amendment, along with a scope of work and fee estimate, can be provided for the additional work needed to satisfy the requirements. Attached, as **Appendix D** in this proposal, is a list of data to be provided by the City prior to commencement of the activities contained in this Scope of Work.

TASK 1 – REVIEW EXISTING 2010 WCP FOR REQUIRED UPDATES

Objective: Review the existing 2010 City WCP for required updates as related to new laws, regulations, and rules, as required by DOH and the State Department of Ecology (Ecology).

Approach:

1.1 Review previous plans, existing system information and data, and available facility as-builts.

1.2 Prepare and review an inventory of related plans to provide a summary of the impacts or constraints on the water system, including the Benton County Comprehensive Land Use Plan and the Regional Water Supply Feasibility Study, and review how the Growth Management Act (GMA) impacts the City.

TASK 2 – DOH PRE-PLAN AGREEMENT

Objective: Review the DOH Pre-plan Agreement, dated March 16, 2015, and address the items noted for inclusion.

Approach:

Introduction and Existing System Description

2.1 Coordinate with City staff during the data collection process. This includes coordinating via telephone, submitting the list of data needed, and reviewing the data provided by the City.

2.2 Describe the water system ownership and management. Include the system type, system identification number, address, and contact person.

2.3 Describe the authorization and purpose of the WCP and the WCP contents, and provide a definition of terms and a list of abbreviations used in the WCP.

2.4 Visit each new facility constructed since the last WCP with City staff to collect field information, and observe equipment layouts and existing conditions.

2.5 Provide a brief overview of the history of the water system using information from the previous WCP and historical summaries compiled and provided by the City. Include the current number of existing and approved service connections.

2.6 Describe the physical characteristics of the existing water service area and its effects on water system planning, including topography, geology, sensitive areas, and flood zones.

2.7 Provide a brief overview of the operation of the existing water system.

2.8 Provide a table of water main inventory that includes total lengths, diameters, materials, and age, based on available data.

2.9 Review existing City standards pertaining to water system policies and criteria.

2.10 Identify existing policies and recommend additional or revised policies, as necessary, so that projected future City facilities can meet minimum and acceptable design standards and criteria. Use DOH, Washington State Environmental Protection Agency (EPA), American Water Works Association (AWWA), and standard engineering practices as the basis for identifying policies, criteria, and requirements.

2.11 Summarize each policy and design criteria.

2.12 Describe the process for responding to requests for new water service (individual and group services), including timeframes.

2.13 Describe the process for determining whether the system's capacity is adequate to provide water service requests for new service. The process will include the determination of sufficient water rights.

2.14 Describe conditions of a non-technical nature that may impact the City's ability to provide new water service (e.g., annexation procedures, local ordinances, and instream flow rule, etc.).

2.15 Describe the procedures for granting and/or requesting extensions of time during a project. Describe the procedures for handling disputes and appeals if requests are denied.

2.16 Describe policies for extensions of water service outside of current system boundaries. Describe how the policies are consistent with current local and county comprehensive land-use plans and development regulations.

2.17 Prepare color figures of the following:

- Existing Water System
- Existing System Hydraulic Profile
- Service Area and Adjacent Systems

Water System Analysis

2.18 Describe water system design and construction standards for new construction.

2.19 Describe each pressure zone and existing facilities, including sources of supply, pressure reducing stations, pipelines, reservoirs, interties, and telemetry and supervisory control systems.

2.20 Examine each of the existing pressure zones, and identify areas of low and high pressures. Include a table showing each existing zone, its maximum and minimum service elevation, and service pressures (at static conditions).

2.21 Calculate the quantity of water supply required for the existing and projected future conditions, and compare those requirements to the system's existing supply capability.

2.22 Identify and describe supply facility deficiencies.

2.23 Evaluate the booster pump stations (BPSs) and briefly describe deficiencies.

2.24 Based on the requirements contained in WAC 246-290-235 and the most current DOH Water System Design Manual, calculate the quantity of water storage required for the existing and future system, and compare those requirements to the existing storage capacity of the system. Storage analyses will be performed for the system, as a whole, as well as for individual pressure zones or storage operating areas.

2.25 Identify and briefly describe storage deficiencies.

2.26 Document the hydraulic analyses criteria and hydraulic model settings for the distribution system analyses.

2.27 Using the hydraulic model of the water system, perform a steady-state hydraulic analysis of the system simulating a per hour demand (PHD) condition with no fire flow to determine the pressures and flow distribution during this demand condition.

2.28 Perform a steady-state fire flow analysis for each node in the system while simulating peak day demand (PDD) conditions to determine the capability of the existing system to provide adequate flows and pressures, and identify existing system deficiencies.

2.29 Export the results of the existing system PHD and fire flow analyses to a GIS shapefile for transmittal to the City.

2.30 Input future demand data into the hydraulic model's nodes using the results from the future water demand evaluation. Demand distribution shall be based on estimates of future growth allocations.

2.31 Identify and input proposed water system improvements into the model, based on the results of the existing system hydraulic analysis and identification of deficiencies.

2.32 Perform a steady-state fire flow analysis for each node in the system while simulating future PDDs to check that the proposed improvements address existing system deficiencies and are sized properly to accommodate anticipated growth, based on meeting the City's policies and design criteria. Repeat the analyses for the 6-year, 10-year, and 20-year projections.

2.33 Prepare a table that summarizes the results of the existing system and future system fire flow analyses.

2.34 Identify and describe distribution system deficiencies and the results of the hydraulic analyses.

2.35 Evaluate and identify deficiencies for the existing water main, pressure reducing valve (PRV) stations, interties, and telemetry and supervisory control systems.

2.36 Perform a, 6-year and 10-year system capacity analysis on the existing system to determine the unused, available system capacity expressed in equivalent residential units (ERUs). Prepare a 6-year and 10-year projected system capacity analysis with proposed improvements. Document the criteria and results of the analyses.

2.37 Document water supply characteristics and effects from existing and projected future water use on the water quantity and quality of the bodies of water from which the City withdraws supply. Describe water supply characteristics by identifying seasonal source variability, water rights limitations, water reliability, and legal constraints. Utilize existing data and studies available from the City.

2.38 Provide an overview of existing and future drinking water regulations, the Safe Drinking Water Act (SDWA), and the Endangered Species Act (ESA). Describe the impacts of the regulations on the City.

2.39 Identify the water quality monitoring requirements for the City's water system.

2.40 Summarize the results and compliance status of recent source and distribution system water quality monitoring.

2.41 Identify improvements, as needed, to comply with the water quality requirements.

2.42 Meet with City staff to discuss the system analyses, deficiencies, and recommended improvements.

2.43 Document the results of the system analysis in summary tables and the chapter text.

Source Water Protection

2.44 Prepare a summary of Washington state's regulatory requirements.

2.45 Document the City's past efforts toward protection of its water sources, including the monitoring program the City uses to assess the adequacy of watershed and wellhead protection.

2.46 Document the results of the City's susceptibility assessment and the monitoring waivers that were granted.

2.47 Prepare a description of the watershed and an inventory, including location, hydrology, land ownership, and activities that may adversely affect source water quality.

2.48 Perform delineation of the wellheads using the calculated fixed-radius method, and document the delineation method, results, and future requirements.

2.49 Prepare an inventory of potential contaminant sources and activities using available databases maintained by Ecology and the EPA, and document the results of the inventory findings. The inventory will include site locations and owners/operators.

2.50 Identify owners and operators of known and potential sources of water contamination, businesses, regulatory agencies and local governments, emergency response agencies, and City customers that must be notified of the City's watershed control and wellhead protection programs.

2.51 Document watershed control and wellhead protection measures, including ownership and relevant written agreements, and monitoring of activities and water quality.

2.52 Document normal system operation and a contingency plan for operating the water system in the event of contamination of one of the City's water sources, or other potential source-related emergencies.

2.53 Document water quality trends of source water quality monitoring from past records.

2.54 Document implementation of the watershed control and wellhead protection program, and provide recommendations.

Operations and Maintenance

2.55 Document the current water staff organization and prepare an organizational chart.

2.56 Prepare a table listing water operations personnel, their positions, and certifications.

2.57 Provide a brief description of the key responsibilities of the water operations personnel.

2.58 Provide a list of major equipment, supplies, and chemicals used by the water system.

2.59 Comment on the general impacts and effects of changing water quality requirements regarding O&M responsibilities.

2.60 Identify safety procedures that must be followed to help avoid potential work place hazards. Incorporate the existing safety program activities and recent Labor and Industries' inspection reports.

2.61 Prepare a description of the water system, as required by the Coliform Monitoring Plan (CMP).

2.62 Document source water quality monitoring requirements and procedures.

2.63 Document distribution system water quality monitoring requirements and procedures, including a schedule for coliform monitoring.

2.64 Discuss the impact of expanding the use of water supply produced by the City on the water quality monitoring requirements.

2.65 Prepare a color figure of the locations needed to meet the various monitoring requirements.

2.66 Prepare a brief description of the City's existing Emergency Response Plan (ERP) and Vulnerability Assessment (VA). For security purposes, those documents will not be included in the WCP.

2.67 Review the City's existing cross-connection control ordinance and programs it has developed. Evaluate the documents and incorporate necessary elements into the WCP for consistency with regulations.

2.68 Describe the consequences for failing to comply with the cross-connection control ordinance.

2.69 Document the responsibilities of each City department for implementing the program, and their relationship with one another and outside agencies.

2.70 Identify the primary and back-up staff positions delegated to the responsibility of organizing and implementing the cross-connection control program.

2.71 Identify the qualifications required for personnel working in the cross-connection control plan.

2.72 Document the City's approval of qualifications for cross-connection control testers and specialists.

2.73 Document procedures for prioritizing and conducting surveys of existing facilities to identify existing and potential cross connections.

2.74 Document guidelines for assessing the degree of hazard and the selection of the appropriate backflow assemblies.

2.75 Document standard requirements for installing and testing approved backflow assemblies.

2.76 Describe the recordkeeping system requirements for the cross-connection control plan.

2.77 Describe the methods or processes that will provide information (public education, etc.) regarding the cross-connection control program to the existing and future system customers.

2.78 Document procedures for responding to backflow incidents.

2.79 Identify procedures for keeping and compiling records and reports. Provide a general list of records on file and identify where they are filed.

2.80 Identify maintenance schedules for each facility, and summarize the unidirectional flushing program updated under Task 6.

2.81 Evaluate staffing requirements and document recommendations.

2.82 Identify O&M improvements and costs for budgeting purposes.

2.83 Document the O&M program in summary tables and the chapter text.

Distribution Facility Design and Construction Standards

2.84 Discuss the City's existing construction standards and include a copy in an appendix of the WCP.

2.85 Document the City's design and construction standards for distribution-related projects.

2.86 Document the City's design and construction standards for BPSs and reservoirs.

Miscellaneous Documents

2.87 Complete DOH's Consistency Statement Checklist for each planning agency with which the WCP must be consistent, specifically the City and County.

2.88 Obtain copies of signed minutes from informational meetings for consumers including notification.

2.89 Attach notices to adjacent utilities that state the WCP is available for review and comment. Attach comments received.

2.90 Obtain a State Environmental Policy Act (SEPA) Checklist and Determination of Non-significance (DNS) from the City to include in the appendices.

2.91 Obtain the City service area and intertie agreements, and include in the appendices.

2.92 Obtain copies of applicable City resolutions/ordinances, and include in the appendices.

2.93 Include copies of Water Facilities Inventory (WFI) forms.

2.94 Include copies of water right certificates and permits.

2.95 Include a copy of the most recent Consumer Confidence Report (CCR).

2.96 Include a copy of the City's construction standards.

2.97 Include copies of water system facilities data, consistency statement checklists, and agency review comments.

Executive Summary

2.98 Identify the purpose of the WCP, and summarize the major system characteristics and significant changes that have occurred since the previous WCP was completed.

2.99 Briefly describe the key issues in the WCP.

Finalize, Print, and Present Draft WCP

2.100 Develop a cover format that includes the WCP name and revision date.

2.101 Transmit electronic copies of the draft WCP documents to the City for review and comment.

2.102 Revise the WCP, based on City review comments.

2.103 Attend one (1) meeting to present the completed WCP to City staff, City council, and the public.

2.104 Bind the final WCP documents, and print up to three (3) sets of the WCP and color figures. Two (2) sets of the WCP will be supplied to DOH.

2.105 Create an electronic PDF document, including all chapters, appendices, and figures of the WCP. The electronic WCP will contain hyperlinks and an organizational format that will be fully functional. Provide up to ten (10) copies of the electronic plan on CD format.

2.106 Submit the final WCP to adjacent water systems for their review and comment.

2.107 Submit the final WCP to the County and DOH for their review.

TASK 3 – 300 AREA EXPANSION REPORT

Objective: Review the 300 Area expansion report.

Approach:

3.1 RH2 prepared the 300 Area expansion report, and is currently familiar with the recommendations.

RH2 Deliverables: None.

TASK 4 – EXISTING AND FUTURE RETAIL SERVICE AREAS, AND WATER PRODUCTION NEEDS

Objective: Define the existing and future service areas, including the Urban Growth Area (UGA), retail water service area, and water service agreements.

Approach:

4.1 Describe the City's existing and projected future service areas, including the UGA, retail water service area, and water service agreements. Include existing plans for expanding the current service area.

4.2 Identify existing and projected future land use patterns in and adjacent to the City, and their potential impacts on existing and potential future facilities and water sources for the water system. Include discussions of the land use in the potential water system expansion area.

4.3 Identify current and projected housing trends and household sizes within the City's service area, based on available information from City staff, as well as County and state population data.

4.4 Include a table of 6-year, 10-year, and 20-year population projections for both the City and the water service area that comply with the GMA.

4.5 Prepare a color figure of the City's existing and future land use.

4.6 Tabulate monthly totals of metered consumption for each customer class, and the average number of accounts in service for each year from 2010 through 2015, based on available information provided by the City. Identify the summer and winter variations in consumption for each customer class.

4.7 Tabulate monthly and annual usage for water supplied to the City of West Richland and Badger Mountain Irrigation District, and include revised operating scenarios between the cities and the district.

4.8 Tabulate ten (10) to twenty (20) of the largest water users and the total water use of each for the year 2015.

4.9 Tabulate monthly and yearly totals of water supply from each supply facility from 2010 through 2015.

4.10 Calculate per-capita demands, based on the average day demand (ADD), and water system population data from 2010 through 2015, based on lands with and without irrigation water from other sources.

4.11 Calculate the number of equivalent residential units ERUs within the system, based on the water consumption and supply data.

4.12 Identify the total amount of distribution system leakage (DSL) from 2010 through 2015. Calculate the three (3)-year rolling average of the DSL.

4.13 Tabulate total consumption of customers within each pressure zone, based on the hydraulic model and the parcel-consumption database provided by the City.

4.14 Calculate the system ADD, based on the yearly water supply data from 2010 through 2015.

4.15 Estimate the system's maximum day demand (MDD) and peak hour demands (PHDs).

4.16 Prepare a table of general fire flow requirements of each land use classification, and identify buildings with the largest fire flow requirements within the service area.

4.17 Document the historical demands from 2010 through 2015.

4.18 Describe the basis for and results of the existing and projected future water demand evaluation.

4.19 Evaluate, describe, and prepare a graphic or table to demonstrate the summer and winter variations in consumption patterns for each customer class.

4.20 Document the results of the demand analyses in summary tables and the chapter text.

TASK 5 – WATER RIGHTS EVALUATION

Objective: Review the existing 2010 City WCP for required updates as related to new laws, regulations, and rules, as required by DOH and Ecology.

Approach:

5.1 Summarize the City's current water rights.

5.2 Perform a water rights evaluation that compares current water rights with existing and projected demands on a pressure-zone or operating-area basis.

5.3 Document water supply characteristics and effects from existing and projected future water use on the water quantity and quality of the bodies of water from which the City withdraws supply. Describe water supply characteristics by identifying seasonal source variability, water rights limitations, water reliability, and legal constraints. Utilize existing data and studies available from the City.

TASK 6 – IMPROVEMENT PROGRAM

Objective: Describe and schedule improvements to address deficiencies identified in the water system analyses. Prepare planning-level cost estimates for each project identified.

Approach:

6.1 Describe the water system improvements that have been completed since the last WCP update.

6.2 Prepare a list of proposed water system improvements, based on the results of the existing system and proposed system analyses. Briefly describe each group of related improvements and the purpose/benefit of the improvements.

6.3 Prepare a planning-level (approximate) cost estimate for each improvement, based on current industry prices.

6.4 Coordinate with City staff to establish criteria for prioritizing and scheduling improvements. Prioritization and scheduling will consider other scheduled utility and transportation projects, based on information provided by the City.

6.5 Schedule improvements, based on the results of the prioritization. Prepare up to two (2) modified CIP schedules, based on input from the City from the results of the financial analysis.

6.6 Prepare a table of improvements that includes an improvement identification number, a brief description of each improvement, the associated cost estimate, and the scheduling of the improvements on an annual basis for the first ten (10) years, and for the twenty (20)-year planning period.

6.7 Describe the criteria and procedures used for prioritizing and scheduling improvements.

6.8 Document the CIP prioritization analyses in summary tables and the chapter text.

6.9 Prepare color figures of the following:
- Proposed Water System Improvements
- Proposed Improvements Hydraulic Profile

6.10 Meet with City staff to discuss the water system improvements and the proposed schedule of implementation.

TASK 7 – HYDRAULIC MODEL UPDATE

Objective: Describe and schedule improvements to address deficiencies identified in the water system analyses. Prepare planning-level cost estimates for each project identified.

Approach:

7.1 Update the City's existing WaterCAD hydraulic model with current water system mapping. Update the model with recent water system improvements.

7.2 Allocate the existing (2015) demand data among the nodes in the model using a parcel-consumption database provided by the City.

7.3 Perform preliminary hydraulic analyses to identify locations for field pressure and hydrant flow tests, and check potential performance at each site. Prepare a template that lists field test locations and data that needs to be collected at each test location. Coordinate with the City to establish methods and recordkeeping for field tests.

7.4 Attend one (1) day of hydrant-flow tests to observe that the pressure and flow test objectives and procedures are met for the purpose of calibrating the hydraulic model. City staff will complete all hydrant flow tests on subsequent days without RH2 field assistance. City staff will operate hydrants, valves, and other water system facilities as directed by RH2. RH2 will provide calibrated pitot and pressure gauges for use during the hydrant-flow tests, and will record the results of the tests. Operational status of facilities will be provided by City staff (in real-time or from the City's telemetry system following field testing), including flows into the system from supply sources and reservoir levels at the start and end of the tests.

7.5 Perform hydraulic analyses to calibrate the model from the field-flow and pressure-test data for the purposes of steady-state hydraulic analyses.

7.6 Coordinate with the City to identify sources of inconsistencies between the field calibration data and the modeled results. Inconsistencies may be the result of unknown closed valves in the system or incorrect diameter of water mains shown on system mapping or as-builts. Since this item is highly variable in nature, an initial allocation of sixteen (16) hours of a water modeling specialist's time has been included for this task. If generally-accepted industry standards for hydraulic model accuracy cannot be achieved within this initial allocation, RH2 will coordinate with the City to determine the next steps. This may include a scope amendment to assist the City in performing additional field-flow tests and model-calibration analyses.

TASK 8 – WATER USE EFFICIENCY PROGRAM

Objective: Update the City's Water Use Efficiency (WUE) program and WUE goals for the water system.

Approach:

8.1 Evaluate the City's existing WUE program developed through the Regional Water Forecast and Conservation Plan Update, and incorporate elements into the WCP necessary for consistency with regulations.

8.2 Prepare a summary of WUE planning efforts that have been completed since the WUE program was adopted.

8.3 Document the current and past efforts for WUE and their impact on water demand over the past six (6) years. Describe the WUE improvements.

8.4 Develop annual demand projections for the first ten (10) years and projections for year twenty (20), based on projected water system population data and historical per-capita demands. Demand projections shall be tabulated with and without additional water use reductions from the proposed WUE program.

8.5 Coordinate with the City to provide data necessary to conduct the WUE public forum. The City will conduct the meeting to satisfy the public forum requirements of the WUE program and to present the WUE goals for adoption by the City council.

8.6 Identify and evaluate WUE measures for appropriateness and cost-effectiveness.

8.7 Prepare a schedule for implementation of the WUE measures and cost estimates for each measure.

8.8 Review adjacent water systems, and provide a brief description of the adjacent water systems and the potential for emergency interties. Document existing interties, and include agreements in the appendices.

TASK 9 – WATER RATE ANALYSIS STUDY (FINANCIAL CHAPTER)

Objective: Identify the financial requirements of the City's water system.

Approach:

9.1 Coordinate with the City during the project to provide information in support of the financial analysis chapter.

9.2 Summarize past income and expenses for 2010 through 2015, and identify trends.

9.3 Provide a balanced one (1)-year operational statement for 2016.

9.4 Develop a plan for collecting revenue necessary to maintain cash flow stability and to fund projected capital and emergency improvements.

9.5 Compare necessary revenue to the City's ability to pay, based upon current 1.5 percent of median household income for the City.

9.6 Evaluate conservation rate structures and the feasibility of implementing rate structures that encourage water demand efficiency.

9.7 Attend one (1) meeting with City staff to review the draft financial analysis results before finalizing the financial chapter.

SCOPE OF WORK

CITY OF RICHLAND WATER SYSTEM COMPREHENSIVE PLAN UPDATE WATER RATE ANALYSIS STUDY JUNE 2015

In conjunction with the City of Richland's Comprehensive Water System Plan (CWSP), FCS GROUP will develop both a corresponding financial chapter, as well as a water cost-of-service rate study. The water cost-of-service study will result in a model that include rates for potable water service to identified customers, wholesale potable water service to other water retailers and non-potable irrigation water services. A wholesale water rate review will be completed for West Richland and Badger Mountain Irrigation District (BMID).

TASK 1 – INITIAL PROJECT MEETING

The Consultant will schedule a project initiation meeting with the City project team. Attendees will ideally include representatives from engineering, operations, administration, finance and customer service. The meeting will introduce the project team, identify study objectives, review methodology and expectations, confirm schedule, and discuss team roles.

TASK 2 – DATA COLLECTION

The Consultant will provide a data needs list encompassing historical and projected revenue, expenses, capital improvement plans, debt schedules, fiscal policies, customer billing data and other relevant planning information. The City will provide the requested data to the consultant. The data will be reviewed, analyzed and validated for inclusion in the study process.

TASK 3 – REVENUE REQUIREMENTS (FINANCIAL PLAN)

The Consultant will develop the revenue requirements to be in compliance with the WSP financial chapter requirements and also to meet the revenue requirement objectives of a self-supporting, financially sustainable utility. The financial plan will be developed for a 6 and 20 year time period for the financial plan with a 5 year rate strategy period. The following components define the comprehensive needs of water the utility:

- Long-term capital investment funding (improvements, expansion, and replacement)
- Expenses incurred to operate, maintain, and manage the systems
- Debt repayment
- Cash flow needs
- Fiscal policy achievement

The Consultant will design the analysis to mirror the City's own funds and to be flexible and stable enough to analyze multiple scenarios. Sub-tasks include:

3.a. Review the actual 2012-2014 customer statistics for the water utility to identify demand trends for use in future projections. Many entities have experienced declining demand in use, analyzing the City's specific customer use profiles and recalibrating anticipated revenue levels for future projections is warranted. Of particular emphasis will be validating the customer billing statistics with the revenue generated. This task has proven beneficial in uncovering anomalies in customer statistics and/or incorrect billing units that can impact forecast revenue. The compilation of this data offers consistency throughout the rate study process by using the same units to calculate rate revenue in the revenue requirement, allocate costs as part of the cost of service, and to design rate structures that generate necessary revenue levels.

3.b. Complete a historical financial performance review (requirement of WSP). Review and document the financial operations (revenue and expenses) and financial condition (assets and liabilities) of the water utility for the previous 6-year period. Noteworthy financial trends will be summarized.

3.c. Review and evaluate the current rate-setting policies of the City. A comparison of existing policies to industry standards can help provide context in determining whether there are possible enhancements that would strengthen the financial health/rate setting of the utility. Key areas evaluated include: type and amount of reserves; asset management / system reinvestment funding from rates; and debt management policies and ratios (debt coverage/debt to equity, etc.). New policies will be recommended, as warranted.

3.d. Develop the forecast of operating revenues and expenses to reflect budget 2015/2016. Adjust for any known future changes in annual non-capital costs associated with the operation, maintenance, and administration of each the water systems such as additional staffing needs and other operating costs associated with maintaining the systems along with initiating new or enhanced program activities.

3.e. Incorporate the capital plan from the WSP planning effort. Develop a capital funding plan that determines an optimal mix of resources from rate revenue, facility fees, existing reserve funds and additional debt (if warranted) to maintain the ongoing financial health of the system and to smooth future rate impacts. A key point of emphasis will be to discuss with staff the importance of incorporating a dedicated component in rates to fund system reinvestment.

3.f. Provide a reserve analysis. We will review existing fund balances (e.g., operating, capital, contingency, rate stabilization, etc.) for compliance with existing or newly established fund balance targets.

3.g. Incorporate existing debt service and any anticipated new issues in the revenue requirement. Debt service coverage and debt capacity will be monitored.

3.h. Review the separation of existing costs into fixed and variable components. This analysis will inform the design of rates, particularly if the balance between fixed and variable costs should be refined for revenue stability.

3.i. Test the sufficiency of each current revenue stream in meeting all system obligations. After identifying the full array of financial requirements, we will compare those needs against available rates and miscellaneous operating revenues, identifying any projected shortfalls over the forecast period. Rate revenue sufficiency will be tested from two perspectives: the ability to meet all cash obligations, and the attainment of any debt coverage requirements.

3.j. Develop an annual rate transition strategy that meets the water system's financial obligations. The City has asked for 5-year planning period. To comply with the WSP financial chapter the rate strategy will also cover a 6-year and 20-year period.

3.k. Provide up to three (3) sensitivity analyses to evaluate the impact of changes to key variables such as funding sources, growth rates, project timing, or others identified by the City.

3.l. Perform an affordability test (WSP requirement) as an indication of a residential customer's ability to pay the existing and forecasted rates. This includes a median household income index analysis and comparison of the water system's existing and forecasted average residential bills to 1.5% of the median household income. This test will be conducted for the six-year and 20-year study periods.

TASK 4 – COST OF SERVICE ANALYSIS

The Consultant will provide a cost of service analysis (COSA) that provides a defensible basis for assigning "cost shares" and establishing "equity" for system customers with the development of a series of allocations that will be based on customer data and engineering/planning criteria in order to assign utility cost recovery to customers in proportion to their actual demands. This exercise needs to establish the projected amount of annual revenue to be recovered from the rates for each class. The results will identify any warranted shifts in cost burden that could improve equity between customers from the existing rate structure being evaluated. Key task outcomes include the following:

4.a. Determine the appropriate grouping of customers/customer classes to review. The intent of the service distinction is to evaluate any potential cost differences that may exist in serving different customer classes or if new service groupings are warranted. The classes identified for review include the following: residential, multi-family, commercial, landscape irrigation, non-potable irrigation, wholesale potable. Any additional customer classes identified will be evaluated independently in the cost-of-service analysis.

4.b. Allocate 2015/2016 costs to customers. The typical cost of service conducts cost of service based on the functions of service identified as "traditional" in Exhibit 1. In an effort to quantify the different levels of service being delivered by the City (potable, non-potable and wholesale) we believe that a cost of service analysis using the "alternative" functions identified in Exhibit 1 may more clearly and transparently quantify unit costs for providing differing levels of service. Only the unit costs that are applicable to deliver service for each customer type would be allocated to the customer class. For example, treatment costs would not be allocated to non-potable water customers.

EXHIBIT 1: TRADITIONAL AND ALTERNATIVE FUNCTIONS

TRADITIONAL FUNCTIONS	ALTERNATIVE FUNCTIONS
Base capacity (average demand)	Supply
Peak capacity (peak demand)	Treatment
Customer—accounts and meter & services	Transmission/Distribution
Fire protection	Fire

4.c. Distribute functional cost pools. Each functional cost pool developed above will be distributed to each existing customer class based on the class demands and facility requirements. The results will identify any warranted shifts in cost burden from the existing rate structures that could improve equity.

4.d. Provide the unit cost for each major utility service function. The unit costs will serve as the building block for rate design. The unit costs will assist in comparing how current fixed and variable rates align with the cost based rates of the system and where adjustments may be warranted to align with the fixed and variable costs of each system.

TASK 6 I WHOLESALE COST OF SERVICE/RATE DEVELOPMENT

Under traditional AWWA approaches to rate-making, wholesale customers are most often charged under a "utility basis" of rate-making. This approach recovers applicable operating and maintenance costs, plus a capital cost recovery that is based on the amount of capital investment committed to the wholesale customer's service. The capital cost recovery has two components; depreciation of fixed assets and a return on the net investment. Key tasks include the following:

- Review of existing wholesale service (West Richland and BMID).
- With assistance from staff , develop an understanding of the nature of services provided to each customer such as:
  - Facilities/system assets used to deliver water service,
  - Capital funding arrangements,
  - Type of service provided and level of service commitment (e.g. constant year-round, interruptible, peak period, emergency, etc.)
- Develop an analytical model to allocate system assets and operating and capital costs of the system to customers using contractual agreements (if applicable), service levels and industry standards.
- Calculate the return on equity to be used.
- Develop unit costs and resulting water rates for wholesale customers .

TASK 7 – RATE DESIGN/STRUCTURES

The Consultant will evaluate existing rate structures for alignment with the City's current and/or recommended fiscal policies, generate sufficient revenue to meet the revenue requirement forecast, and address inequities identified in the cost-of-service findings.

7.a. Identify rate structure goals/objectives (e.g., revenue stability, conservation, etc.).

7.b. Compare current charges with cost-of-service based unit costs.

7.c. Evaluate meter factor, by size, for appropriateness

7.d. Develop an inclining block rate structure – the customer statics will be used to develop the appropriate number of blocks and size of blocks to help achieve the City's objectives.

7.e. Consider a conservation impact or price elasticity factor to assure appropriate revenue is generated.

7.f. When possible, align rate designs with the fixed and variable costs of the system to provide sufficient revenue stability.

7.g. Develop a bill comparison for all customer classes showing the anticipated impacts on existing bills from the proposed rate options under consideration.

7.h. Provide one alternative rate structure that would advance the priorities and objectives of the City.

TASK 8 | FACILITY FEE UPDATE

The regular update of Facility Fees (FFs) is instrumental in capturing the proper value of infrastructure used to provide service. The implementation and regular update of FFs ensures that new customers bear the cost of existing infrastructure used and future facilities planned to serve new growth. A FF recovers a proportionate share of existing and future capital costs incurred by the utility to serve a new customer, so the new customer is considered financially equivalent to a comparable existing customer. Work tasks include the following:

- Follow state law, legal precedence and industry guidelines regarding the allowable FFs methodology.
- Review of existing FF methodology used to establish existing charge.
- Develop the existing cost basis by reviewing existing asset values and applying applicable interest or carrying costs on those assets. Adjust the existing cost basis for construction work in process, contributed assets, debt service and value of existing system assigned to current connections.
- Develop the future cost basis by detailing future capital project contained in the Water System Plan. Work closely with City staff to determine the appropriate allocation of each capital project to the categories of (a) repair & replacements, (b) upgrades/improvements, (c) expansion or (d) combination.
- Calculate available system capacity by plant function (e.g. supply, storage, etc.).
- Define one equivalent service unit.
- Calculate the maximum allowable or reasonably allowable FF by meter size and develop a proposed schedule of charges.
- Review the calculation methodology and approach with the City attorney and staff.
- Consider Badger South agreement with BMID. Additional discussion regarding the specific needs of the City is warranted.

TASK 9 – MEETING/PRESENTATIONS

The Consultant will need to interact frequently with City staff throughout the project, to ensure that the findings and recommendations reflect approaches that are understood by impacted parties and that they can be implemented within the City's administrative practices. In addition, frequent interaction will ensure that the study develops work products collaboratively, reflecting the industry expertise of the Project Team and the specific needs and goals of the City. The review points identified with staff will be the first presentation of analytical outcomes and recommendations held before any presentation to the City Council.

9.a. Meet with City staff in up to (3) three meetings to review study results at key milestones.

- One onsite meeting to review draft revenue requirements and cost of service
- One Go-To meeting to review rate designs and Facility Fees
- One Go-To meeting to finalize analyses

9.b. Present recommended rate designs to the Utility Advisory Committee

9.c. Present recommended rate designs to the City Council City Council. We prefer that the initial meeting with Council be conducted in a workshop setting to allow for more open and involved interaction.

TASK 10 – DOCUMENTATION

Craft the draft Financial Chapter for RH2 and City staff review. An electronic copy of the draft Financial Chapter and Excel-based tables will be provided to RH2 to incorporate into the WSP documents. Incorporate requested changes, as appropriate, and submit the final version of the Financial Chapter.

Provide to the City an executive level memorandum documenting the comprehensive rate study process, assumptions, results and recommendations.

TASK 11 - SPREADSHEET MODELING TOOL

FCS GROUP will deliver a final copy of the Excel-based spreadsheet modeling tool for City use. Part of maintaining the utility rate study model is an understanding by staff of the inputs/outputs and functionality of the model. Our models are used and updated internally by a number of clients. One of the best ways to understand the model is to conduct a hands-on training workshop. The training workshop will walk the user from model beginning to end including: analysis overview, key policy elements, rate model characteristics, explanation of worksheets and how to use the model (input, results, validation of results, changing inputs and key policy variations). Ultimately, staff will "graduate" with a developed understanding of what makes the model work and how to run sensitivity analyses. Key tasks include:

11.a. ½ day onsite model training session

11.b. 4 hours of on-call model support (during internal update)

11.c. User guide (optional not included)

Appendix D

City of Richland
Water Comprehensive Plan Update
Data to be Provided by the City

The following list contains the information and data to be provided by the City of Richland (City) that is needed to update the City's Water System Plan (WSP). Available resources from previous planning work will be utilized to reduce the level of effort necessary. RH2 will rely on the items listed herein. The list below is organized according to the Scope of Work activities.

Information Needed	Priority	Notes	Status/ Delivered
~~1. Reservoir information that includes reservoir name, as builts, location, year constructed, material, reservoir floor elevation, overflow elevation, diameter, ground elevation, operating levels (pump start level(s) for filling reservoir and pump stop level), fill pipe diameter, draw pipe diameter, and description of operation and control.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~2. Pressure reducing station data that includes station name, as builts, location, main line and by-pass control valve size, normal inlet pressure, outlet pressure set points, operational priority (lead, lag, second lag, etc.), ground elevation, and pressure relief valve size and set point (if relief valve is included).~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~3. List of check valves and zone valves (closed isolation valves between pressure zones) in the distribution system.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~4. Intertie information that includes adjacent system name, as builts, location, water main size, control valve size and model number, and any other facility information.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~5. Telemetry and supervisory control information that includes manufacturer and year of telemetry system, type of communications link (radio or phone), facilities monitored at master telemetry unit, facilities with remote telemetry units.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~6. Water treatment information that includes location of treatment facilities, as builts, type of treatment (disinfection, fluoridation, filtration, etc.), chemicals used and concentrations, method of metering, initial dosage amounts, and capacity of mixing or holding~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered

Information Needed	Priority	Notes	Status/ Delivered
~~tanks.~~			
~~7. Booster pump station data that includes pump station name, as-builts, location, year constructed, number of pumps, pump curves (or pump manufacturer and model number, pump serial number and impeller diameter), motor horsepower, ground elevation, normal pumping rate, and description of operation and control.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~8. Well data that includes well name, well log, location, year constructed, pump curve (or pump manufacturer and model number, pump serial number and impeller diameter); motor horsepower, well casing diameter, well column diameter, ground elevation, well depth, screen depth range, pump intake depth, normal pumping rate, static water level, water level at normal pumping rate, and description of operation and control.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
9. Copy of most recent Department of Health (DOH) Sanitary Survey.	M		
~~10. Copy of GIS files of the base map, aerial photo, existing water system (including all water main, sources, pumping and storage facilities, gate and check valves, and hydrants), and contours.~~	H	Provided as part of Regional Water System Feasibility Plan and previous WSP.	Delivered
~~11. Describe the process for responding to requests for new water service (individual and group services), including timeframes.~~	L	Assumed same as described in previous WSP.	Delivered
~~12. Describe the process for determining if the system's capacity is adequate to provide water service to requests for new service. The process must include the determination of sufficient water rights.~~	L	Assumed same as described in previous WSP.	Delivered
~~13. Describe any conditions of a non-technical nature that may impact the ability to provide new water service (e.g., annexation procedures, water rights issues, local ordinances, etc.).~~	L	Assumed same as described in previous WSP.	Delivered
~~14. Describe the procedures for granting or requesting extensions of time during a project. Describe the procedures for handling disputes and appeals when requests are denied.~~	L	Assumed same as described in previous WSP.	Delivered
~~15. Describe policies for extensions of water service outside of boundaries.~~	L	Assumed same as described in	Delivered

Information Needed	Priority	Notes	Status/ Delivered
~~Describe how the policies are consistent with the local and county comprehensive (land use) plan, and development regulations.~~		previous WSP.	
~~16. Copy of sample letter and certificate of water availability that is issued prior to receiving a building permit.~~	L	Assumed same as described in previous WSP.	Delivered
~~17. Copy of the City's Comprehensive (Land Use) Plan.~~	H	Provided as part of Regional Water System Feasibility Plan	Delivered
~~18. Summary of City's efforts and involvement in regional water system planning.~~	H	Provided as part of Regional Water System Feasibility Plan	Delivered
~~19. Identify on a map the areas where growth is expected to occur.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
~~20. List of planned developments. Provide name of development, type of development, number of units and development schedule.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
~~21. Copy of GIS file showing existing retail and future service area boundaries.~~	H	Provided as part of Regional Water System Feasibility Plan	Delivered
~~22. Copy of GIS file showing existing and future land use.~~	H	Assumed same as described in previous WSP.	Delivered
~~23. How often are customer meters read (monthly, every other month, etc.)?~~	H	Assumed same as described in previous WSP.	Delivered
24. Hourly and daily reservoir level records (telemetry data, circular charts, data sheets, etc.) from each storage facility for 2008 through 2014 (to be used to determine the system's peaking factors).	H		
25. Hourly and daily water production records from each source of supply for 2008 through 2014 (to be used to determine the system's peaking factors).	H		
26. Monthly water production totals from each source of supply from 2008 through 2014.	H	2013 data already provided as part of Regional Water System Feasibility Plan	
27. Monthly water supply data for water supplied to other systems.	H		
28. Monthly (or bi-monthly) metered water consumption totals for each customer class from 2008 through 2014.	H	2013 data already provided as part of Regional Water System Feasibility Plan	

Information Needed	Priority	Notes	Status/ Delivered
29. Average number of connections for each month for each customer class from 2008 through 2014.	H	2013 data already provided as part of Regional Water System Feasibility Plan	
30. Total number of multi-family units (number of apartment, condo, or townhome units) served in 2008 through 2014	H	2013 data already provided as part of Regional Water System Feasibility Plan	
31. List of customers (approximately 10 to 20) that used the most water in 2014 (as measured by individual meters), customer address and amount of consumption of each customer for the year.	H		
32. List of buildings with the largest fire flow requirements in the service area (provide at least three in each pressure zone). Provide name of building, address and fire flow requirement.	M		
33. General level of service fire flow requirements and duration for all land use classifications, such as single-family, multi-family, commercial, industrial, etc.	M		
34. Provide total annual amounts of water usage for construction projects, fire department activities, water main flushing, and City treatment processes (backwash or priming water) from 2008 through 2014.	H		
35. Database of monthly totals of 2014 metered water consumption data for each meter, including address and parcel number, if available.	H		
36. Copy of water system policies and design criteria not contained in the previous WSP.	L		
37. List of known water system deficiencies and unsuitable pipe materials.	M		
38. List of past water main breaks dating back to 2008. Provide address and date that each occurred.	L		
39. List of facilities that have emergency power supply connections or stand-by emergency generator sets.	L		
40. As-builts for recent water system improvements not contained in the existing hydraulic model.	H		
~~41. Normal operating range of each reservoir (water elevation that well,~~	H	Provided as part of Regional Water	Delivered

Information Needed	Priority	Notes	Status/ Delivered
~~intertie or control valve is called to fill reservoir or the normal drawdown in each reservoir).~~		System Feasibility Plan.	
~~42. Copy of existing Water Use Efficiency Program.~~	H	Assumed same as described in previous WSP.	Delivered
~~43. Has leak detection been performed in the distribution system in the past? If so, indicate date, description of areas tested and findings. Provide a copy of the leak detection report.~~	M	Assumed same as described in previous WSP.	Delivered
~~44. List of current water use efficiency goals.~~	H	Assumed same as described in previous WSP.	Delivered
~~45. Describe what, if any, previous water use efficiency efforts will be discontinued. Identify why continuation of these efforts would be ineffective or describe that the program had a prescribed end date or savings level.~~	M		
~~46. Describe any available or potential sources of reclaimed water. Identify opportunities for the use of reclaimed water (i.e. irrigation for parks or schools, construction purposes or street cleaning) and an estimated annual volume for each use.~~	M	Assumed same as described in previous WSP.	Delivered
47. Amount budgeted for each individual water use efficiency measure that is part of the water use efficiency program.	L		
~~48. Copy of water rights permits, certificates and other related information for all sources.~~	M	Assumed same as described in previous WSP.	Delivered
49. Copy of any recent reports and studies for the sources of supply (not including the Wellhead Protection Plan and Watershed Control Program).	M		
50. Copy of DOH Susceptibility Study.	M		
~~51. Summarize the City's past efforts towards protection of its water sources.~~	L	Assumed same as described in previous WSP.	Delivered
52. List of known and potential water contaminant sources located within the watershed/wellhead protection areas.	L		

Information Needed	Priority	Notes	Status/ Delivered
~~53. Identify present and past land uses (last 10 to 20 years) and proposed land uses that might pose a threat to the water sources.~~	L	Assumed same as described in previous WSP.	Delivered
54. Personnel organization chart.	L		
55. Brief description of the major responsibilities for any new staff positions shown on the organizational chart.	L		
56. Updated list of all operators and their certifications.	L		
57. Provide a list of all major equipment, supplies and chemicals used by the water system. Provide a list of the service representatives for major water system components and chemical suppliers.	L		
58. Provide a list of safety and first aid equipment owned by the system and identify safety training the personnel have and are required to have.	L		
59. Maintenance schedules for each facility.	L		
60. Staffing time for preventive maintenance of facilities and equipment.	L		
61. Staffing time for operation tasks.	L		
62. Identify procedures for keeping and compiling records and reports; provide a list of records that are on file; and identify where the records are filed.	L		
63. Procedures for testing the accuracy of water meters and identifying the frequency of tests. Indicate most recent calibration of source and customer meters.	L		
64. Indicate approximate age of source and customer meters.	L		
65. List of the Utilities Division safety program activities and recent Labor and Industries' inspection reports.	L		
66. Provide copies of the City's Emergency Response Plan and Vulnerability Assessment (For security purposes, the documents will not be included in the WCP).	L		
~~67. Copy of existing cross-connection control ordinance/resolution.~~	L	Assumed same as described in previous WSP.	Delivered
68. Sampling rotation schedule for coliform monitoring, if different than contained in coliform monitoring program.	M		

Information Needed	Priority	Notes	Status/ Delivered
69. List of water source sampling sites. Indicate source of sample.	M		
70. Copy of monitoring waivers and related DOH correspondence.	M		
71. List of known backflow assemblies installed in the system.	L		
72. Copy of latest cross-connection control program summary report that is submitted annually to DOH.	L		
73. Copy of past lead and copper monitoring results (2008 through 2014).	M		
74. Copy of asbestos monitoring results (2008 through 2014).	M		
75. Copy of source water quality monitoring results (2008 through 2014) for volatile organic chemicals, synthetic organic chemicals, inorganic chemical and physical substances, and radionuclides.	M		
76. Summarize the results of past (2008 through 2014) coliform monitoring. Indicate if monitoring results indicated levels above the regulatory limits. For each situation where the regulatory requirements were not met, describe the source of the problem and the follow up procedures that corrected the problem.	M		
77. Summarize the results of past (2008 through 2014) disinfectant concentration monitoring. Indicate if monitoring results did not meet the regulatory requirements. For each situation where the regulatory requirements were not met, describe the source of the problem and the follow up procedures that corrected the problem.	M		
78. Summarize the results of past (2008 through 2014) disinfectants and disinfection by-product monitoring and Initial Distribution System Evaluation.	M		
79. Summarize the method of disinfection and initial dosage at each source (2008 through 2014).	M		
80. Provide the initial dosage of fluoride at each source.	M		
81. Copy of Coliform Monitoring Plan.	M		
82. List of dirty water complaints (2008 through 2014), including date and location of each complaint.	M		

Information Needed	Priority	Notes	Status/ Delivered
83. Copy of the most recent Consumer Confidence Report (CCR).	M		
84. Copy of 2008 through 2014 Water Quality Monitoring Reports (WQMR) from DOH that lists the specific monitoring requirements for the City's system.	M		
85. Copy of the City's water system construction standards.	L		
~~86. List of desired water system improvements not contained in previous CIP.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
~~87. List of projects completed since the last WSP. List can be descriptive or map based.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
~~88. Copy of the City's most recent six-year Capital Facilities Plan. If not available, provide a list of all road and utility improvements currently planned by the City for the next six years to assist in coordinating the timing of water improvements with other capital improvements.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered
89. Data request will be issued at a later date.	L	To be provided at a later date.	
90. SEPA Checklist (to be provided upon completion of final draft WSP).	L	To be provided at a later date.	
91. Copy of current service area agreement. This was likely prepared during the development of the County's *Coordinated Water System Plan*.	L		
~~92. Copy of water resolutions or ordinances not specifically identified under other activities above.~~	L	Provided as part of Regional Water System Feasibility Plan	Delivered
93. Copy of most recent Water Facilities Inventory (WFI) form.	H		
94. Copy of standard maintenance logs and forms used.	L		
~~95. Copy of intertie agreements.~~	M	Provided as part of Regional Water System Feasibility Plan	Delivered

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Resolutions – Adoption

Key Element: Key 7 - Neighborhoods & Community Safety

Subject:

Resolution No. 142-15, Approving an Interlocal Agreement with Benton County for an Affordable Housing Fund

Department:	Ordinance/Resolution Number:	Document Type:
Community & Development Services	142-15	Resolution

Recommended Motion:

Adopt Resolution No. 142-15 authorizing the Mayor to sign and execute an Interlocal Agreement with Benton County and the Cities of Benton City, Kennewick, Pasco and West Richland to participate in an Affordable Housing fund related to Washington State Substitute House Bill 2060.

Summary:

The Benton County Department of Human Services administers an affordable housing fund and disperses money to community case organizations within the area in order to provide affordable housing services to residents of Benton County, including residents within the boundaries of Richland. Funds for said program come from document recording fees.

The attached Interlocal Agreement (ILA) is between Benton County and several municipalities, including the City of Richland. By entering into the Agreement, the City of Richland is authorizing said funds to be utilized for eligible housing activities that serve residents who have incomes at or below 50% of the area median income. Examples of projects receiving financial aid are local emergency shelters and youth shelters.

The ILA is effective for five years and there is no financial obligation or expense for the City of Richland. Staff is recommending that Council authorize the Mayor to sign the attached ILA on behalf of the City of Richland.

Fiscal Impact: The Interlocal Agreement does not require any additional financial obligations from the City of Richland.

Attachments:

1. Res. 142-15, Benton County Interlocal Agreement for an Affordable Housing Fund
2. Benton County Interlocal Agreement for an Affordable Housing Fund

RESOLUTION NO. 142-15

A RESOLUTION of the City of Richland authorizing execution of Benton County Affordable Housing (2060) Interlocal Agreement between Benton County and Cities of Benton City, Kennewick, Prosser, Richland and West Richland.

WHEREAS, the Washington State Legislature passed Substitute House Bill 2060 during the 57th Legislative Session which became effective June 13, 2002 and is codified as RCW 36.22.178; and

WHEREAS, RCW 36.22.178 directs a ten dollar ($10) surcharge, titled “Affordable Housing for All Surcharge,” on certain documents recorded with the County Auditor’s office for the purpose of providing funds for affordable low-income housing; and

WHEREAS, RCW 36.22.178 directs that a portion of the funds collected under the Surcharge be retained by the County and allocated to eligible housing activities that serve low and very low income households in the County and the Cities according to this Interlocal Agreement and consistent with countywide and local housing needs and policies.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland, that the Mayor is authorized to sign and execute the Benton County Affordable Housing (2060) Interlocal Agreement between Benton County and the Cities of Benton City, Kennewick, Prosser, Richland and West Richland.

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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

BENTON AND FRANKLIN COUNTIES

DEPARTMENT OF HUMAN SERVICES

June 15, 2015

Received

JUN 22 2015

City Manager's Office

Mayor David Rose
City of Richland
P O Box 190
Richland, WA 99352

Re: Benton County Affordable Housing Interlocal Agreement

Dear Mayor Rose:

Enclosed please find a final revised version of the renewal of Benton County Affordable Housing (2060) Interlocal Agreement which was approved as to form by the Benton County Prosecuting Attorney's Office on June 15, 2015. The term of the Interlocal Agreement shall be five (5) years from the date of execution.

As you may be aware, funds for the 2060 Affordable Housing agreement are from document recording fees, dependent on the local economy. For the last few years Department of Human Services has administered and dispersed these funds to community case organizations within the community to provide affordable housing services to residents of Benton County.

The renewal of the Interlocal Agreement will allow for continued services within Benton County. During this last year new projects and service providers have come forth and the goal is to provide a wide range of comprehensive services.

Please review the enclosed Interlocal document, sign and return all 2 original signature pages to the Department of Human Services, so that we may proceed with the execution of the Interlocal. Please do not hesitate to contact me if you have any further questions.

Sincerely,

Linda M Robb

Linda Robb
Administrator
Department of Human Services

cc: David Sparks

7102 WEST OKANOGAN PLACE, SUITE 201 ✦ KENNEWICK, WA 99336
PHONE (509) 783-5284 ✦ FAX (509) 783-5981

INTERLOCAL AGREEMENT BETWEEN THE COUNTY OF BENTON, AND: THE CITY OF BENTON CITY, THE CITY OF KENNEWICK, THE CITY OF PROSSER, THE CITY OF RICHLAND, AND THE CITY OF WEST RICHLAND REGARDING ADMINISTERING FUNDS GENERATED AS A RESULT OF STATE OF THE AFFORDABLE HOUSING FOR ALL SURCHARGE, RCW 36.22.178

This Interlocal Agreement, hereafter referred to as "AGREEMENT", is entered into between Benton County, a political subdivision of the State of Washington, hereinafter referred to as "COUNTY", with its principal offices located at 620 Market Street, Prosser, Washington, 99350; the City of Benton City, a municipal corporation with its principal offices located at 708 Ninth Street, Benton City, Washington, 99320; the City of Kennewick, a municipal corporation with its principle offices located at 210 W. Sixth Avenue, Kennewick, Washington, 99336, the City of Prosser, a municipal corporation with its principal offices located at 601 Seventh Street, Prosser, Washington, 99350; the City of Richland, a municipal corporation with its principle offices located at 505 Swift Boulevard, Richland, Washington, 99352; and the City of West Richland, a municipal corporation with its principal offices located at 3801 Van Giesen Street, West Richland, Washington, 99353; hereinafter collectively referred to as "CITIES".

WHEREAS, the Washington State Legislature passed Substitute House Bill 2060 (SBH 2060) during the 57th Legislative session which became effective on June 13, 2002 and was codified as RCW 36.22.178;

WHEREAS, RCW 36.22.178 directs a ten dollar surcharge, named the "Affordable Housing for All Surcharge," (hereinafter "the Surcharge") on certain documents recorded with the County Auditors office for the purpose of providing funds for affordable low-income housing;

WHEREAS, RCW 36.22.178 directs that of the funds collected under the Surcharge, five percent (5%) may be retained by the COUNTY to compensate for the collection, administration and local distribution of the funds, forty percent (40%) of the remaining shall be remitted to the State Department of Community, Trade and Economic Development and the remaining 60 percent (60%) be retained by the COUNTY;

WHEREAS, the portion of the Surcharge retained by the COUNTY shall be allocated to eligible housing activities that serve extremely low and very low-income households in the COUNTY and the CITIES according to an Interlocal Agreement between the COUNTY and the CITIES consistent with county wide and local housing needs and policies;

WHEREAS, the parties are authorized to enter into such agreements by virtue of Chapter 39.34 RCW, the Interlocal Cooperation Act;

WHEREAS, this Agreement is entered into by the COUNTY under the authority of RCW 36.32.120, RCW 36.22.178, and Chapter 43.185C RCW; and

WHEREAS this Agreement is entered into by the CITIES under authority of RCW 36.22.178 and Chapter 43.185C RCW.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, it is mutually agreed by and between the COUNTY and CITIES as follows:

Sec. 1. Purpose:
The purpose of this Agreement shall be to provide for the collection, administration, and allocation of the COUNTY retained portions of the Affordable Housing for All Surcharge, RCW 36.22.178.

Sec. 2. Parties:
The parties to this Agreement shall be Benton County, the City of Benton City, the City of Kennewick, the City of Prosser, the City of Richland, and the City of West Richland.

Sec. 3. Term:
This Agreement shall be for five (5) years from the date of execution unless any party elects to terminate the Agreement pursuant to the termination clause of this Agreement. Renewal of this Agreement shall be by separate written agreement of the parties.

Sec 4. Administration:
Recommendations for the allocation of COUNTY retained portions of the Surcharge shall be made by the Surcharge Steering Committee (hereinafter "Committee"). The Committee shall be composed of the following members: one (1) representative appointed by each of the City Councils to represent the CITIES; the director of Benton Franklin Department of Human Services (hereinafter "DHS") or designee participating as a non-voting member ex officio; and the County Administrator for Benton County or designee. All Committee members shall be elected or appointed officials, directors or employees of the respective government entity which they represent. Each member shall serve at the pleasure of the legislative body appointing them to the position, and their terms shall not be limited or restricted in any other fashion. The Committee shall discharge its duties pursuant to the terms of the Operating Bylaws attached as Exhibit A and hereby adopted by reference. The members of the Committee may change provisions of the Operating Bylaws by majority vote so long as such changes are not contrary to law or to this Interlocal Agreement. All recommendations of the Committee shall be presented by the director of the DHS to the Benton County Board of Commissioners, who shall, by majority vote, make final funding decisions. If the Benton County Board of Commissioners votes in a manner contrary to recommendations by the Committee, then findings, on the record, shall be made to support such a contrary vote.

The DHS shall be responsible for the administrative aspects of managing the COUNTY retained portions of the Surcharge. These responsibilities include, but is not limited to, managing the Notifications of Fund Availability (NOFA) process, providing administrative support to the Committee during the process of applicant screening and selection, administration of contracts necessary for selected projects, and contract compliance oversight and monitoring for selected projects. The initial 5% of the surcharge permitted to be retained by COUNTY for administrative purposes shall be allocated to DHS to help defray its expenses, including salaries of employees, necessary in carrying out its responsibilities under this paragraph.

All awarded funds shall be disbursed pursuant to an appropriate contract between the award recipient and COUNTY. Such a contract shall ensure that the awarded funds are used solely for purposes permitted by RCW 36.22.178 and shall provide mechanisms for COUNTY to recover the awarded funds if they are misused.

Sec. 5. **No Separate entity or Joint Property:** This Agreement does not provide for or authorize any of the following:

a. the acquisition, holding, or disposal of property other than the funds collected hereunder;
b. the financing of any joint or cooperative undertaking;
c. the creation of any separate legal entity;
d. the creation of any right or privilege which may be claimed by any third party not party this agreement;

Sec. 6. **Hold Harmless/Indemnification**: Each party agrees to be responsible for, and assume liability for, its own wrongful and negligent acts or omissions, or those of its officers, agents or employees to the fullest extent allowed by law, and agrees to hold harmless, indemnify, and defend the other parties from any such liability. In the case of negligence of more than one party, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party; and each party shall have the right to seek contribution from each of the other parties in proportion to the percentage of negligence attributable to each of the other parties.

Sec 7. **Governing Law and Venue:** This agreement has been and shall be construed as having been entered into and delivered within the State of Washington, and it is mutually understood and agreed by each signatory party hereto that this agreement shall be governed by the laws of the State of Washington both as to interpretation and performance. Any action hereunder must be brought in the Superior Court of Washington in and for the County of Benton unless either party determines that a Federal forum is appropriate to the issues raised.

Sec. 8. **Termination:** Notwithstanding any other provision of this Agreement, any party may withdraw from this Agreement effective January 1st of any given year by giving written notice of intent to terminate by July 1st of the preceding year, with the termination to become effective no earlier than January 1st of the following year. Such notice of termination shall be by appropriate action of the elected governing body of the terminating party and shall be provided to all parties subject to this Agreement. A party may not terminate this Agreement if doing so will be contrary to State law at the time of the intended termination, or if terminating will cause the signatories to this agreement, or any one of them, to be in violation of State law.

<u>Sec. 9.</u> Notice: Any formal notice or communication to be given under this Agreement shall be deemed properly given, if personally delivered, of if mailed postage prepaid and addressed:

To: Benton County
Attn: County Administrator
Post Office Box 150
Prosser, Washington 99350

To: City of Prosser
601 Seventh Street
Post Office Box 271
Prosser, Washington 99350

To: City of Benton City
708 Ninth Street
Post Office Box 70
Benton City, Washington 99320

To: City of Richland
505 Swift Boulevard
Post Office Box 190
Richland, Washington 99350

To: City of West Richland
3801 Van Giesen Street
West Richland, Washington 99353

To: City of Kennewick
210 W. Sixth Avenue
Post Office Box 6108
Kennewick, Washington 99336

<u>Sec. 10.</u> No Agency: The parties and their employees or agents performing under this Agreement are not deemed to be employees, officers, or agents of the other parties to this Agreement.

<u>Sec. 11.</u> Record Keeping: Records shall be kept by the Benton and Franklin Counties Department of Human Services, sufficient to document all activities, actions and decisions made by the parties pursuant to this agreement. This agreement does not impose any obligation on individual parties to keep any records beyond what they are required to keep by law.

<u>Sec. 12.</u> Assignment: No parties to this Agreement shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder.

<u>Sec. 13.</u> Amendments or Modifications: This Agreement may be amended, altered, or changed in any manner by the mutual written consent of all parties. If any proposed amendment cannot be agreed to by all of the parties, then the proposed amendment shall not be made and the parties shall conduct their business pursuant to this agreement as if such proposed amendment was not proposed.

<u>Sec. 14.</u> Waiver: No waiver by any party of any term or condition of this Agreement shall be deemed or construed to constitute a waiver of any other term or condition or of any subsequent breach, whether of the same or a different provision of this Agreement.

<u>Sec. 15.</u> Severability: If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the remaining provisions shall continue in full force and effect.

<u>Sec. 16.</u> Filing: Copies of this Agreement shall be filed with the Benton County Auditor and the Secretary of State after execution of this Agreement by all parties.

Sec. 17. **Counterparts:** This Agreement may be executed by facsimile and in any number of current parts and signature pages hereof with the same affect as if all parties to this Agreement had all signed the same document. All executed current parts shall be construed together, and shall, together with the text of this Agreement, constitute one and the same instrument.

Sec. 18. **Effective:** This Agreement shall become effective upon approval by all of the parties and recording with the Benton County Auditor.

Dated this _____ day of ______________, 2015.

BOARD OF COMMISSIONERS, BENTON COUNTY, WASHINGTON

____
Chair

____
Member

____
Member

Attest: Approved as to Form:

__________________________ __________________________
Clerk of the Board Deputy Prosecuting Attorney

CITY OF BENTON CITY

____
Lloyd Carnahan, Mayor

Attest:

____________________________ Title: ____________________________

Approved as to Form:

____________________________ Title: ____________________________

CITY OF KENNEWICK

____
Steve Young, City Council

Attest:

____________________________ Title: ____________________________

Approved as to Form:

____________________________ Title: ____________________________

CITY OF PROSSER

____

Paul Warden, Mayor

Attest:

________________________________ Title: ______________________________

Approved as to Form:

________________________________ Title: ______________________________

CITY OF RICHLAND

____
David Rose, Mayor

Attest:

____________________________ Title: ____________________________

Approved as to Form:

____________________________ Title: ____________________________

CITY OF WEST RICHLAND

____
Brent Gerry, Mayor

Attest:

______________________________ Title: ______________________________

Approved as to Form:

______________________________ Title: ______________________________

EXHIBIT Attachment to SHB 2060 - Interlocal Agreement.

Operating Bylaws for Interlocal Agreement
Benton County

AFFORDABLE HOUSING FOR ALL FUND

Introduction

The provisions of Substitute House Bill 2060 became law in Washington State on June 13, 2002 and last amended in 2011 by Senate Bill 5482. This law, codified as RCW 36.22.178, created a document recording surcharge (hereinafter "Surcharge") on certain documents to be utilized for low-income housing. Administration of the fund is shared between local governments and the State. The local portion of 2060 funds is to be administered pursuant to an Interlocal Agreement between the County and the Cities within the County and is entitled the "Affordable Housing for All Fund" (hereinafter the "Housing Fund").

A. Statutory Guidelines for Fund Dispersal

RCW 36.22.178, as last amended by Senate Bill 5482, provides the following parameters on the allocation of that portion of the Surcharge which is retained by the County:

The surcharge provided for in this section shall be named the affordable housing for all surcharge.

(1) Except as provided in subsection (3) of this section, a surcharge of ten dollars per instrument shall be charged by the county auditor for each document recorded, which will be in addition to any other charge authorized by law. The county may retain up to five percent of these funds collected solely for the collection, administration, and local distribution of these funds. Of the remaining funds, forty percent of the revenue generated through this surcharge will be transmitted monthly to the state treasurer who will deposit the funds into the affordable housing for all account created in RCW 43.185C.190. The department of commerce must use these funds to provide housing and shelter for extremely low-income households, including but not limited to housing for victims of human trafficking and their families and grants for building operation and maintenance costs of housing projects or units within housing projects that are affordable to extremely low-income households with incomes at or below thirty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses.

(2) All of the remaining funds generated by this surcharge will be retained by the county and be deposited into a fund that must be used by the county and its cities and towns for eligible housing activities as described in this subsection that serve very low-income households with incomes at or below fifty percent of the area median income. The portion of the surcharge retained by a county shall be allocated to eligible housing activities that serve extremely low and very low-income households in the county and the cities within a county according to an interlocal agreement between the county and the cities within the county consistent with countywide and local housing needs and policies. A priority must be given to eligible housing activities that serve extremely low-income households with incomes at or below thirty percent of

the area median income. Eligible housing activities to be funded by these county funds are limited to:

(a) Acquisition, construction, or rehabilitation of housing projects or units within housing projects that are affordable to very low-income households with incomes at or below fifty percent of the area median income, including units for homeownership, rental units, seasonal and permanent farmworker housing units, units reserved for victims of human trafficking and their families, and single room occupancy units;

(b) Supporting building operation and maintenance costs of housing projects or units within housing projects eligible to receive housing trust funds, that are affordable to very low-income households with incomes at or below fifty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses;

(c) Rental assistance vouchers for housing units that are affordable to very low-income households with incomes at or below fifty percent of the area median income, including rental housing vouchers for victims of human trafficking and their families, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with or similar to the United States department of housing and urban development's section 8 rental assistance voucher program standards; and

(d) Operating costs for emergency shelters and licensed overnight youth shelters.

(3) The surcharge imposed in this section does not apply to assignments or substitutions of previously recorded deeds of trust.

B. Fund Availability

- On an annual basis the Benton and Franklin Counties Department of Human Services (DHS) shall on behalf of the Surcharge Steering Committee (hereinafter "Committee), publish a Notice Of Funds Availability (NOFA) through its established methods. This notice will set forth the amount of funds available by category; the duration of funds to be awarded or distributed; the deadline for submission of funding applications; and any other pertinent information related to the process and or decisions.

- Applications will be distributed to all parties requesting them and be collected for consideration of funding awards.

- The application format for funding from the Housing Fund shall be the same as is used by the State of Washington, Housing Trust Fund or subsequently modified version(s) containing the same detailed information.

C. Eligible Recipients

- Eligible recipients of the funding from the Housing Fund shall be certified non-profit agencies or providers of affordable housing, Cities, Towns, the County, and for-profit developers.

D. Housing Fund Distribution

- The funds shall be included in the annual NOFA process addressing the categories of need enumerated herein:

1. The acquisition, rehabilitation and/or new construction of housing projects or units within housing projects that serve clients who have incomes at or below 50% of the Median income, based on current HUD income guidelines for the Benton County- Metropolitan Statistical Area (MSA).

2. Operating and maintenance costs for housing that is in compliance with RCW 36.22.178. [Applicants shall be strongly encouraged to apply to the State Department of CTED for these dedicated funds.]

3. Rental Assistance vouchers for housing projects or units within housing projects that are at or below 50% of median based on the current HUD income guidelines for the Benton County MSA and administered by a local housing authority or other local organization that has an existing or newly created HUD recognized rental assistance voucher program consistent with HUD Section 8.

4. Operating costs for emergency shelters and licensed overnight youth shelters that are in compliance with RCW 36.22.178.

E. Availability of Applications: *(Tentative Program Dates)*

Phase	Winter
Applications Available:	October
Applications Due:	November
Application Review :	December
Decisions announced by:	January
Funds Available**:	January
**(After Contracts/Agreements signed).	

F. Reporting Requirements:

Recipients of the funding from the Surcharge shall provide quarterly updates and annual reports detailing their use of funds on a format acceptable to the Benton and Franklin Counties Department of Human Services. The Department shall in turn provide a written report detailing the uses to which the funds were put and disseminate the same to members of the Committee on an annual basis, or as requested by Committee members.

G. Terms and Conditions of Funding:

- Funding generally should not be awarded for predevelopment funding purposes except where a majority of the committee finds special and compelling reasons why predevelopment funding is of particular benefit in a particular case. In such cases, funding shall not be made unless a majority of the committee enters or adopts specific factual findings that demonstrate the benefits presented by the predevelopment funding. Such factual findings shall be retained in the official records of Committee proceedings kept on behalf of the Committee by DHS, and shall be available for public inspection or copying pursuant to the Public Records Act, RCW 42.56 *et seq*, as then existing.

- Funding commitments from the Housing Fund can be made but commitments from other sources shall be obtained prior to disbursement of funds from the Housing Fund. Applicants must obtain funding commitments within 2 years, unless the Steering Committee elects to waive this requirement having been petitioned by the applicant due to a financially minor project proposal.

- Terms and conditions of funding, consistent with state and federal laws shall be implemented into funding contracts which shall, at a minimum, state the allowable purposes for the funding, provide for complete cooperation by the recipient with oversight and audits by the Benton and Franklin Counties DHS, repayment terms, if any, and applicable time lines and time frames for use of funds. Such contracts shall be by and between Benton County and the recipient and no funds may be disbursed prior to the execution of such contracts. For purposes of this provision, the incurring of costs by a potential recipient, with the expectation that such costs will be defrayed by funding, constitutes disbursement of funds.

- All projects shall be evaluated for the ability to repay the investment of the Surcharge Housing funding. The evaluation shall be based on the information provided in the application.

- Funding applicants shall be thoroughly reviewed and screened by the Committee with the assistance of DHS, and factors, bearing on the applicant's suitability for funding of this nature, shall be considered in addition to the amount of funding and the nature of the project. Information necessary to consider such factors may be obtained directly from funding applicants by way of application forms or similar documents, or by other such background investigation as Committee members see fit. Such factors shall include, but need not be limited to:

  - Experience of applicant in affordable housing projects;

  - Reputation of applicant among the community and amongst affordable housing developers;

  - Whether or not applicant has defaulted on any provision of affordable housing related loans or grants in the past, including paying "opt out" or "buy out" penalties to avoid a default in any project in order to avoid keeping such project "affordable" for a given period of time. ***Such applicants generally should be disqualified, absent compelling reasons why they are the only appropriate funding recipient for a necessary project***.

  - The fiscal strength, including creditworthiness of the applicant;

  - Reputation, experience and fiscal strength of any major partners;

- Terms and conditions of funding shall be reduced to a written contract, to be executed between Benton and Franklin DHS and the funding recipient. Such written contract shall, at a minimum, address the following:

- Minimum period of time which the funding recipient must maintain the anticipated project in "affordable" status. This period of time shall be determined by the Committee on a project by project basis with guidance and recommendations provided by the director of Benton and Franklin DHS or designee;

- Time frame for construction/rehabilitation and subsequent occupancy;

- Number and type of units to be made available as "affordable" units;

- On a project-by-project basis, the Committee shall determine the best funding vehicle to utilize so as to conserve the renewability of the funding, discourage misuse of funds, encourage geographic and jurisdictional equality, and abide by the intent of the authorizing statute. These vehicles include, but are not limited to: 0% interest loans, grants, and providing matching funds to qualify an applicant for funding from another government or private source;

H. Measurement System for Allocating Revenue:

The funding available in each round shall be determined by the amount collected in the fund on the month ending prior to application availability less any prior funding commitments.

I. Default by Housing Fund Recipient:

All funding contracts shall have a mechanism by which Benton County may recover any misappropriated or misused funds, along with an agreed upon amount of liquidated damages to compensate for consequential damages which may include the opportunity cost and time value of the money misappropriated or misused.

K. Geographic Equity:

The Committee shall be responsible for making certain that funds are distributed in a manner that provides long-term geographic equity. The overall intent is to insure over time that all areas of Benton County receive appropriate levels of funding through this initiative.

L. Subsidy Per Unit:

The amount of funding per housing unit shall be set by the Benton and Franklin County Department of Human Services at a rate consistent with rates employed by other similar fund sources within the surrounding geographic area and best available information from local and federal resources. A unit shall be defined as a single-family home or a single apartment of any size in a multi-family complex. For example, a single-family duplex would be considered two (2) units.

M. Project Monitoring:

The Benton and Franklin Counties Department of Human Services shall monitor all projects and associated funding contracts for compliance with the funding terms and conditions

CITY OF RICHLAND

____

David Rose, Mayor

Attest:

________________________________ Title: _______________________________

Approved as to Form:

________________________________ Title: _______________________________

CITY OF RICHLAND

____
David Rose, Mayor

Attest:

__________________________________ Title: ________________________________

Approved as to Form:

__________________________________ Title: ________________________________

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Resolutions – Adoption

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 146-15, Proposed 2015-2017 Collective Bargaining Agreement with the Richland Police Guild

Department:	Ordinance/Resolution Number:	Document Type:
Administrative Services	146-15	Resolution

Recommended Motion:

Adopt Proposed Resolution No. 146-15, authorizing approval of the 2015-2017 Collective Bargaining Agreement with the Richland Police Guild.

Summary:

In May 2014, the City entered into negotiations with the Richland Police Guild. The Police Guild represents approximately 56 employees.

The Police Guild members ratified the proposed agreement on July 23, 2015.

The proposed agreement includes various language changes that require the union to adopt certain City policies and change work practices, and includes a total compensation package within the approved Council parameters.

Fiscal Impact: Terms of the proposed agreement fit within the City Council's adopted 2015 budget and Council's collective bargaining paramaters.

Attachments:

1. Resolution No. 146-15, Police Collective Bargaining Agreement 2015-2017
2. Proposed 2015-2017 Collective Bargaining Agreement with Police Guild

RESOLUTION NO. 146-15

A RESOLUTION of the City of Richland implementing the 2015-2017 Collective Bargaining Agreement with the Richland Police Guild and authorizing periodic Memorandums of Understanding.

WHEREAS, the Richland City Council is desirous to attract and retain qualified employees, and maintain harmonious relations between the City and the Richland Police Guild; and

WHEREAS, amendments to wages, benefits, and other terms and conditions of employment are warranted based on external market conditions; and

WHEREAS, the City Manager may desire to enter into Memorandums of Understanding periodically throughout the term of the Agreement with the Richland Police Guild for operational and administrative purposes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the 2015-2017 Collective Bargaining Agreement with the Richland Police Guild is hereby adopted.

BE IT FURTHER RESOLVED that the City Manager is authorized to execute the Agreement on behalf of the City.

BE IT FURTHER RESOLVED that the City Manager or designee is authorized to enter into periodic Memorandums of Understanding with the Richland Police Guild for operational or administrative purposes during the term of this Agreement.

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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

AGREEMENT

Between

CITY OF RICHLAND

and

RICHLAND POLICE GUILD

2015-2017

TABLE OF CONTENTS

PREAMBLE

The provisions contained herein constitute an Agreement between the City of Richland and the Richland Police Guild governing wages, hours, and working conditions for those members of the Richland Police Department who are members of the bargaining unit. Unless otherwise expressly provided herein, the provisions of this Agreement shall be effective on the date of signing.

ARTICLE 1 – DEFINITIONS

As used herein, the following terms are defined as follows:

A. "City" means the City of Richland, Washington.

B. "Guild" means the Richland Police Guild.

C. "Employees" means a regular full-time employee in the bargaining unit (as defined in subparagraph "D" hereof) covered by this Agreement.

D. "Bargaining Unit" as used herein shall include all regular full-time and regular part-time sworn police officers of the Richland Police Department up to and including the rank of Sergeant.

E. "Department" means the Richland Police Department.

F. “Base Rate of Pay” means employee’s straight pay without any other paid compensation included. Hourly base rate of pay for Police Officers, Police Corporals and Police Sergeants is listed in Appendix A.

G. “Regular Rate of Pay” means base rate of pay plus assignment pay, education pay, longevity pay and specialty pay for which the employee is eligible. Out of class pay shall also be included when calculating the overtime rate.

H. “Gross Wage” means the regular rate of pay plus all other types of paid compensation with the exception of clothing and meal allowance.

ARTICLE 2 – RECOGNITION

The City recognizes the Guild as the sole and exclusive bargaining representative of the employees in the bargaining unit (as defined in Article 1, subparagraph "D") for the purpose of establishing wages, hours and working conditions. It is the desire and intent of the City and Guild to maintain the type of communications, which will keep each other informed of matters, which have a significant effect on the working conditions of the employees covered by this Agreement.

ARTICLE 3 - GUILD SECURITY

A. Employee Rights: Employees shall have the right to join and participate in the activities of the Guild for the purpose of representation on matters of employee relations. Employees shall have the right to refuse to join or participate in the activities of the Guild. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the City or by the Guild or its members because of the exercise of these rights.

B. Notwithstanding paragraph A above, any permanent employee who is not a member of the Guild shall, as a condition of employment, pay the Guild a monthly service charge no greater than the monthly Guild dues as may be limited by law. Employees who fail to meet this requirement after being notified by the parties in writing of the dues requirement shall be discharged if they do not comply. The right of non-association of employees, based on bona fide religious tenets or teachings of a church or religious body of which such employee is a member, are safeguarded in accordance with appropriate PERC procedure. Such employee shall pay an amount of money equivalent to regular Guild dues and initiation fee to a non-religious charity or to another charitable organization mutually agreed upon by the employee affected and the Guild. The employee shall furnish written proof that such payment has been made. If the employee and the Guild do not reach agreement on such matter, the Public Employment Relations Commission shall determine the employee's right to non-association status or designate the charitable organization.

C. The City agrees to deduct membership dues from the wages of those members who request it and forward those dues to the designee of the Guild. The Guild agrees to hold harmless and indemnify the City from all liability it incurs from complying with this section.

ARTICLE 4 - GUILD BUSINESS

A Guild officer who is an employee in the bargaining unit may be granted time off without pay while conducting bona fide Guild business provided: (1) that the employee notifies the City at least forty-eight (48) hours prior to the time off; (2) that the City will have sufficient employees available to staff the Department during this time off. Guild officers, when on duty, may use on-duty time for the administration of this agreement.

The City recognizes the Guild's Negotiation Team as the exclusive contract negotiator. The City agrees to discuss contract proposals with the Negotiation Team or the Guild's principal spokesperson only. In the event that contract negotiations are scheduled at a time when any members of the Guild's Negotiation Team are also scheduled to perform their regular duties, such member(s) shall be relieved of their duties, with pay, to attend the contract negotiation session. The City shall recognize three (3) members of the Guild and their designated spokesman (if not an employee) for purposes of bargaining per bargaining session.

ARTICLE 5 - DRUG AND ALCOHOL TESTING POLICY

A. Reporting to work under the influence of alcohol and/or illegal drugs, of the use, sale, or possession by an employee of illegal drugs is strictly prohibited and may result in disciplinary action, including immediate termination.

Each employee must advise the City if they are using prescription or other over-the-counter drugs they know or reasonably should know may impair their ability to perform job functions and/or operate machinery such as automobiles. Under appropriate circumstances the City may request the employee provide written medical authorization to perform various essential job functions from a physician while using such drugs.

The City recognizes a need to provide an opportunity for employees to deal with alcohol related problems through employee assistance programs. Any employee who voluntarily seeks treatment for a personal alcohol problem or for a substance abuse disorder, not involving criminal conduct, may do so through employee assistance programs of the employee's own choosing in complete confidence and without jeopardizing the employee's employment with the City.

The parties recognize the essential purpose of any law enforcement agency is to enforce the criminal laws. Moreover, the parties recognize the courts have held it would substantially impair law enforcement agencies if they were required to employ individuals within their ranks who have violated the very laws that agencies are charged with enforcing. Therefore, the City reserves the right to refuse to employ or continue the employment of individuals who are or have been engaged in serious criminal conduct, whether drug related or not.

Where a supervisory employee of the City has a reasonable suspicion to believe an employee is under the influence of alcohol or illegal drugs, or is using illegal drugs, the employee in question will be asked to submit to discovery testing including breath tests, urinalysis and/or a blood screen to identify any involvement with alcohol or illegal drugs.

An employee who refuses to submit to discovery testing for alcohol and/or illegal drugs shall be conclusively presumed to be under the influence of alcohol or an illegal drug for the purpose of administering this Article.

For the purpose of administering this Article the following definition of terms is provided:

Reasonable Suspicion - Is based on specific objective facts and reasonable inferences from those facts in the light of experience, that discovery testing will produce evidence of illegal drug or improper alcohol use by that particular employee.

Under the influence - The following cutoff levels shall be used for the screening of specimens to determine whether they are negative for these drugs or classes of drugs. All cutoff concentrations are expressed in nanograms per milliliter (ng/mL).

DEPARTMENT OF TRANSPORTATION STANDARDS - 49 CFR PART 40 §40.87		
Type Drug or Metabolite	**Initial Test**	**Confirmation Test**
Marijuana metabolities Delta-9-tetrahydrocannabinol- 9-carboxylic acid (TCH)	50	 15
Cocaine metabolities (Benzoylecgonine)	150	100
Amphetamines – AMP/MAMP Amphetamine (AMP) Methamphetamine (MAMP)	500	 250 250 (specimen must also contain at least 100 ng/mL of amphetamine)
Opiate metabolities – Codeine/Morphine Codeine Morphine	2000	 2000 2000
6acetylmorphine	10	10
Phencyclidine (PCP)	25	25
Methylenedioxymethamphetamine (MDMA) Methylenedioxyamphetamine (MDA) Methylenedioxyethylamphetamine (MDEA)	500	250 250 250

Level of the positive result for ethyl alcohol....0.04 gm/dl

These threshold levels shall change in accordance with the current Dept. of Transportation Standards upon written notification to employees and/or other state or federal law that the parties agree is applicable and requires changes to this section. The City shall also notify the Guild of any other potential change or update.

Illegal Drugs - are defined as all forms of narcotics, depressants, stimulants, hallucinogens, and cannabis, which sale, purchase, transfer, or unauthorized use or possession is prohibited by law.

Over-the-Counter Drugs - are those, which are generally available without a prescription and are limited to those drugs which are capable of impairing the judgment of an employee to safely perform the employee's duties.

Prescription Drugs - are defined as those drugs, which are used in the course of medical treatment and have been prescribed and authorized for use by a licensed practitioner/physician or dentist.

B. If an employee is required to submit to a drug test, the following procedure shall be followed:

1. The employee shall be given an opportunity to confer with a Guild representative if one is readily available and the employee has requested said conference.

2. The employee shall be given an opportunity to explain the reasons for the employee's condition, such as reaction to a prescribed drug, fatigue, exposure to toxic substances, or any other reasons known to employee to the test administrator. The City and a Guild representative may be present during this discussion.

3. The City may request urine and/or blood samples.

4. Urine and blood samples shall be collected at a local laboratory, hospital or medical facility. The City shall transport the employee to the collection site. The City and/or Guild representative may be allowed to accompany the employee to the collection site and observe the bottling and sealing of the specimen. The employee shall not be observed by the City when the urine specimen is given.

5. All specimen containers and vials and bags used to transport the specimen shall be sealed to safeguard their integrity, in the presence of the City, employee and the Guild representative and proper chain-of-custody procedures shall be followed.

6. The drug tests of the specimen shall be conducted by the PAML Laboratory in Spokane, Washington.

7. If a specimen tests positive in an immunoassay screen test, the results must be confirmed by a gas chromatography/mass spectrometry tests. The specimen must show positive results on the GC/MS (gas chromatography/mass spectrometry) confirmatory test to be considered positive.

8. At the employee's or the Guild option, a sample of the specimen may be requisitioned and sent to a laboratory chosen by the Guild for testing. The cost of this test will be paid by the Union or the employee. Failure to exercise this option may not be considered as evidence in an arbitration or other proceeding concerning the drug test or its consequences. The results of this second test shall be provided to the City.

9. The employee and the Guild shall be informed of the results of all tests, and provided with all documentation regarding the tests as soon as the test results are available.

C. The City shall designate a Medical Review Officer (MRO) to review all confirmed positive test results and communicate those results to the City. The MRO shall have the responsibility to determine when an individual has failed a drug test in accordance with the standards enumerated herein. The MRO shall retain all records of all positive tests for at least five years and records of all negative tests for at least one (1) year.

D. If the results of the drug test are positive, and support a conclusion that the employee used an illegal drug, or reported to work while under the influence of alcohol, the employee may be subject to discipline including immediate discharge.

<u>ARTICLE 6 - EMPLOYER RIGHTS AND RESPONSIBILITIES</u>

Subject to the provision of this Agreement and any other Agreement between the City and the Guild, the Guild recognizes (1) the prerogatives of the City to operate and manage its affairs in all respects in accordance with its responsibilities and powers, and (2) that the City reserves those rights concerned with the management and operation of the Department which include, but are not limited to, the following:

A. To recruit, assign, transfer or promote members to positions within the Department. The appointing authority retains the right to make appointments from the top three available candidates. Prior to any promotional test, the parties agree to convene a promotional testing process review committee composed of two management representatives appointed by the Chief and two Guild representatives appointed by the Guild President. Committee recommendations for the test will be reviewed and approved by the City's Personnel Committee.

B. To suspend, demote, discharge or take other disciplinary actions against members for just cause;

C. To determine methods, means, and personnel necessary for Department operations;

D. To control the Department budget; and

E. To take whatever actions are necessary in emergencies in order to assure the proper functions of the Department.

ARTICLE 7 - PRODUCTIVITY

The City and the Guild shall work together to provide the public with efficient and courteous service; to encourage good attendance of employees; and to promote a climate of employee relations that will aid in achieving a high level of efficiency in the Department.

ARTICLE 8 - PERFORMANCE OF DUTY

Nothing in this Agreement shall be construed to give an employee the right to strike and no employee shall strike or refuse to perform their assigned duties to the best of their ability during the term of this Agreement. The Guild agrees that it will not condone or cause any strike, slow-down, mass sick call or any other form of work stoppage or interference of normal operation of the Department during the term of this Agreement.

Nothing in this Agreement shall be construed to grant to the City the right to lock out any member of the Guild for any reason.

ARTICLE 9 - HOURS OF WORK

A. Work Schedules. The normal work schedule shall be established by the City, with shifts not to exceed twelve (12) hours in duration including meal and rest breaks. This section shall not be construed as a waiver of bargaining rights. Two (2) weeks notice will be given to employees prior to changing their shift assignment or change in schedule. However, this provision may be waived upon mutual agreement by the City and the employee.

B. Work Periods. The normal work period shall be 28 days. The normal workweek for patrol shall be Monday through Sunday on a twelve (12) hour shift schedule. The normal work period for all others shall begin on Monday at 0001 hours.

1. The configuration of the twelve (12) hour shift schedule will be four shifts/squads. There will be two (2) day shifts working from 0630 to 1830 hours and two (2) night shifts working from 1830 to 0630 hours.

2. The sequence will begin on a Monday with two (2) days on, followed by two (2) days off, followed by three (3) days on. The following week, the sequence will be two (2) days off, followed by two (2) days on, followed by three (3) days off.

3. Additionally, employees earn hours that are set aside in a regular time worked (RTW) bank of hours. The bank of hours will come

from two sources: the five (5) scheduled eight (8) hour training days, and the four (4) extra hours worked in each of the twenty-six (26) yearly pay periods.

Explanation of Annual Accrual Calculation:

5 eight-hour training days = 40 total hours;
4 hours x 26 (pay periods) = 104 hours.

Adding these two sources equals 144 total RTW hours earned per year. The RTO hours will come from this 144 hour RTW bank. Employees and their supervisors are responsible for ensuring RTW banks end each payroll calendar year with a zero balance.

Employees who earn RTW hours will be credited with seventy two (72) hours of regular time off (RTO) on the first payroll cycle of the year, and seventy two (72) hours of RTO on the first pay period in July. Employees and their supervisors are responsible for ensuring RTW banks are at a zero balance on July 15 and at the end of the calendar year. Employees hired during the course of the year shall receive prorated RTO hours in an amount equal to the monthly RTO hours remaining in the year.

Should an employee leave employment with the City having used RTO hours before earning such hours, the employee must reimburse the City for the advanced RTO hours used on separation from employment.

Prior to the first of each year, the Department will identify the dates for each of four training dates during the year which shall be considered part of the work schedule and worked without additional compensation. There will be sixty (60) day notice prior to the first scheduled training day.

One additional training day will be scheduled during the year which shall be considered part of the work schedule and worked without additional compensation. This day will also be scheduled with sixty (60) day notice and will be in the last quarter of that year.

There will be at least one (1) month separating each of the training days, which will be set for Tuesdays or Thursdays. Only a Division commander may excuse an employee from attending a training day.

Should an employee miss a training day, it will be incumbent upon that employee to arrange to attend the other training day that month for the opposite squads.

4. For the purpose of adopting this schedule, the parties agree that the City is adopting a twenty-eight (28) day work period.

C. Meal and Rest Periods.

1. All employees shall be entitled to paid meal and rest periods on each work shift. For employees assigned to work a ten (10) or twelve (12) hour shift, the total time for meal and rest periods shall be one and one-half (1½) hours per shift with a meal period not to exceed sixty (60) minutes in duration and the remainder for breaks. For employees assigned to the eight (8) hour work shift, the total time for meal and rest periods shall be one (1) hour per shift with a meal period not to exceed thirty (30) minutes per shift and two (2) fifteen (15) minute breaks.

2. Employees working a scheduled training day and not expected to be available to respond to calls for service shall work eight (8) hours with a one (1) hour duty free unpaid meal period. Twelve (12) hour shift employees will be scheduled for training days on their respective short weeks.

D. The City and Guild recognize that during a calendar year there may be certain number of pre-planned events that require full staffing to achieve the operational needs of the department. Full staffing is understood to mean that the number of officers needed is a full patrol squad. Such dates shall be determined, according to a written, staffing strategy for each event, no later than December 1st of the preceding year unless the parties agree to a later date.

The City agrees that the Chief shall meet with the Guild to negotiate the impact on employees assigned to patrol and other specialty units. The Chief or his or her designee shall address exceptions to the full staffing requirement for special or unusual circumstances of employee vacation requests. Further, at times, specialized units may be required to supplement patrol shifts to allow patrol employees the opportunity to have time off during pre-planned event dates and vice-versa. The pre-planned staffing dates shall not be created solely to avoid the payment of overtime.

Operational full staffing dates that occur unexpectedly during the year shall not result in the cancellation of approved vacations except in the case of emergency.

ARTICLE 10 – WAGES & OTHER COMPENSATION

A. The wages for all employees covered by this Agreement shall be listed in Appendix "A" attached hereto and by this reference incorporated herein. Appendix A will reflect the hourly base rate of pay

B. Wages 2015 – Effective the first payroll of the 2015 payroll year, the base wage for 2015 shall be increased across-the-board by 2.5%, as in Appendix "A".

Wages 2016 – Effective the first payroll of the 2016 payroll year, the base wage for 2016 shall be increased across-the-board by 2.5%.

Wages 2017 – Effective the first payroll of the 2017 payroll year, the base wage for 2017 shall be increased across-the-board by 2.5%.

C. Assignment Pay - Any employee on non-permanent, intermittent assignment upgrade to the Detective section or Community Services section in the Support Operations Division and the Training Officer in the Administrative Services division shall receive six percent (6%) assignment pay above their base rate of pay.

D. Education Incentive Pay – A member of the bargaining unit who has acquired an AA or AS Degree will receive five percent (5%) education incentive pay above their base rate of pay and assignment pay. A member will receive ten percent (10%) above their base rate of pay and assignment pay for a BA or BS Degree. See Article 26 for specific details on the Education Incentive Program.

E. Longevity Pay – Effective January 1 2007, a member of the bargaining unit who has completed one thousand (1000) hours of training and ten (10) years of service (including prior full-time paid civilian commissioned law enforcement) will receive an additional two percent (2%) of the employee's base rate of pay, assignment pay and education incentive pay.

Effective January 1 2007, a member of the bargaining unit who has completed twenty (20) years of service (including prior full-time civilian commissioned law enforcement) will no longer receive education pay or the two percent (2%) longevity pay referred to above, but will receive twelve percent (12%) of the employee's base rate of pay and assignment pay .

There will be no change to the payroll calculation of this compensation for employees already receiving ten percent (10%) education pay and two percent (2%) longevity pay to ensure employee pay is not reduced.

F. Specialty Pay - Special assignments eligible for specialty pay include: (1) Swat Team/Hostage Negotiator; (2) Bomb Squad; and (3)Bi-Lingual Certification (certification standard to be approved by the Chief after consultation with the Guild;

provided the maximum members eligible for bi-lingual certification pay shall not exceed eight (8)). The maximum specialty pay that any single employee may receive under this Section shall be three percent (3%) even if the employee is assigned to more than one (1) special assignment. Specialty pay shall be three percent (3%) of the employee's base rate of pay, assignments pay, and education incentive pay.

G. Patrol Training Officer (PTO) Pay – Patrol Training Officers will receive PTO pay for actual hours worked as a Patrol Training Officer at the Corporal E Step pay in addition to any other specialty pay the employee is eligible for.

H. Out-of-Class Pay (upgrade) – All Officer-In-Charge (OIC) (Patrol, Detective, Community Services) and corporals assigned to perform substantially all of the sergeant's duties for a period exceeding four (4) hours, shall be compensated at the first step sergeant's pay for all hours worked in the assignment.

I. Differential Pay - The base rate of pay for a Police Corporal F Step is seven percent (7%) above the Police Officer F Step. The base rate of pay for a Police Sergeant F Step is fifteen percent (15%) above the Police Officer F Step.

J. New Classifications – Newly established uniformed positions below rank of Sergeant shall have a salary established by the City provided that the setting of such salary shall establish no labor relations precedent. The Guild may open salary negotiations for the new classification immediately following the appointment of an employee to the classification.

ARTICLE 11 – OVERTIME

A. Overtime is defined as all work, which is in excess of the person's normal workday or on the employee's regularly scheduled days off.

B. Exceptions to Overtime. To the extent allowed by applicable State or Federal laws, overtime pay shall not be earned as a result of regularly scheduled shift rotations, approved shift trades, or a full day of attending training courses. Provided, should the City require a full day of in-house training, then such a day of required training by the City would not be considered an exception to overtime, provided however, with two (2) weeks advance notice, the City may alter an employee's schedule so the employee could attend an in-house training without creating overtime liability for the City consistent with the FLSA.

C. Overtime Compensation and Compensatory Time. Overtime shall be compensated at one and one-half (1½) the employee's regular rate of pay except, all time worked in excess of four (4) hours beyond the employee's regularly assigned shift shall be paid at double (2 times) the employee's regular rate of pay.

All other mandatory overtime in excess of fourteen (14) hours in one (1) pay period shall be paid at double (2 times) the employee's regular rate of pay (excludes shift extensions). All voluntary off duty employment shall be paid by the City at time and one half (1½).

At the option of the employee, compensatory time may be earned in lieu of overtime pay. If selected, compensatory time shall accrue at the same rate (1½x or 2x) that the overtime pay would have been earned by the employee. Employees shall not accrue more than one hundred (100) hours at any point in time. Compensatory time shall be scheduled in the same manner, and require the same approval, as vacation leave.

D. Overtime Meal Allowance. Whenever an employee works at least two (2) unscheduled hours beyond the end of their regularly scheduled shift, the appointing authority may authorize a meal allowance. Said meal allowance must be requested by the employee who has worked the overtime. The amount authorized as a meal allowance shall not exceed fifteen dollars ($15.00).

E. Callback Pay. When an employee is specifically called back and authorized to return to duty outside of their regular shift schedule either for regular duty or for court appearances, and this shall not include an extension of the employee's regularly scheduled shift, the employee shall be compensated at one and one-half (1½) times the employee's regular rate of pay, for hours actually worked, but in any event, the employee shall receive a minimum of three (3) hours pay at the overtime rate.

F. Court Cancellation Procedures. When an employee is scheduled to appear in court outside of their regularly scheduled shift, prior to seventeen hundred hours (5:00 p.m.) on their last regularly scheduled shift preceding the court date, the employee shall call into a designated City employee and check to see if their court appearance has been canceled. If the employee does that and has not been notified at that time that their court appearance has been canceled, and even if the court appearance is later canceled, the employee shall receive the minimum of three (3) hours callback pay as specified in paragraph E above. If an employee fails to call in as required and does not learn, because of that, that the court has been canceled, the employee shall not be entitled to any callback pay for going to court the next day.

G. Standby Pay. Employees directed to remain on standby status by supervisory or command personnel shall receive three dollars ($3.00) per hour for each hour of standby time. Employees on standby time shall abide by such conditions and requirements as directed by the Chief as necessary to insure that the officer is available for duty as directed. When the City places restrictions on employees sufficient to constitute being `engaged to wait' within the meaning of the Fair Labor Standards Act, such time will be paid as overtime.

ARTICLE 12 - CLOTHING AND UNIFORMS

A. Uniforms. The present practice of the City with regard to furnishing uniforms, footwear and equipment shall be continued with the addition of protective gloves and glasses.

B. Each plain clothes officer, as assigned by the Department Director, shall receive eight hundred-sixty dollars ($860) per annum clothing allowance. Half of each year's allowance shall be paid the first calendar month of each calendar year and half shall be paid in July.

C. All employees shall maintain a presentable appearance while on duty.

D. Uniforms supplied by the City shall be cleaned and maintained by the City.

E. Personal Equipment. The City shall reimburse employees for the cost of repair or replacement of personal equipment lost, damaged, or destroyed while on-duty without the fault of the employee. To receive coverage under this section, personal equipment shall be pre-approved by the Department.

ARTICLE 13 – HOLIDAYS

A. The following holidays shall be considered as holidays for full-time employees:

*New Year's Day	Veteran's Day
Presidents Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
*Fourth of July	*Day before Christmas
Labor Day	*Christmas Day

B. Employees working on a holiday shall receive pay for the actual hours worked on the holiday plus one and one half times (1½) times the actual hours worked on the holiday.

C. Employees who are not regularly scheduled to work on the specified holiday shall receive holiday pay set forth in paragraph B above for one work day on their shift adjacent to the holiday, either before or after, and in the same pay period as the holiday, depending on the scheduled shift.

*Holidays may fall on the weekend and would be different than the City's recognized holidays. In those occurrences, the City's recognized holidays take precedence for pay purposes for employees who are not regularly scheduled to work on the City's recognized holidays.

D. Holiday Pay previously received by members for a Floating Holiday shall be replaced with a Compensatory Time Day. Field Operations members will be credited twelve (12) hours of comp time; Support Operations members will be credited eight (8) hours of compensatory time. Such compensatory time in lieu of holiday pay shall be credited the first pay period of each calendar year.

ARTICLE 14 – VACATIONS

A. Each full-time employee shall accrue vacation time as set forth below, based on their continuous length of service which has accumulated since their most recent anniversary date of employment.

An employee shall not be eligible for a vacation until the employee shall have worked for the City a minimum of six (6) calendar months from his or her most recent anniversary date of employment.

B. Vacation Accrual. Vacation time shall accrue on the following basis:

YEARS OF SERVICE	ACCRUAL RATE (HOURS/MONTH)
1st - 9 years	12
10th - 15 years	14
16th - 20 years	16
Over 20 years	18

C. An employee may carry over a maximum of three hundred fifty (350) hours from one (1) year to the next. Although an employee is encouraged to take vacation time when it accrues, an employee may request deferral to the Department Head who will review the request. The approval of the request shall be at the sole discretion of the Chief; unless the employee exceeded the cap through no fault of his/her own.

D. Vacation time shall be taken in no less than a one (1) hour minimum.

E. Vacation Bonus Day – Regular full-time employees working one continuous year of service shall be eligible to earn one vacation bonus day (eight (8) hours) after non-use of sick leave and leave without pay collectively.

F. An employee who ceases to be an employee of the City shall receive a sum of money equal to their number of hours of accrued and unused vacation at their regular rate of pay minus specialty pay. The 350 hour maximum accumulation will be waived at the time an employee leaves the City.

G. In November of each year, either the City or the employee may convert up to one hundred (100) hours of compensatory time, RTO time, or vacation time to cash at the regular rate of pay.

H. An employee who ceases to be an employee of the City shall receive payment for accrued and unused compensatory time (maximum of 100 hours) at their regular rate of pay.

I. Vacation Leave Donation/Transfer – The policy of the City is to allow employees to donate vacation leave to co-workers facing personal emergencies who have exhausted all accrued leave.

An employee is eligible for donated vacation leave when (1) he or she has suffered an extraordinary injury or illness (from other than a work-related cause) which exceeds sixty (60) calendar days in duration and has exhausted all applicable accumulated leaves; or (2) when an attending physician determines the presence of an employee is necessary because of an immediate family member's medical condition which exceeds sixty (60) calendar days in duration and the employee has exhausted all other available leaves.

Recipients are limited to receiving two-hundred forty (240) hours of donated leave for any one (1) incident or illness and may not request donated vacation leave more than one (1) time in any concurrent five (5) year period.

The leave recipient must pay insurance premiums while using donated leave, and will not accrue any other leaves while using donated vacation leave.

An eligible employee requiring use of donated vacation leave shall notify his or her Department Director in writing that the use of donated leave is required, explaining and providing written documentation as to the circumstances.

The Department Director shall forward the request to Human Resources for approval. The Human Resources Department is responsible for approving the request and forwarding the PTO/Vacation Donation Transfer Form (see Appendix "B") for organizational wide notification and distribution.

City employees may donate vacation leave to other employees under the following conditions:

1. A vacation balance of at least 100 hours is maintained after the transfer, and employees may not donate more than 100 hours per year of their vacation balance.

2. Vacation is transferred based on the dollar value of said leave. For example, the requesting employee earns $10.00 per hour base. The donating employee earns $20.00 per hour, and wishes to transfer ten (10) hours. As a result, $200 worth of leave is transferred. The requesting employee will be credited with twenty (20) hours ($200 divided by $10/hour).

No City employee may intimidate, threaten or coerce any other employee with respect to donating, receiving or using leave under this program. If the recipient does not use all the leave donated, the remainder will be returned to the donors as nearly as possible in the ratio of each employee's donation to the total amount.

ARTICLE 15 – PENSIONS

Pensions for employees and contribution to pension fund will be governed by the Washington State Statute in existence at any given time during the term of this Agreement.

ARTICLE 16 – DEFERRED COMPENSATION

In accordance with the City's plan document and limitations of federal law, regular full and part-time employees are eligible to voluntarily participate in the International City Management Association Retirement Corporation (ICMARC) Internal Revenue Code (IRC) Section 457 plan. The City retains the right to select plan administrator to improve cost-effectiveness of the 457 plan administration and/or to improve service level for plan members.

The City shall match employee contributions up to four percent (4%) of the employee's gross wage into the ICMARC IRC 457 plan.

ARTICLE 17 – INSURANCE

A. The City sponsored Preferred Provider Organization Plus (PPO+) Plan ("Plan") provides medical coverage to employees and their eligible dependents. The medical, dental, vision and prescription plans shall remain unchanged for the duration of the contract with the exception of plan changes as noted below due to the ACA. Thereafter, for the duration of the Agreement, any subsequent changes to the Plans shall be negotiated.

Effective January 1, 2015, the Guild accepts the Plan changes regarding maximum OOP and expanding mental health coverage.

Effective January 1, 2016, the Guild accepts the Plan changes regarding deductibles and co-pays: Deductibles $500/$1500; Co-Pay, $20

Effective January 2015 (retroactively), employees will contribute the following tiered amounts for premium costs for medical and dental insurance provided by the City.

Contribution Tier	2015	2016	2017
Employee Only	10.0%	11.0%	12.0%
Employee & Spouse	10.0%	11.0%	12.0%
Employee & Child/Children	10.0%	11.0%	12.0%
Employee, Spouse & Child/Children*	10.0%	11.0%	12.0%

*With cap on Employee, Spouse & Child/Children tier:
2015 = $153, 2016 = $162, 2017 = $194 per month

The employee's medical/dental insurance contribution will be split equally and payroll deducted from the first (2) paychecks of each month effective the first month following adoption of this Agreement.

Excise tax reopener: If during the life of the contract, but no earlier than November 1, 2016 or any holdover period required by the collective bargaining statutes it is determined through good faith professional healthcare actuarial and legal guidance that the federal ACA excise tax must be imposed the following year upon the City as a result of healthcare costs, the Employer will provide written notice to the Guild. Either party may provide a request to bargain, and the provisions of the contract relating to this Article and the economic provisions of the contract may be opened for negotiations. The parties will negotiate in good faith to avoid the payment of any federal excise tax imposed on the City pursuant to the ACA. The intent of the negotiations is to assure that the bargaining unit receives all compensation for which it bargained and to avoid the payment of any federal excise tax imposed on the City under the ACA; any decrease in health benefits shall be recaptured elsewhere in other economic benefits of the contract.

B. Dental Plan. The City's health care package includes a dental plan for the employee and his or her eligible dependents. This plan has a separate enrollment election from the medical plan.

C. Vision Plan. The City's health care package also includes a vision plan in which the City will pay for a plan that covers the employee and his or her eligible dependents. This plan has a separate enrollment election from the medical plan.

D. Prescription Plan. The City's health care package also includes a prescription plan in which the City will pay for a plan that covers the employee and his or her eligible dependents.

E. Administration. The City retains the right to choose the insurance carrier(s), administrators and networks and other administrative consultants for the Plans' management_and agrees that the level of insurance benefits offered under the insurance plans outlined in Section A of the Article will not be lowered except as set forth herein. Future modifications to the benefit levels of the City's benefit plans may be implemented only by negotiations pursuant to the terms of this Agreement.

F. ICMARC VantageCare Retirement Health Saving Program (RHS) – refer to Article 24 Section F.

G. Employees may voluntarily participate in the IRC Section 125 Flexible Spending Account program. The City will pay any administrative fees. The City may eliminate this program, December 31, 2017, if the City must include this program as a part of medical plan value in the calculation of excise tax under the ACA.

H. Post-Retirement Insurance - Employees employed on or after January 1, 2003 but prior to January 1, 2013 may participate in the City's Post Employment Health Program in accordance with the Post-Retirement Plan design as modified, effective 2013. (See Appendix C)

The Post Employment Health / Retiree Medical Plan in place for regular full-time employees on January 1, 2003 will no longer accept enrollment for new regular full-time employees hired on or after January 1, 2013. In lieu of eligibility in the Post Employment Health / Retiree Medical Plan, a contribution of one percent (1%) of base salary will be made each payroll period to the Fraternal Order of Police (FOP RHS) if allowed by Plan Design otherwise fund should be deposited in ICMARC RHS Account by both the City and the employee hired on or after January 1, 2013. The City may redirect this payment to an alternative savings account agreed to between the parties effective December 31, 2017 if the City must include this program as a part of medical plan value in the calculation of excise tax under the ACA.

Employees as of December 31, 2012 had the option in 2012 and 2013 of remaining eligible for the Post Employment Health / Retiree Medical Plan or choosing to terminate their eligibility and participate in a buy-out program established on the employee's years of service since January 1, 2003 prior to their decision to relinquish future eligibility. The buy-out reimbursement and a City contribution of one percent (1%) of base rate will be made each payroll period to the employee's ICMARC RHS Account (or FOP RHS if allowed by plan design) This buy-out option was available to employees only during the 2012 and 2013 open enrollment periods for 2013 and 2014 benefits. The City and Guild mutually agreed to extend the buy-out option for 2013 benefits from December 31, 2012 to January 31, 2013. Once an employee choose the buy-out option, it was an irrevocable decision.

The City and employees who opted to remain eligible for the Post Employment Health / Retiree Medical Plan share equally in monthly tiered premiums upon employee's enrollment in the Post Employment Health / Retiree Medical Plan.

Grandfather Provision: Employees who retired prior to January 1, 2013 will continue to pay one half (½) of the composite rate on the PPO + plan regardless of the number of dependents the retiree has as at the time of retirement. (i.e. 2015 composite rate is $1391.64/month; one-half is $695.82). Retirees may, at their own election, move to the same Post-Employment Health/Retiree Medical Plan offered to current employees hired after January 1, 2003 but prior to January 1, 2013 and pay one-half of the tiered premium rate.

All Retirees prior to January 1, 2013, will continue to receive the same coverage as active employees, provided they have not opted out.

Retirees in the tiered plan (Comprehensive Plan) will pay one-half of the monthly premium cost of coverage. The premium for the tiers below shall be determined annually.

Retiree's Monthly Rates for 2015	
Retiree, Spouse or Child Only	$339.90
Retiree Plus Spouse	$679.80
Retiree or Spouse Plus 1 Child	$509.85
Retiree or Spouse Plus 2 Children	$679.80
Retiree Plus Spouse & Child/Children	$772.50

The 2015 retirement benefits for employees hired after January 1, 2003 and before January 1, 2013 who chose to remain in the Post-Employment Health/Retiree Medical Plan shall be as set forth in Appendix D.

I. Life and Accidental Death & Dismemberment Insurance - Effective the first month following adoption of this Agreement, the City will maintain Life and AD&D policies which provide a death benefit equal to two (2) times an employee's annual base rate of pay. The City will pay the entire premium for this coverage.

J. Fraternal Order of Police RHS Account – All employees will contribute a 2% of base rate of pay (pre-tax deduction) to the FOP RHS. This 2% is in addition to any other FOP RHS contribution mentioned in the agreement. The City may eliminate this program after notice to the Guild on December 31, 2017 if the City must include this program as a part of medical plan value in the calculation of excise tax under the ACA. The 2% will be returned to employee's base wage.

ARTICLE 18 - PREVAILING RIGHTS

With the exception of express negotiated changes, no employee shall suffer any reduction in wages or loss of working conditions because of the adoption of this Agreement.

ARTICLE 19 - BILL OF RIGHTS

PREAMBLE. All employees within the bargaining unit shall be entitled to the protection of what shall hereafter be termed as the "Richland Police Guild's Bill of Rights". The wide-ranging powers and duties given to the Department and its members on and off duty involve them in all manner of contacts and relationships with the public. Of these contacts come many questions concerning the action of members. These questions often require investigation by superior officers and/or the Internal Affairs Division. In an effort to insure that these investigations are conducted in a manner, which is conducive to good order and discipline, the following guidelines are promulgated:

Section I - Internal Affairs Investigations

(The procedures contained in this section apply only to administrative investigations.) The City recognizes and agrees that employees in positions within the bargaining unit are entitled to all rights and privileges accorded ordinary citizens under applicable provisions of the United States and Washington State Constitutions.

Criminal Conduct Investigations. In the case of a criminal investigation, the employee will be advised of the Miranda rights prior to an interview, and afforded immediate opportunity to obtain legal counsel. Prior to being interviewed, the suspect employee will be advised (a) that they are being questioned related to a criminal investigation, (b) that they are free to leave and (c) that refusal to answer any questions will not adversely affect the suspect employee's employment. Once such notice is given, any Guild representative shall not participate in the interview. Invocation of any constitutional or statutory rights shall not be regarded as failure to cooperate in the internal investigation. All aspects of the criminal investigation shall be subject to rules of discovery in a criminal case.

A. Advanced Notice. Prior to being interviewed regarding an administrative investigation for any reason, which could lead to disciplinary action against any employee, an employee, with a copy to the Guild, shall be:

1. Informed, in writing, of the nature of the investigation and whether the employee is a witness or a suspect, if and when known; informed of other information necessary to reasonably apprise him or her of the nature of the allegations of the complaint.

2. The employee shall also be advised in writing of their right to have union representation present during any interview. The employee shall be afforded an opportunity and facilities to contact and consult privately with a representative of the Guild or Guild attorney.

3. Whenever delay in conducting the interview will not jeopardize the successful accomplishment of the investigation or when criminal culpability is not at issue, advance notice shall be given the subject officer not less than forty eight (48) hours before the initial interview commences or written reports are required from the officer. A witness officer shall be given the opportunity to consult with a Guild representative prior to an interview; however such opportunity shall not unreasonably delay the interview.

B. Internal Investigations Interview Safeguards

1. In all administrative investigations, the employee will be advised:

(a) That possible disciplinary action, up to and including termination of employment, may take place as a result of the investigation.

(b) That a failure to fully cooperate by truthfully answering all questions specifically and directly related to the matter under investigation and/or by providing investigators with all potentially relevant information, will result in disciplinary action which may include termination of employment.

(c) That the employee has the right to name witnesses to be interviewed by the investigating officer.

2. Any interview of an employee shall be when the employee is on duty unless the seriousness of the investigation dictates otherwise.

3. Interviews shall take place at a Richland Police Station facility, or elsewhere if mutually agreed, unless the emergency of the situation necessitates otherwise.

4. The employee may have a Guild representative present at the interview.

5. The employee being interviewed shall be informed of the name, rank and command of the officer in charge of the investigation, the interviewing officer, and all other persons present during the interview.

6. Interviews shall be done under circumstances devoid of intimidation or coercion and shall not otherwise violate the officer's Constitutional Rights. The employee shall not be subjected to abusive language. No promise of reward shall be made as an inducement to answer questions.

7. Interviews shall not be overly long. The employee shall be entitled to such reasonable intermissions as the employee shall request for personal necessities, telephone calls, and rest periods, with one ten (10) minute intermission every hour, if he requests.

8. All interviews shall be limited in scope to activities, circumstances, events, conduct or acts which pertain to the subject investigation.

9. Administrative interviews (following issuance of a formal notice of such interview) shall be electronically recorded absent objection by the subject employee, and the employee, upon request, shall be provided with a copy of the electronic recording of the interview. If the employee refuses to be recorded, the interviewer’s notes will be the record of the interview.

10. Interviews and investigations shall be concluded with no unreasonable delay.

C. Disposition of an investigation

Upon completion of an internal investigation, the investigating officer shall turn over the complete report to the Chief of Police.

The Chief of Police will make a final determination for the disposition of the investigation. Dispositions may be classified into one of the following categories:

1. Unfounded: The complaint was false or not factual.

2. Non-sustained: There is insufficient evidence to either prove or disprove the allegation.

3. Exonerated: the alleged conduct occurred but was lawful and proper.

4. Sustained: The allegation is supported by sufficient evidence.

5. Other Misconduct: The evidence supports a finding of violations other than those alleged in the original complaint.

D. Employee Untruthfulness

If, during the course of an investigation on a complaint made against an employee, it is suspected that an employee was untruthful or dishonest during the investigation, a totally separate investigation will be conducted. A disposition will be reached on the initial complaint, and a disposition will be reached on the complaint of employee untruthfulness or dishonesty. Discipline may be administered for each separate investigative disposition.

E. When the Investigation Results in Charges Being Filed

1. The employee, upon request, will be furnished with a copy of the summary report of the internal investigation which will contain all material facts of the matter.

2. The employee will be furnished with the names of all witnesses and complainants who will appear against them and/or whose statements will be used against them.

3. The labor representative shall be provided any and all material that the union is entitled to under State law.

F. When Disciplinary Action Results.

1. When the investigation results in a determination of a sustained complaint

and disciplinary action, only the findings and the disciplinary order may be placed both in the Personnel Department and Police Department's personnel files.

Section II - Political Activity

Except when on-duty or when acting in his or her official capacity, no officer shall be prohibited from engaging in political activity.

Section III - Lie Detector Tests

No officer shall be required to take any lie detector or similar tests as a condition of continued employment. Polygraph evidence shall not be admitted in any disciplinary proceeding except through stipulation of the parties to that proceeding.

Section IV - Personnel Records

A. Location and Employee Review Rights. The City shall maintain personnel records in the Personnel Office for the proper administration of the City's classification plan. Upon request, each employee shall have the right, with reasonable notice to the City, to review their personnel file during normal working hours. The employee may have a copy of any information in the personnel file, however, the City reserves the right to charge a duplication cost. The fees for duplication shall be set by the Finance Department but such fees shall not be unreasonable.

B. Signing. Each employee shall read and sign any derogatory or critical material that is placed in their personnel file, including merit ratings, evaluations, written reprimands, demotions, suspensions or discharges. Signing acknowledges receipt of such documents. Material of a derogatory or critical nature signed by the employee shall bear the following statement next to the signature line: "Signing Acknowledges Receipt."

C. Removal and Rebuttal. At the discretion of the Chief, and after written petition by the employee, critical material may be removed from the employee's personnel file. The decision of the Chief not to remove material from the file shall not be grievable. Employees shall have the right to submit rebuttal material to any critical material contained in their personnel file.

Section V - Performance Evaluation

While performance evaluations are not grievable, it is understood that the Guild representative may consult with the rating officer concerning a challenged non-probationary evaluation report.

ARTICLE 20 - GRIEVANCE PROCEDURE

A. A "grievance" means a claim or dispute by an employee or group of employees or the Guild itself with respect to the interpretation or application of the provisions of this Agreement.

B. Actions submitted to the Personnel Board shall not be considered grievances and subject to the Grievance procedure, and vice versa. Grievances, as herein defined, shall be processed in the following manner:

Step 1: An employee or a group of employees who consider they have a grievance may present such a grievance within fourteen (14) calendar days of when such matter comes to the attention or should have come to the attention of the employee to the employee's supervisor who shall attempt to resolve it within seven (7) calendar days after it is presented to them.

Step 2: If the employee or employees are not satisfied with the solution by the immediate supervisor, the grievance shall be reduced to writing stating the nature of the grievance, the Article and Section violated, the facts of the matter and the remedy sought and signed by the employee. This shall be presented to the Police Chief within fourteen (14) calendar days of the supervisor's response, who shall attempt to resolve it within seven (7) calendar days after it has been presented to them.

Step 3: If the employee or employees are not satisfied with the solution by the Police Chief, the grievance, in writing, together with all other pertinent materials, may be presented to the City Manager by the employee or Guild representative within fourteen (14) calendar days of receipt of the Police Chief's response. The City Manager shall respond to the grievance in writing within fourteen (14) calendar days of his or her receipt of the grievance.

Step 4: If the grievance is not settled in accordance with the foregoing procedure, the Guild may refer the grievance to arbitration within seven (7) calendar days after receipt of the City Manager's answer in Step 3. The parties shall attempt to agree upon an arbitrator within seven (7) calendar days after receipt of notice of referral and in the event the parties are unable to agree upon an arbitrator within said seven (7) calendar day period, either party may request the American Arbitration Association (AAA) to submit a list of arbitrators according to the procedures of the AAA.

C. The arbitrator shall render their decision based on the interpretation and application of the provisions of the Agreement within thirty (30) calendar days after such hearing. The decision shall be final and binding upon the parties to the grievance provided the decision does not involve action by the City which is beyond its legal jurisdiction. The expenses of the arbitration shall be borne equally by the parties hereto. Each party shall be responsible for its own costs incurred, including witnesses and attorney's fees.

D. Neither the arbitrator nor any other person or persons involved in the grievance procedure shall have the power to negotiate new agreements or to change any of the present provisions of this Agreement.

E. None of the foregoing is intended to mean that the Guild itself cannot lodge a grievance and process the same through the various steps to arbitration in accordance with and subject to the provisions hereof. The right of the Guild to so lodge and process a grievance is expressly confirmed. No settlement of a grievance with any employee shall be contrary to the terms of this Agreement or involve mandatory subjects of bargaining.

ARTICLE 21 - MANUAL OF RULES AND PROCEDURES

The City agrees to furnish each employee of the bargaining unit with a copy of the Manual of Rules and Procedures.

ARTICLE 22 - SENIORITY

A. Seniority shall be defined as follows:

   1. Total length of continuous service within a job classification.

   2. Total length of continuous service with the City.

B. The City will provide the Guild with copies of the Seniority List each year, and post the list on the bulletin board provided by the City for Guild notices.

C. Preference in vacation scheduling and extra days off shall be given to the employees by seniority within their rank and shift in the Department.

D. An employee shall lose all seniority in the event of termination.

ARTICLE 23 - LAYOFF AND RECALL

A. Layoff. An employee may be laid off for lack of work, lack of funding or reorganization. An employee who is to be laid off will be given at least thirty (30) calendar days notice in advance of the actual layoff date. The City reserves the right to place laid off employees on paid administrative leave during the notice period. Employees shall be laid off in the inverse order of seniority within their classification. The City may take an exception from laying off the employee with the least seniority and lay off an employee with more seniority only if the City can show that the performance of the least senior was substantially superior to the more senior employee as reflected by the employee's performance evaluations. Employees subject to layoff shall be eligible to bump less senior employees from classifications the more senior employees previously held as a regular position.

B. Recall. Employees laid off shall be retained on a recall list for not less than twenty-four (24) months following their layoff during which time the City may not hire any new employees into a classification in which layoffs occurred until all employees on Recall status have had the opportunity to return. If openings arise, all recall status employees shall be so notified by registered mail to the employee's last known address. If the employee wishes to accept the opening, the employee shall so notify the City within fifteen (15) days. Any position for which multiple responses are received shall be given to the employee who was most recently laid off.

ARTICLE 24 - SICK LEAVE

A. LEOFF I Sick Leave Allowance. At the time of twenty (20) or more years regular service retirement, the employee shall receive payment from the City for 25% of the employee's sick leave accrued prior to January 1, 1975. Except as the situation may be altered by the provisions of this Article, each employee shall have eighty (80) hours available at any given time for bona fide sick leave; provided, that after January 1, 1975, sick leave shall no longer accrue, but shall be available as herein provided.

B. LEOFF I Disability Coverage. In the event that an officer covered by LEOFF I suffers an injury or illness which causes him or her to miss work in excess of eighty (80) hours, then the officer will immediately make application to the appropriate pension disability board in order to obtain any benefits to which the employee may be entitled. Officers who make timely applications to the pension disabilities board shall not suffer a loss of paid sick time due to the eighty (80) hour maximum set forth in Section A above if those delays are encountered by processing the employee's timely disability benefit request, as long as those delays are not due to the accident or omission of the employee, and said employee shall be granted sick leave time as may be required in order to have the disability board obtain and process any documentation necessary to complete the application. The employee will cooperate fully with the City and the disability board in getting and filling out all applications and submitting to whatever medical exams may be necessary or required.

C. LEOFF II Sick Leave Accrual and Use. All regular and probationary LEOFF II officers shall accrue sick leave at a rate of eight (8) hours per month. Sick leave may be used for all periods of actual illness, injury, or disability. Temporary, provisional, and intermittent employees are not eligible for sick leave accrual or use. Regular part-time employees shall accrue sick leave at a rate proportionate to their hours worked.

D. LEOFF II Sick Leave Cash Out. Effective January 1, 2007, the City shall cash out fifty percent (50%) of the employee's accrued and unused sick leave at the employee’s regular rate of pay minus specialty pay upon any service retirement or twenty (20) years of service with the City. This payment shall not exceed sixteen thousand dollars ($16,000).

E. <u>LEOFF II Occupational Disability Allowance</u>. When an employee covered by the LEOFF II Retirement System is disabled as the proximate result of an on-the-job injury as covered by Washington State Worker's Compensation and Industrial Insurance, the City shall compensate the employee for the difference between his or her Worker's Compensation entitlement and his or her regular salary for a period not to exceed six (6) months or the termination of the disability, whichever comes first.

To accomplish this, the City shall pay the employee his or her regular salary for said period and the employee shall receipt to the City all time loss payments received from Worker's Compensation.

F. Effective January 1, 2009, the following sick leave incentive policy will apply. At the end of the last pay period each year, members who have: (1) a sick leave bank with five hundred (500) or more hours; and 2) have used less than forty-eight (48) hours of sick leave during the previous year shall cash in forty (40) hours of sick leave to be deposited in the ICMARC RHS until a mutually agreeable date in 2013, as referenced in Article 17 K, at which time it will be deposited in the FOP RHS. The City shall pay the value of the incentive to each eligible employee effective December 31, 2017 rather than deposit the money into the FOP RHS if the City must include this program as a part of medical plan value in the calculation of excise tax under the ACA.

G. <u>Employees Responsibilities.</u>

1. Notification to City. Employees who have suffered an illness, injury, or disability shall make all efforts to report their absence to the Department Head, immediate supervisor, or designated representative for reasons for the absence. Such notification shall be provided if practicable at least one (1) hour before the beginning of the employee's first scheduled work day. If the illness extends beyond three (3) days, the employee shall provide updates as to his orher conditions on a reasonable periodic basis as requested by the City.

2. Doctor Certification. If the employee's absence extends beyond four (4) working days, the employee may be required by the Department to submit a medical certificate signed by a physician or other qualified healthcare provider stating the kind or nature of the sickness, injury, or disability that has rendered the employee unfit for duty.

ARTICLE 25 - MISCELLANEOUS LEAVES

A. Bereavement and Emergency Leave. Eligible employees may be granted a leave of absence with pay up to a maximum of forty hours (40) in a calendar year for the purpose of attending the funeral of an immediate family member or for the purpose of providing care for a member of the employee's immediate family who is ill. For the purposes of this subsection, the following definitions will apply:

1. Eligible employee - regular full-time and regular part-time (leave is proportionate to hours worked); probationary status.

2. The employee must be scheduled to be at work at the time of the requested leave.

3. Immediate family defined as employee's spouse, son, daughter (include in-laws), brother, sister (includes in-laws), parents and parents-in-law, grandparents, grandchildren.

B. Leave to Attend Funerals of City Employees. Except for temporary and provisional employees, all city employees may be allowed to take time off necessary with pay at the discretion of the supervisor to attend a funeral of a city employee.

C. Jury Duty and Witness Service. An employee who is called for jury duty or is subpoenaed as a witness in a case to which the employee is not a party, shall be paid during the absence on account of the jury or witness service, provided said employee turns over compensation received less mileage reimbursements.

D. Military Leave. Shall be governed by applicable State and Federal law.

E. Family and Medical Leave. Employees will be allowed to use their paid leave in accordance with the Family Care Rules (WAC-296-130).

Employees will be allowed up to twelve (12) weeks of leave in accordance with the Family and Medical Leave Act.

The provisions of this section are not intended to expand upon the applicable state or federal laws.

F. Leave of Absence Without Pay.

1. Excluding temporary and provisional employees, a deputy city manager and/or department director may grant a leave of absence without pay up to thirty (30) calendar days.

2. Except for temporary and provisional employees, the city manager

may authorize an unpaid leave of absence up to a maximum of one (1) year. Leave necessitated by service with the U. S. Armed Forces shall, pursuant to RMC 2.28.885, be extended for the full period of such service. Failure of an employee to report for work at the expiration of a leave of absence shall be regarded as a voluntary resignation, provided that an employee serving in the armed forces shall report for work within three (3) months of separation from the service.

3. In the event of injury of illness, the appointing authority may require that the employee submit a certification from the attending physician or a designated physician indicating the nature of the illness or injury with a prognosis for recovery.

ARTICLE 26 - EDUCATION INCENTIVE PROGRAM

The purpose of this program is to provide incentive for police officers who are members of the bargaining unit serving in the Richland Police Department to seek additional education in order to meet the ever-changing needs and demands placed upon a police department.

A. This program is based on college degrees within the police field. Educational incentive is paid for study in job related fields of Police Science and Law Enforcement, Political Science, Sociology, Psychology, Community Service, Business Administration, Public Administration, or other job related fields mutually agreed upon as being related. Subjects not related directly to the police field but part of the requirements or electives towards a degree shall be counted as a part of this program.

B. Any police officer who is a member of the bargaining unit having acquired a degree in the police field from either a two (2) year or a four (4) year accredited college shall present their diploma and college transcript to the Human Resources office prior to becoming eligible for credit under this program.

C. As a prerequisite for qualification to this top step under this incentive program, the officer who is a member of the bargaining unit must first present a copy of their college degree from an accredited college and provide evidence that their major was in one of the police fields as outlined in Article 25(A) above.

D. The following education incentive pay will be available under this program and will be added to the base rate of pay and assignment pay, and treated as part of, the employee's regular rate of pay:

DEGREE	INCENTIVE
AA/AS	5.0%
BA/BS	10.0%

Education incentive pay ceases after twenty (20) years of service (including longevity service) in the bargaining unit.

E. All officers of the Richland Police Department who are members of the bargaining unit are eligible to take part in the incentive program.

F. The following rules will apply for tuition reimbursement for members of the bargaining unit:

1. If the City orders an officer to take a course, City will pay all of the tuition for the course.

2. Once each calendar year an officer may request the City to pay for (fifty percent) 50% of the tuition for a class if the class will enhance the officer's ability to perform his or her duties. If registration for a class causes the employee to pay the same amount of money as a minimum fee which the employee would pay for multiple classes, then the employee may take as many classes as the employee can sign up for at the same price as one class, if all the classes are approved by the City. If the officer and the Police Chief, or the Police Chief's designee, end up not agreeing as to whether or not the requested course will enhance the officer's ability as a police officer, or if the City can find a less expensive course which will provide substantially the same instruction and the officer disagrees with the City's decision, then that issue will be appealed to the Human Resources Director, whose decision in the area will be final and will not be grievable.

ARTICLE 27 - SPECIALTY TEAMS SELECTION PROCESS

Specialty team selection, assignment and retention shall be governed by the Policy and Procedure Manual and alleged violations of relevant sections shall be subject to the grievance procedure. Any significant changes to the specialty team selection section of the Policy and Procedure Manual shall be subject to the bargaining process.

Training and Equipment for Specialty Units - Subject to available funds, the department will provide equipment and necessary training required by each specific specialty unit.

ARTICLE 28 - NO SMOKING POLICY

The City's no smoking ordinance is incorporated herein by this reference. Smoking and the use of tobacco-related products is prohibited in accordance with Ordinance No. 26-91, Richland Municipal Code 2.58, Smoking and the use of tobacco-related products in the work environment. Employees shall comply with the terms and conditions of the ordinance.

ARTICLE 29 - ENTIRE AGREEMENT

The Agreement and all of its articles and/or Appendices constitutes the entire Agreement between the parties and no oral statement shall add to nor supersede any of its provisions. Each party to this Agreement agrees that it has had the unlimited right to make proposals that are proper subjects of bargaining and waives the right to oblige the other party to negotiate any matters to become effective until the expiration of this Agreement.

ARTICLE 30 - SAVINGS CLAUSE

If any provision of this Agreement shall be held invalid by operation of law or by any tribunal of competent jurisdiction or if compliance or enforcement of any provision should be restrained by such tribunal pending a final determination of its validity, the remainder of this Agreement shall not be held invalid and will remain in full force and effect. Either party may thereafter require the other party to enter into collective bargaining regarding any provision thus affected.

ARTICLE 31 - COLLABORATIVE MEETINGS

At least every two months, representatives of the Guild and the Police Services Department shall meet collaboratively to discuss issues of importance to either party. The purpose of the meetings shall be to increase communication between the parties about issues of concern and to reach solutions in an informal environment. In advance of each meeting, each party shall submit a list of the issues which it wishes to discuss at the meeting. Each December, the Guild President and the Chief of Police or his/her designee shall develop an annual schedule for the collaborative meetings.

If an employee or the Guild has an issue which could be the subject of a grievance, the employee or the Guild shall have the option of submitting the issue in writing to the next collaborative meeting. If such an issue is submitted to the next collaborative meeting, any time limits in the grievance procedure shall be held temporarily in abeyance from the date the issue is submitted to the meeting until 10 days after the conclusion of the meeting.

Nothing in this article shall prevent the parties from reaching solutions to any issue submitted to a collaborative meeting prior to the date of the meeting.

Collaborative meetings are not a replacement for the collective bargaining process.

ARTICLE 32 – PHYSICAL FITNESS PROGRAM

One of the goals of the City and Department is to encourage good physical fitness. With that goal in mind, the parties have agreed to institute a program through a Letter of Understanding (see Appendix D).

ARTICLE 33 - DURATION OF AGREEMENT

A. This Agreement shall be effective on the date signed by the last party and remain in full force and effect until December 31, 2017, unless extended by mutual Agreement of the parties.

B. During the time of negotiations for a successor Agreement, the current Agreement will remain in full force and effect or until it is cancelled by either party upon ten (10) days written notice to the other party.

The parties hereto have caused this Agreement to be executed this ___ day of ____________, 2015.

CITY OF RICHLAND, WA

____
CINDY JOHNSON Date
City Manager

____
CATHLEEN KOCH Date
Administrative Services Director

____
CHRIS SKINNER Date
Police Services Director

____
ALLISON JUBB Date
Human Resources Director

ATTEST TO:

____
City Clerk Date

APPROVED AS TO FORM:

____
HEATHER KINTZLEY Date
City Attorney

RICHLAND POLICE GUILD

____
ERIC EDWARDS Date
President, Richland Police Guild

____
____________________ Date
Police Guild Bargaining Team

____
____________________ Date
Police Guild Bargaining Team

APPENDIX "A"

Classification & Wages

2014

2014		1 Year	1 Year	6 months	
		STEP A	STEP C	STEP E	STEP F
POLICE OFFICER		$32.69	$34.40	$36.13	$37.07
POLICE CORPORAL				$38.86	$39.66
POLICE SERGEANT				$41.77	$42.63

2015

Effective the first day of the 2015 payroll year (December 29, 2014) the 2014 wage schedule shall be increased by 2.50% for Guild members who are employees of the City as of the latest date of contract signing by either of the parties, whichever is last:

2015		1 Year	1 Year	6 months	
		STEP A	STEP C	STEP E	STEP F
		2.5%	2.5%	2.5%	2.5%
POLICE OFFICER		$33.51	$35.26	$37.03	$38.00
POLICE CORPORAL				$39.83	$40.65
POLICE SERGEANT				$42.81	$43.70

Effective the first day of the 2016 payroll year (December 28, 2015) the 2015 wage schedule shall be increased by 2.50%:

2016

2016		1 Year	1 Year	6 months	
		STEP A	STEP C	STEP E	STEP F
		2.5%	2.5%	2.5%	2.5%
POLICE OFFICER		$34.35	$36.14	$37.96	$38.95
POLICE CORPORAL				$40.83	$41.67
POLICE SERGEANT				$43.88	$44.79

2017

Effective the first day of the 2017 payroll year (December 26, 2016) the 2016 wage schedule shall be increased by 2.50%:

2017		1 Year	1 Year	6 months	
		STEP A	STEP C	STEP E	STEP F
		2.5%	2.5%	2.5%	2.5%
POLICE OFFICER		$35.21	$37.04	$38.91	$39.92
POLICE CORPORAL				$41.85	$42.71
POLICE SERGEANT				$44.98	$45.91

APPENDIX "B"

PTO/VACATION DONATION TRANSFER FORM

TO BE COMPLETED BY EMPLOYEE WISHING TO DONATE PTO/VACATION:

Information for Employee Requesting Donated PTO/Vacation

Name: ________________________________ Employee Number: __________

Title: ________________________________ Department/Division: __________

Information for Employee Donating PTO/Vacation

Name: ________________________________ Employee Number: __________

Title: ________________________________ Department/Division: __________

Current PTO/Vacation Balance (hours): __________

Donation/Transfer Request (not to exceed 100 hours): __________

Balance After Transfer (hours – must be at least 200 PTO/100 Vacation): __________

I hereby request that the above PTO/Vacation hours be transferred and understand that my PTO/Vacation accruals will be reduced by the number of hours indicated above.

Employee Signature: ______________________________ Date: ____________

TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT:

Date Request Received: ___________________________

(Hours transferred ___________ multiplied by donating employee's hourly rate $__________) divided by the hourly rate of the requesting employee $__________ Equals the Total Hours Transferred ____________.

☐ Approved ☐ Denied

_______________________________________ __________________

Human Resources Director or designated representative Date

cc: Personnel File

APPENDIX "C"

POST EMPLOYMENT / RETIREE MEDICAL PLAN & RETIREMENT HEALTH SAVINGS (RHS) MODIFICATIONS

NEW EMPLOYEES hired on or after January 1, 2013 will not be eligible for the Post Employment / Retiree Medical Plan. The following rules shall apply:

1. City will contribute 1% of the employee's base rate of pay to a Retirement Health Savings (RHS) Account in lieu of eligibility in the Post Employment / Retiree Medical Plan.

2. Employee will contribute 1% of his/her base rate of pay to a RHS Account in lieu of eligibility in the Post Employment / Retiree Medical Plan.

3. For all other contributions to a RHS Account, Article 17, Section K. and Article 24, Section F. shall apply.

EXISTING EMPLOYEES hired before January 1, 2013, will had a choice to Opt-Out of eligibility for the Post Employment / Retiree Medical Plan during Open Enrollment 2012 (to be effective January 2013) or Open Enrollment 2013 (to be effective January 2014).

For existing employees who chose to remain eligible for the Post Employment / Retiree Medical Plan:

1. City continues to contribute 1% of the employee's base rate of pay to the Post Employment / Retiree Medical Plan to maintain proper funding.

2. For all other contributions to a RHS Account, Article 17, Section K and Article 24, Section F shall apply.

For existing employees who chose to Opt-Out of the Post Employment / Retiree Medical Plan in either December 2012 (to be effective January 2013) or December 2013 (to be effective January 2014):

1. An Opt-Out contribution at the employee's base rate of pay and based on years of service after January 1, 2013 is made to a RHS Account.

2. City contributes 1% of the employee's base rate of pay to a RHS Account.

3. For all other contributions to a RHS Account, Article 17, Section K. and Article 24, Section F. shall apply

In all cases, if the City must include the RHS account and/or this program as part of medical plan value in the calculation of excise tax under the ACA, the associated funds shall be redirected to the employee's base wage as identified in this Agreement.

APPENDIX “D”

Letter of Understanding
between the City of Richland and the
Richland Police Guild

PHYSICAL FITNESS PROGRAM

This Letter of Understanding (LOU) is between the City of Richland Management (City) and the Richland Police Guild (Guild) who are parties to a collective bargaining agreement. (CBA)

The City is very encouraged by the Guild’s interest in promoting the physical fitness of their Membership. This focus area by the Guild matches the City’s desire to enhance the “wellness” of all employees as part of City-wide health initiatives. Thus, the City wants to partner with the Guild in this effort to improve and maintain the physical well-being of its Police Officers and this initiative fits that goal perfectly. Therefore:

Whereas, one of the goals of the City and Guild discussed during bargaining is to encourage good physical fitness; and

Whereas, the parties desire to enter into a Physical Fitness Program that promotes the physical fitness and capability of Guild members; and

NOW, THEREFORE, the parties agree that the following procedures governing exercise on duty shall be as follows:

1. Exercise on duty shall be at a City owned exercise facility to help improve overall fitness and health of Guild Members.

2. Employees must coordinate and seek approval from their Division Commander or designee prior to scheduling workouts on duty to assure that exercise on duty does not have a negative impact on the work shift schedules.

3. A Division Commander or designee may allow an employee to workout at their discretion, subject to the Department’s operational, scheduling and record keeping requirements.

4. Employees assigned to patrol may be allowed up to a total of six (6) hours of work out time in their 80 hour work set as set forth in Art. 9, Sec. B. of the collective bargaining agreement between the City and the Guild.

5. All employees in non-patrol assignments may be allowed up to three (3) hours work out time during their forty (40) hour work week as set forth in the collective bargaining agreement between the City and the Guild.

6. In no circumstance shall an employee work out more than one (1) and one-half (1/2) hour in any workday.

7. When considering a request to workout, supervisors and employees will consider Department staffing levels, workloads, location of the workout, ability of the employee to respond to calls in emergencies and an employee's work performance.

8. If a Division Commander or designee is faced with competing requests to workout they should consider the amount of time each employee has worked out during the work week and then the employee's seniority.

9. This LOU shall be effective immediately.

Agreed to this ___________ day of ____________________, 2015.

For the City:

____

Chris Skinner Date
Police Services Director

____

Allison Jubb Date
Human Resources Director

For the Guild:

____

Eric Edwards Date
Guild President

____

______________________________Date
Guild Vice President

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Resolutions – Adoption

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:

Resolution No. 147-15, Reappointment to the Tri-City Regional Hotel-Motel Commission: Jerry Beach

Department:	Ordinance/Resolution Number:	Document Type:
City Attorney	147-15	Resolution

Recommended Motion:

Adopt Resolution No. 147-15, Reappointing Jerry Beach to the Tri-City Regional Hotel-Motel Commission.

Summary:

The term for Position No. 2 on the Tri-City Regional Hotel-Motel Commission, currently held by Jerry Beach is expiring on August 31, 2015.

The Tri-Cities Hotel and Lodging Tax Association is recommending the reappointment of Jerry Beach to Position No. 2 for a two-year term expiring on August 31, 2017.

Fiscal Impact: None.

Attachments:

1. Proposed Resolution
2. Recommendation from Tri-Cities Hotel & Lodging Association

RESOLUTION NO. 147-15

A RESOLUTION of the City of Richland confirming the position reappointment of Jerry Beach to the Tri-City Regional Hotel-Motel Commission.

BE IT RESOLVED by the City Council of the City of Richland that the following reappointment to the Tri-City Regional Hotel-Motel Commission is hereby confirmed:

NAME	POSITION NO.	TERM ENDING
Jerry Beach	2	8/31/17

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 18th day of August 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

Tri-Cities
Hotel & Lodging Association

P.O. Box 1739
Richland, WA 99352

Received
AUG 05 2015
City Manager's Office

July 23, 2015

Ms. Cindy Johnson
505 Swift Blvd
Richland, WA 99352

Dear Ms. Johnson:

This letter is in reference to the Richland TPA Commissioner position currently held by Jerry Beach from the Courtyard by Marriott in Richland. Mr. Beach's term expires August 31, 2015.

Jerry Beach has been selected to continue to serve as a TPA Commissioner to represent the City of Richland. General Manager Linda Hendrix from the Hampton Inn in Richland was nominated as the alternate candidate.

If you have any questions regarding this issue, please do not hesitate to contact me at 509-820-3026.

Sincerely,

Kathy Moore

Kathy Moore
President
Tri-Cities Hotel & Lodging Association

Cc Kris Watkins – President CEO Visit Tri-Cities

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015 | Agenda Category: Resolutions – Adoption

Key Element: Key 6 - Community Amenities

Subject:
Resolution No. 148-15, Authorizing Sponsorship Agreement with HAPO Community Credit Union for the Performance Stage at John Dam Plaza

Department:	Ordinance/Resolution Number:	Document Type:
Parks & Public Facilities	148-15	Resolution

Recommended Motion:
Adopt Resolution No. 148-15, accepting a $300,000 donation, over ten years, for the stage at John Dam Plaza and authorizing the City Manager to sign and execute a sponsorship agreement with HAPO Community Credit Union.

Summary:
As the "Official Sponsor of Summer" and host of the Live @ 5 Summer Concert series at John Dam Plaza, staff approached HAPO Community Credit Union seeking a donation toward the construction of a performing arts stage at John Dam Plaza which would enhance the venue for the concert series and other activities and events in the plaza.

HAPO agreed to contribute $300,000 toward stage construction in John Dam Plaza. This contribution shall be paid over a ten-year period, and in return for the contribution, HAPO shall receive naming rights to the stage for a twelve-year period.

An agreement has been prepared to formalize the conditions of the partnership.

A budget adjustment to allocate the dollars to the John Dam Plaza Stage project will be presented to Council at a future date.

Fiscal Impact: The donation will add $300,000 to the project budget and will fund ongoing improvements to the stage.

Attachments:
1. RES. NO. 148-15 HAPO Sponsorship Agreement
2. HAPO Sponsorship Agreement - JDP Stage

RESOLUTION NO. 148-15

A RESOLUTION of the City of Richland accepting a donation from HAPO Community Credit Union and authorizing the City Manager to sign and execute a Sponsorship Agreement with HAPO for the stage at John Dam Plaza.

WHEREAS, it is in the City's best interest to construct a stage to support community events at John Dam Plaza;

WHEREAS, HAPO Community Credit Union desires to donate $300,000 over a ten-year period for the stage at John Dam Plaza; and,

WHEREAS, in return for the donation the stage will be named the HAPO Community Stage for a 12-year period of time; and

WHEREAS, the Sponsorship Agreement contains the specific conditions of the partnership; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Richland:

Section 1. Accepts a donation from HAPO Community Credit Union in the amount of $300,000 for the stage at John Dam Plaza.

Section 2. Authorizes the City Manager to sign and execute a Sponsorship Agreement with HAPO Community Credit Union.

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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

SPONSORSHIP AGREEMENT
Between the
CITY OF RICHLAND
And
HAPO COMMUNITY CREDIT UNION

THIS AGREEMENT made and entered into on this 1st day of August, 2015 by and between the CITY OF RICHLAND, Washington, a municipal corporation and political subdivision of the State of Washington, hereinafter referred to as "City," and HAPO Community Credit Union, a Washington nonprofit corporation, hereinafter referred to as the "Sponsor."

RECITALS

WHEREAS, the City owns, maintains and operates certain public park and recreational facilities within Richland upon which it intends to build an outdoor performance stage; and

WHEREAS, the Sponsor wishes to contract with the City for the exclusive right to name the performance stage at John Dam Plaza, subject to the City's approval.

NOW THEREFORE, in consideration of the promises, terms and conditions contained herein, the parties hereby agree as follows:

AGREEMENT

1. ***Exclusive Naming Rights and Signage.*** The City hereby grants Sponsor the exclusive right to sponsor the John Dam Plaza stage, which shall be referred to as the HAPO Community Credit Union and/or HAPO stage. Sponsor is also authorized to post and display one (1) six foot by seventeen foot (6' x 17') advertising sign on the performance stage constructed in John Dam Plaza.

   a. The advertising sign may be illuminated by means of "halo" backlighting.

   b. The Sponsor shall pay all expenses for sign production.

   c. The sign construction, materials, layout, content, and colors shall be approved by the City prior to posting. City retains the sole discretion to approve or deny any of the elements related to Sponsor's proposed signage.

2. ***Maintenance, Repair, and Replacement.***

   a. The City shall, at its sole expense, maintain the posted sign and be responsible for all repairs to the sign.

   b. Sponsor shall be responsible for replacement of the sign as required by vandalism or theft.

   c. In the event Sponsor wishes to change the layout, content and/or colors of the posted sign, Sponsor may do so at its sole expense and in accordance with Section 1.

3. ***Term of Agreement.***

   a. The term of this Agreement shall be twelve (12) years, commencing on January 1, 2016 and ending on December 31, 2027. Upon the expiration of this Agreement, City may rename the performance stage unless the right to sponsor the stage by name is extended by execution of a new written agreement.

   b. Upon expiration of this Agreement, the sign shall be removed by the City and returned to the Sponsor, unless the right to post advertising is extended by execution of a new written agreement.

   c. Nothing in this Agreement shall be constructed as creating or transferring to Sponsor any ownership interest in the property or improvements in John Dam Plaza.

4. ***Sponsorship Fee.*** The Sponsor shall pay the 2016 annual fee of Thirty Thousand Dollars ($30,000.00) to the City upon the commencement of this Agreement. Subsequent annual fees are due to the City by 1600 hours (4:00 p.m.) on the first business day of January of each year this Agreement is in effect beginning years 2017 through 2025. There will be no payment obligation years 2026 and 2027. A business day is defined as any day the City of Richland is open to the public for business transactions.

5. ***Advertising Conditions.*** All advertising content shall be approved by the City. Advertising of alcoholic beverages and tobacco products is expressly prohibited.

6. ***Assignment.*** This Agreement may not be assigned or otherwise transferred by either party hereto.

7. ***Modification.*** No change, alteration, modification, or addition to this Agreement will be effective unless it is in writing and properly signed by the authorized representatives of both parties.

8. ***Notice & Representative.*** The City and the Sponsor shall each designate a person who has the authority and responsibility for administering this Agreement. All notices regarding the performance or interpretation of this Agreement shall be served on such person at the following addresses:

City of Richland
Joe Schiessl, Parks & Facilities Director
500 Amon Park Drive
Richland, WA 99352
509-942-7578
jschiessl@ci.richland.wa.us

HAPO Community Credit Union
Michael Walker, VP-Support Services
601 Williams Blvd.
Richland, WA 99352
509-946-2050
michael.walker@hapo.org

9. ***Indemnification.*** The Sponsor shall indemnify, defend, and hold harmless the City, its agents, employees and volunteers, from and against any and all liability arising from injury or death to persons or damage to property resulting in whole or in part from acts, errors, omissions, or negligent acts of the Sponsor, its agents, servants, officers, or employees, irrespective of whether in connection with such act or omission it is alleged or claimed that an act of the City, or its agencies or employees caused or contributed to the alleged injury or damage. In the event that the City elects to defend itself against any claim or suit arising from any injury, death, or damage, the Sponsor, in addition to providing indemnification and holding the City harmless as set forth above, shall indemnify the City for all expenses incurred by the City in defending such claim or suit, including attorney fees; provided, however, that if, and only if, the provisions of RCW 4.24.115 apply to the work and services under this Agreement and any such damages and injuries to persons or property are caused by or result from the concurrent negligence of the City, its employees, agents, or representatives, the indemnification applies only to the extent of the negligence of the Advertiser, its employees, agents, or representatives.

10. ***Mediation***. If a dispute arises from or relates to this Agreement or the breach thereof, and if the dispute cannot be resolved through direct discussions, the parties agree to endeavor first to settle the dispute in an amicable manner by mediation administered by a mediator selected by agreement of the parties. All fees and expenses for mediation shall be borne by the parties equally. However, each party shall bear the expense of its own counsel and any expenses related to preparation and/or presentation of the case in mediation.

11. ***Venue, Applicable Law and Personal Jurisdiction.*** All questions related to this Agreement shall be resolved under the laws of the State of Washington. In the event that either party deems it necessary to institute legal action arising from this Agreement, such action shall be instituted in Benton County Superior Court. The parties each consent to the personal jurisdiction of such court. Except as otherwise provided by law, it is expressly understood that neither party can institute any legal action against the other based on this Agreement until the parties have exhausted the mediation procedure required by the previous paragraph.

12. ***Severability.*** If any term, provision, covenant, or condition of this Agreement is held by a court of competitive jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated as a result of such decision.

13. ***Waiver.*** The waiver by either party of any breach of any term, condition, or provision of the Agreement shall not be deemed a waiver of such term, condition, or provision or any subsequent breach of the same or any condition or provision of this Agreement.

14. ***Captions.*** The captions used herein are for convenience only and are not a part of this Agreement. The captions do not in any way limit or amplify the terms and provisions hereof.

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

16. ***Scrivener***. The party drafting this Agreement is the City of Richland. The City of Richland makes no representations regarding the rights or responsibilities of Sponsor under this Agreement. Because each party has had opportunity to review and revise this Agreement with assistance of counsel, the rule of construction where ambiguities are construed against the drafter shall not apply.

17. ***Time of Essence.*** Time is of the essence for each and all of the terms, covenants, and conditions of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF RICHLAND	**SPONSOR – HAPO Community Credit Union**
By: ______________________	By: Mark Walker
Its: ______________________	Its: VP – Support Services

APPROVED AS TO FORM:

____

Heather Kintzley
Richland City Attorney

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015 | Agenda Category: Resolutions – Adoption

Key Element: Key 3 - Economic Vitality

Subject:
Resolution No. 149-15, Authorizing the Renewal Agreement for the Promotion of Tourism between the City of Richland and the Tri-Cities Visitor and Convention Bureau

Department:	Ordinance/Resolution Number:	Document Type:
City Manager	149-15	Contract/Agreement/Lease

Recommended Motion:
Adopt Resolution No. 149-15, authorizing the City Manager to sign and execute an agreement with the Tri-Cities Visitor and Convention Bureau (D/B/A "Visit Tri-Cities") for the Promotion of Tourism.

Summary:
On December 31, 2015, the five-year contract between the City of Richland and the Tri-Cities Visitor and Convention Bureau (D/B/A "Visit Tri-Cities") for the investment of lodging tax is scheduled to expire. By investing lodging tax dollars with Visit Tri-Cities, the City of Richland receives a multi-faceted approach to marketing the City to visitors, business investors and those looking to relocate. Visit Tri-Cities is currently seeking renewal of its agreement with the City for promotional services.

In the proposed renewal agreement, the funding formula for the portion of lodging taxes received by Visit Tri-Cities is unchanged from prior contracts. The only significant changes in the agreement involve:

- The reference in Section III has been broadened to recognize RCW 67.28 which references RCW 67.28.1815, RCW 67.28.1816 and RCW 67.28.1817.
- A dispute resolution clause has been added to encourage good faith resolution of disputes prior to termination and/or litigation.

The City's partnership with Visit Tri-Cities is vital to the promotion of tourism in Richland and the success of Visit Tri-Cities' programs. Staff recommends renewal of the five-year promotional agreement.

Fiscal Impact:	The City agrees to pay the Bureau fifty percent (50%) of the annual average hotel/motel tax receipts of the City, collected from the first two percent (2%) levied for the five year period immediately preceding each year of the contract period.

Attachments:
1. RES 149-15 Tri-Cities Visitor and Convention Bureau
2. Renewal Agreement for the Promotion of Tourism-City of Richland

RESOLUTION NO. 149-15

A RESOLUTION of the City of Richland authorizing the execution of a Renewal Agreement for the Promotion of Tourism with the Tri-Cities Visitor and Convention Bureau.

WHEREAS, the City of Richland entered into a five-year Agreement for the Promotion of Tourism with the Tri-Cities Visitor and Convention Bureau (hereinafter "Bureau") on October 19, 2010, referenced as Contract No. 99-10; and

WHEREAS, an Addendum to the Agreement for the Promotion of Tourism was approved on April 16, 2007, referenced as Contract No. C114-05 (1); and

WHEREAS, said Agreement will expire December 31, 2015; and

WHEREAS, the Bureau agrees to perform promotional services for the City, including but not limited to, advertising, publicizing and otherwise distributing information for the purpose of attracting visitors and encouraging tourist expansion to and within the City of Richland; and

WHEREAS, in exchange for the promotional activities identified herein, the City agrees to pay the Bureau fifty percent (50%) of the annual average hotel/motel tax receipts of the City collected from the first two percent (2%) levied for the five-year period immediately preceding each year of the contract period; and

WHEREAS, renewal of the Agreement for the Promotion of Tourism with the Bureau is mutually beneficial to both parties.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Richland authorizes the City Manager to sign and execute the Renewal Agreement for the Promotion of Tourism between the City and the Tri-Cities Visitor and Convention Bureau (D/B/A "Visit Tri-Cities").

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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

RENEWAL AGREEMENT FOR THE PROMOTION OF TOURISM

THIS RENEWAL AGREEMENT is entered into between the CITY OF RICHLAND, a municipal corporation, hereinafter referred to as the "City", and the TRI-CITIES VISITOR AND CONVENTION BUREAU, a Washington non-profit corporation, doing business as "Visit TRI-CITIES", hereinafter referred to as the "Bureau."

IN CONSIDERATION of the mutual covenants as set forth herein, the parties agree as follows:

I. The Bureau agrees to perform promotional services for the City including, but not limited to, advertising, publicizing and otherwise distributing information for the purpose of attracting visitors and encouraging tourist expansion to and within the City. In providing such services the Bureau shall:

1. Develop and implement a marketing and promotional plan that advertises and promotes the Tri-Cities and the City for the purpose of attracting visitors. Appropriate activities would include the publication and distribution of a visitor guide, brochures, participation in travel shows, conducting advertising campaigns and other activities designed to promote the attractions of this area in targeted markets.

2. Manage and execute a comprehensive website and internet marketing campaign designed to educate travelers, assist local tourism businesses in staff recruitment & relocation efforts, and complement City economic development strategies.

3. Provide City staff with accurate and detailed information on tourism statistics including but not limited to hotel occupancies, economic impact figures, and group histories to support the City's efforts to recruit businesses within the hospitality industry.

4. Act as a membership organization and liaison to small businesses located in the City of Richland that are dependent on tourism spending for financial success.

5. Solicit convention business and sports tournaments for the Tri-Cities and the City at the regional and state level through activities such as:

    A. Calling upon convention and sports planners and executives of organizations and groups to solicit sports, meetings and conventions in the Tri-Cities and the City.

    B. Researching convention and sports leads and contacting convention representatives of association groups and tournament representatives of sports groups, promoting the Tri-Cities and the City and offering convention and sports planning assistance.

C. Preparing and distributing invitational convention and sports packets including information on the Tri-Cities and the City and the convention and sports facilities available therein.

6. Provide prospective sports organization and convention representatives with familiarization tours of venues and convention hotel facilities in the Tri-Cities and the City for the purpose of assisting in the selection of a hotel(s) and/or other venues in which to hold sports tournaments, conventions and meetings.

7. Provide convention chairpersons and/or association executives and sports tournament directors with a bid packet and a planner's workbook to assist in planning conventions and/or sports tournaments.

8. Assist future conventions and sporting events in maximizing attendance through pre-event promotion. Produce promotional brochures, flyers, press releases, display booths and marketing materials to be used twelve to eighteen months prior to the event to increase awareness and create enthusiasm for attendance at Tri-Cities events.

9. Operate a visitor information center in the Tri-Cities, providing literature and information to visitors to the Tri-Cities and the City and encouraging visitors to stay in the area. The visitor information center includes a toll free (800#) call center, to encourage visitor inquiries nationwide.

10. Include advertising material in promotional packets and other releases promoting regular Tri-City activities and events.

11. Reserve a seat on the Bureau's Board of Directors for representation by the City Manager or City Council Member.

12. Specific activities to be undertaken by the Bureau each year reflecting actions to be taken in the above-noted categories of service shall be detailed in an annual work plan. The work plan will be presented to the City for approval in February of each year.

II. For the services herein contemplated and more fully described in the annual work plan, the City agrees to pay the Bureau fifty percent (50%) of the annual average hotel/motel tax receipts of the City collected from the first two percent (2%) levied for the five year period immediately preceding each year of the contract period. The Bureau shall invoice the City for such services on a monthly basis on the 1st of each month for the services provided the month prior.

On or before August 15 each year, the Bureau shall deliver a mid-year review and provide a written status report detailing the services provided and the activities and accomplishments of the Bureau. A formal presentation to the City Council will be made if requested.

III. Pursuant to the governing statute, (Ch. 67.28 RCW), restrictions have been placed on the use of hotel/motel tax funds as set forth in relevant part as follows:

> "…used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities."

Funding is conditioned upon the Bureau entering into this Agreement setting forth the purposes for which the funds will be used, providing a procedure for a project-end accounting and insuring compliance with the statute.

To this end, the parties agree as follows:

1. The Bureau agrees to expend such funds to promote tourism in compliance with Ch. 67.28 RCW.

2. At the conclusion of the calendar year, the Bureau shall provide a complete accounting of the expended funds and the purposes therefore.

3. In the event the accounting indicates that funds were used for purposes not permitted by law, the Bureau shall, within 30 days of notification by City to the Bureau of such improper expenditures, remit the disallowed amount back to the City.

4. Failing of the Bureau to either provide the accounting or remit disallowed funds as required herein shall constitute a breach of this Agreement. The remedies available to the City shall include but not be limited to, return of all funds delivered to the Bureau and denial of the right of the Bureau to apply for any future funding.

5. In the event of a dispute regarding the enforcement, breach, default, or interpretation of this Agreement, the parties shall first meet in a good faith effort to resolve such dispute. In the event the dispute cannot be resolved by agreement of the parties, said dispute shall be resolved by arbitration pursuant to RCW 7.04A, as amended, with both parties waiving the right of a jury trial upon trial de novo. The substantially prevailing party shall be entitled to its reasonable attorney fees and costs as additional award and judgment against the other.

IV. This Agreement shall be effective on January 1, 2016, and shall expire on December 31, 2020; provided, however, the City may terminate the Agreement with at least one (1) year written notice delivered to the Bureau.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed this ______, day of _______________, 2015.

CITY OF RICHLAND

____
Cynthia D. Johnson, City Manager

ATTEST:

____
Marcia Hopkins, City Clerk

APPROVED AS TO FORM:

____
Heather Kintzley, City Attorney

TRI-CITIES VISITOR AND
CONVENTION BUREAU,
a Washington non-profit corporation,
d/b/a Visit TRI-CITIES

____
Kris Watkins, CEO

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015 | Agenda Category: Resolutions – Adoption

Key Element:

Subject:
Resolution No. 150-15, Funding Recommendations for the 2016 Hotel/Motel Lodging Tax Fund

Department:	Ordinance/Resolution Number:	Document Type:
Assistant City Manager	150-15	Resolution

Recommended Motion:

Approve Resolution No. 150-15, awarding funding for the 2016 Hotel/Motel Lodging Tax Fund as recommended by the Lodging Tax Advisory Committee and authorizing the City Manager to execute the necessary agreements.

Summary:

The Lodging Tax Advisory Committee (LTAC) recommends Council allocate $317,923 from the first two percent lodging tax funding, as described in the 2016 Hotel/Motel Fund Worksheet. In addition, the LTAC recommends Council allocate $8,000 from the second two percent for one capital project.

The recommended projects are:
First Two Percent
1. Art In The Park Regional Advertising - $3,500
2. City of Richland, Tourism Promotion Position (5 year commitment) - $40,993
3. City of Richland, Parks Tourism Position(5 year commitment) - $59,630
4. City of Richland Geocoin Challenge - $3,000
5. Richland School District Regional Advertising for Conference - $5/room night generated up to $2,000
6. Tumbleweed Regional Advertising - $4,000
7. Three Rivers Road Runners 1/2 Marathon Marketing - $1,500
8. Visit Tri-Cities Destination Marketing (5 year commitment) - $185,300
9. Tri-City Regional Chamber Cool Desert Nights Marketing - $18,000

Second Two Percent
10. REACH, Hanford and the Cold War Exhibit - $8,000

Fiscal Impact:

This Resolution approves the recommendations for awarding available Lodging tax dollars, which will then be included in the proposed 2016 budget.

The First 2% reserve has a balance of $654,488 for consideration during this cycle. The Second 2% reserve has a balance of $493,179 available going into this funding cycle for consideration.

The available balances already take into consideration the long term commitment for the Richland Public Facilities District.

Attachments:
1. Resolution 150-15 Hotel-Motel 2016 Awards
2. LTAC Minutes 7/21/15

3. LTAC 2016 Hotel-Motel Worksheet

RESOLUTION NO. 150-15

A RESOLUTION of the City of Richland awarding the distribution of Hotel/Motel Tax Funds.

WHEREAS, pursuant to RCW 67.28.1817, City Council established a reserve funded through a tax on lodging which is to be used to promote or increase tourism; and

WHEREAS, City staff estimates that $654,488 from the first two percent (2%) of available funds and $493,179 from the second two percent (2%) of available funds are available for award during the 2016 funding cycle; and

WHEREAS, City staff accepted applications for projects to be considered by the Lodging Tax Advisory Committee and City Council for funding in 2015; and

WHEREAS, at their July 21, 2015 meeting, the Lodging Tax Advisory Committee provided a positive recommendation to allocate a total of $325,923 toward projects that are determined eligible, as further described in the 2016 Hotel/Motel Fund worksheet attached hereto.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that Hotel/Motel Tax Funds available in 2016 shall be made available as provided in the attached project list, and that all related documents necessary to complete the awards shall be signed and executed by the City Manager.

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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

DRAFT

CITY OF RICHLAND
LODGING TAX ADVISORY COMMITTEE (LTAC)

July 21, 2015 – 8:00 AM

CITY HALL CONFERENCE ROOM

Call to order:
Chair Christensen called the meeting to order at 8:04 a.m.

Attendance:
Council Member Terry Christensen, Mark Kerber, Gus Sako, and Kim Shugart were present and Jerry Beach was absent from the meeting.

Also present was Communications and Marketing Manager Trish Herron.

Approval of Minutes:
GUS SAKO MOVED AND KIM SHUGART SECONDED THE MOTION TO APPROVE THE LTAC MINUTES DATED APRIL 29, 2015. THE MOTION CARRIED 4-0.

Budget Overview:
Trish Herron provided an overview of the available funds in the first two percent and the second two percent.

Presentations:

a. **Atomic Heritage Foundation**
Presenter: Hank Kosmata
Project: Ranger In Your Pocket Additional Website Enhancements
Mr. Kosmata described the proposal to add more content to a product called "Know Before You Go," that complements the "Ranger in Your Pocket" tours on the B Reactor and Hanford. The new content would describe the chemical reaction that took place within the B Reactor.

b. **REACH**
Presenter: Lisa Toomey
Project: Hanford and the Cold War Nuclear Arms Race Exhibit
Ms. Toomey briefly described the proposed new exhibit that will highlight the Cold War Nuclear Arms race. This would be an expansion on the already existing Manhattan Project exhibit. The exhibit would be portable until a permanent location is finalized.

c. **Visit Tri-Cities**
Presenter: Kris Watkins, President & CEO
Project – Destination Marketing
Ms. Watkins provided an overview of the history and extensive detail of the all of the services Visit Tri-Cities provides Richland.

New Business:

1. **Deliberation and Allocation for 2016 Funds**

   a. **Allied Arts – Regional Marketing of Art In The Park**

   Requested $3,500. Recommended to fund $3,500.

   Project: The request is use these funds to market the 2016 Art In The Park outside the region.

   LTAC Discussion: The LTAC briefly discussed the application and the long running event.

   KIM SHUGART MOVED AND GUS SAKO SECONDED THE MOTION TO APPROVE FUNDING THE EVENT AT THE FULL REQUEST OF $3,500. THE MOTION CARRIED 4-0.

   b. **City of Richland – Tourism Position (5 year commitment)**

   Requested $40,993. Recommended to fund $40,993.

   Project: The request is use these funds to pay for 30% of a tourism position within Communications and Marketing with a 5 year commitment as described in the original application.

   LTAC Discussion: The LTAC briefly discussed the benefit of the position.

   KIM SHUGART MOVED AND MARK KERBER SECONDED THE MOTION TO APPROVE FUNDING THE EVENT AT THE FULL REQUEST FOR THE 5 YEAR COMMITMENT WITH YEAR ONE ESTIMATED AT $40,993. THE MOTION CARRIED 4-0.

   c. **City of Richland – Parks Tourism Recruitment Position (5 year commitment)**

   Requested $59,630. Recommended to fund $59,630.

   Project: The request is use these funds to pay for 50% of a tourism position within Parks and Public Facilities with a 5 year commitment as described in the original application.

   LTAC Discussion: The LTAC briefly discussed the benefit of the position.

   TERRY CHRISTENSEN MOVED AND MARK KERBER SECONDED THE MOTION TO APPROVE FUNDING THE EVENT AT THE FULL REQUEST FOR THE 5 YEAR COMMITMENT WITH YEAR ONE ESTIMATED AT $59,630. THE MOTION CARRIED 4-0.

   d. **City of Richland, Tourism Committee – Geocoin Challenge Marketing**

   Requested $3,000. Recommended to fund $3,000.

   Project: The request is to market a Tri-Cities wide geocoin challenge outside the region.

LTAC Discussion: The LTAC briefly discussed the request.

KIM SHUGART MOVED AND MARK KERBER SECONDED THE MOTION TO APPROVE FUNDING THE EVENT AT THE FULL REQUEST OF $3,000. THE MOTION CARRIED 3-0. GUS SAKO ABSTAINED FROM VOTING BECAUSE HE IS THE CHAIR OF THE TOURISM COMMITTEE.

e. **Columbia River Journeys, III – Marketing for Columbia River Tours**

Requested $3,000. Recommended to fund $0.

Project: This request is to help pay for out of market advertising and promotion of the Columbia River Tours, provided by Columbia River Journeys, III.

LTAC Discussion: The LTAC briefly discussed the applicant being a for-profit business.

TERRY CHRISTENSEN MOVED AND KIM SHUGART SECONDED THE MOTION TO NOT FUND THE REQUEST. KIM SHUGART ABSTAINED FROM THE VOTE. THE MOTION CARRIED 3-0.

f. **Richland School District – Marketing for Education Conference**

Requested $4,000. Recommended to fund up to $2,000.

Project: The request is to market an Education Conference.

LTAC Discussion: The LTAC briefly discussed the application and the past practice of implementing a payment structure centered around a proven per night payout.

KIM SHUGART MOVED AND MARK KERBER SECONDED THE MOTION TO APPROVE FUNDING THE REQUEST AT A $5 PER HOTEL PROVEN OVERNIGHT ROOM GENERATION, NOT TO EXCEED $2,000. THE MOTION CARRIED 4-0.

g. **Three Rivers Folklife – Tumbleweed Music Festival**

Requested $4,000. Recommended to fund $4,000.

Project: This request is to help pay for out of market advertising and promotion of the Tumbleweed Music Festival.

LTAC Discussion: The LTAC briefly discussed the event.

KIM SHUGART MOVED AND MARK KERBER SECONDED THE MOTION TO APPROVE FUNDING THE EVENT AT THE FULL REQUEST OF $4,000. THE MOTION CARRIED 4-0.

h. Three Rivers Road Runners – Regional Marketing of the Three Rivers ½ Marathon

Requested $1,500. Recommended to fund $1,500.

Project: The requested funds would pay for outside the region marketing for the Three Rivers ½ Marathon.

LTAC Discussion: The LTAC briefly discussed the application and event.

KIM SHUGART MOVED AND GUS SAKO SECONDED THE MOTION TO APPROVE FUNDING THE EVENT AT THE FULL REQUEST OF $1,500. THE MOTION CARRIED 4-0.

i. Visit Tri-Cities – Destination Marketing (5 year commitment)

Requested $185,030. Recommended to fund $185,030.

Project: The request is use these funds to pay for destination marketing through Visit Tri-Cities, per the contract terms between the City and Visit Tri-Cities.

LTAC Discussion: The LTAC briefly discussed the benefit of this service.

MARK KERBER MOVED AND GUS SAKO SECONDED THE MOTION TO APPROVE FUNDING THE EVENT AT THE FULL REQUEST FOR THE 5 YEAR COMMITMENT WITH YEAR ONE ESTIMATED AT $185,030. KIM SHUGART ABSTAINED FROM THE VOTE. THE MOTION CARRIED 3-0.

j. Tri-City Regional Chamber of Commerce – Cool Desert Nights Regional Promotion.

Requested $18,000. Recommended to fund $18,000.

Project: This request is to help pay for out of market advertising and promotion for Cool Desert Nights Car Show.

LTAC Discussion – The LTAC discussed the benefit of the event to the community.

KIM SHUGART MOVED AND MARK KERBER SECONDED THE MOTION TO APPROVE THE REQUEST OF $18,000 TO BE USED TOWARD OUTSIDE THE REGION PROMOTION OF THE 2016 COOL DESERT NIGHTS CAR SHOW. THE MOTION CARRIED 4-0.

k. Atomic Heritage Foundation - Ranger In Your Pocket Enhancements

Requested $25,000. Recommended to fund $0.

Project: Project: Ranger In Your Pocket Additional Website Enhancements. The new content would describe the chemical reaction that took place within the B Reactor.

LTAC Discussion: The LTAC briefly discussed the application and the benefit to out of town visitors beyond the already funded enhancements.

TERRY CHRISTENSEN MOVED AND KIM SHUGART SECONDED THE MOTION TO APPROVE FUNDING AT THE FULL REQUEST. THE MOTION DID NOT CARRIED 0-4.

GUS SAKO MOVED TO APPROVE A $10,000 AWARD. MOTION WAS NOT SECONDED.

l. **REACH – Hanford and the Cold War Nuclear Arms Race Exhibit**

Requested $80,000. Recommended to fund $8,000.

Project: Hanford and the Cold War Nuclear Arms Race Exhibit

LTAC Discussion: The LTAC briefly discussed the request and paying for a portion of the proposal.

KIM SHUGART MOVED AND GUS SAKO SECONDED THE MOTION TO FUND THE REQUEST AT $8,000. THE MOTION CARRIED 4-0.

2. **Next Meeting Date** The next meeting date is tentatively scheduled for October 20, 2015.

ADJOURNMENT The meeting adjourned at 10:03 a.m.

2016 HOTEL/MOTEL FUND
August 18, 2015

First 2% Available Funds = $654,488

ORGANIZATION	PROPOSED USE OF MONEY	2015 ALLOCATION	2016 REQUEST	FUNDED	NOT FUNDED	2016 FUNDING RECOMMENDATION
Allied Arts Association	Regional Marketing of Art In The Park	$3,500.00	$3,500.00	X		$3,500.00
City of Richland	Tourism Promotion Position - Staff (5 year)	$39,994.00	$40,993.00	X		$40,993.00
City of Richland	Parks Tourism Position - Staff (5 year)	$58,176.00	$59,630.00	X		$59,630.00
City of Richland - Tourism Committee	Geocache Marketing	$2,800.00	$3,000.00	X		$3,000.00
Columbia River Journeys III	Regional Marketing of Jet Boat Tours	Not Funded	$3,000.00		X	$0.00
Richland School District	Regional Marketing of Education Conference	No Request	$4,000.00	X		$2,000.00
Three Rivers Folklife Society	Regional Advertising of Tumbleweed	$4,000.00	$4,000.00	X		$4,000.00
Three Rivers Road Runners	Regional Marketing of Run Fest (2/16)	$1,500.00	$1,500.00	X		$1,500.00
Visit Tri-Cities	Destination Marketing	$193,100.00	$185,030.00	X		$185,300.00
Tri-City Regional Chamber	Regional Advertising of CDN Car Show	$18,000.00	$18,000.00	X		$18,000.00
		$219,400.00	$322,653.00			$317,923.00
				Available		$654,488.00
				Remaining		*$336,565.00*

Second 2% Available Funds = $493,179

ORGANIZATION	PROPOSED USE OF MONEY	2015 ALLOCATION	2016 REQUEST	FUNDED	NOT FUNDED	2016 FUNDING RECOMMENDATION
Atomic Heritage Foundation	Ranger In Your Pocket	$25,000.00	$25,000.00		X	$0.00
REACH	Hanford and the Cold War Exhibit	Not Funded	$80,000.00	X		$8,000.00
		$25,000.00	$105,000.00			$8,000.00
				Available		$493,179.00
				Remaining		*$485,179.00*

ATTACHMENT 2

*The $125,000 commitment to the REACH is taken out of the balance prior to consideration.

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Resolutions – Adoption

Key Element: Key 2 - Infrastructure & Facilities

Subject:
Resolution No. 151-15, Authorizing Supplemental Agreement No. 2 with JUB Engineers, Inc. for Additional Work on George Washington Way / I-182 Access Study

Department:	Ordinance/Resolution Number:	Document Type:
Public Works	151-15	Resolution

Recommended Motion:
Adopt Resolution No. 151-15, authorizing the City Manager to sign and execute an agreement with J-U-B Engineers, Inc. for additional work on the George Washington Way / I-182 Access Study project.

Summary:
Traffic congestion and crash history at the south end of George Washington Way are the longest-standing traffic challenges evaluated by City staff and experienced by the public. In recent years, Public Works has led an effort to develop and evaluate alternatives to improve traffic performance in this area. Staff believes improved traffic performance is needed to support the City's vision of continued development of its downtown and waterfront districts.

On June 11, 2015, City staff hosted a public open house aimed at soliciting public input regarding the improvement alternatives. The open house presented three alternative intersection designs for the George Washington Way / Columbia Point Drive intersection. Along with the three intersection alternatives, a pedestrian undercrossing of George Washington Way was also shown.

The open house drew a large turnout, providing staff with many comments. Many comments suggested that the impact of one or more of the alternatives on private property was too great and other measures should be explored before intersection improvements were pursued. Some of these measures could involve eliminating or rescheduling commute trips. Others could involve improvements to SR240 or a new, as yet undeveloped, design. Still other comments suggested that a pedestrian bridge would be preferred to an undercrossing.

Staff is pursuing a multi-pronged plan to address the public input. Reducing or rescheduling commute trips is being addressed through the Benton Franklin Council of Governments transportation planning organization, the Washington State Department of Transportation, and major employers. Staff is proposing additional work by JUB Engineers to analyze the pedestrian bridge concept and to develop a fourth intersection design with no impact to the Tri-Cities Academy of Ballet facility. Staff intends to present results of this engineering work and the regional planning work at a future workshop.

Fiscal Impact:	The total cost of the proposed supplement will not exceed $16,240. Funding for the project was approved with the 2014-2030 Capital Improvement Plan in the Transportation section, project titled South George Washington Way Safety and Mobility Improvements on page 78. There is currently $54,194 remaining in this project budget.

Attachments:
1. Draft Res. No. 15-15
2. GW Way Supplement No. 2 - JUB

RESOLUTION NO. 151-15

A RESOLUTION of the City of Richland authorizing the execution of Supplemental Agreement No. 2 with J-U-B Engineers, Inc. for additional work on the George Washington Way / I-182 Access Study.

WHEREAS, traffic congestion and crash history at the south end of George Washington Way have persistent, long-standing impacts on City residents and commuters; and

WHEREAS, traffic congestion on south George Washington Way is among the worst in the Tri-Cities region; and

WHEREAS, the City's vision to increase development in central Richland and along the Columbia River waterfront will add to demands on the street system, including the south end of George Washington Way; and

WHEREAS, for the past several years the City has studied possible intersection improvements at George Washington Way and Columbia Point Drive as a key to improving traffic performance supporting existing residents and commuters as well as future development; and

WHEREAS, on January 20, 2015 the City Council adopted Resolution No. 14-15 authorizing the execution of a Consultant Agreement with J-U-B Engineers, Inc. to study and develop alternatives for the George Washington Way/Columbia Point Drive/I-182 access; and

WHEREAS, the Purchasing Manager authorized Supplemental Agreement No. 1 to the above agreement for $2,281.00 to provide additional modeling and support for a public open house; and

WHEREAS, in June, 2015 staff conducted a public outreach program, including an open house event, to solicit input on the alternatives developed thus far; and

WHEREAS, in response to public input, staff is evaluating the potential of various measures to improve traffic performance through trip reduction and or trip rescheduling; and

WHEREAS, in response to public input, staff proposes to investigate a fourth intersection alternative with no impact on the Tri-Cities Academy of Ballet facility and the feasibility of a pedestrian overcrossing of George Washington Way through additional engineering work; and

WHEREAS, staff has negotiated a scope of work and fee for J-U-B Engineers, Inc. to perform the additional engineering work; and

WHEREAS, staff is pursuing resources through the Benton Franklin Council of Governments and the Washington State Department of Transportation and major employers to address the trip reduction or rescheduling.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute Supplemental Agreement No. 2 with J-U-B Engineers, Inc. for the George Washington Way / I-182 Access Study project.

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 18th day of August, 2015.

DAVID W. ROSE
Mayor

ATTEST:

MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

HEATHER KINTZLEY
City Attorney

Washington State Department of Transportation

<table>
<tr><td colspan="2">Supplemental Agreement Number 2</td><td colspan="2" rowspan="2">Organization and Address
J-U-B ENGINEERS, INC.
2810 W Clearwater Ave, Ste 201
Kennewick, WA 99336
Phone:</td></tr>
<tr><td colspan="2">Original Agreement Number
18-15</td></tr>
<tr><td colspan="2">Project Number
STPUL-3475(006)</td><td>Execution Date
Feb 4, 2015</td><td>Completion Date
January 2020</td></tr>
<tr><td colspan="2">Project Title
George Washington Way/I-182 Access Study</td><td colspan="2">New Maximum Amount Payable
$ 57,231.00</td></tr>
<tr><td colspan="4">Description of Work
This project provides for Task Order as requested by AGENCY to provide study and engineering support for the improvements to the George Washington Way/Columbia Point Drive intersection and access to I-182.</td></tr>
</table>

The Local Agency of City of Richland
desires to supplement the agreement entered into with J-U-B Engineers, Inc.
and executed on Feb, 4, 2015 and identified as Agreement No. 18-15 (City of Richland)
All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:
See Attached Exhibit A

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of the work to read: No Change

III

Section V, PAYMENT, shall be amended as follows:
Additional $16,240.00 which includes $1544.00 of additional Fixed Fee per Consultant Fee Determination Summary Sheet and Updated Exhibit F WSDOT Approved Overhead Rate.

as set forth in the attached Exhibit A, and by this reference made a part of this supplement.

If you concur with this supplement and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: ____________________ By: ____________________

Consultant Signature   Approving Authority Signature

Date

DOT Form 140-063 EF
Revised 9/2005

Exhibit A
Scope of Work - J-U-B Engineers, Inc.

George Washington Way/I-182 Access Study
STPUL-3475(006)

Supplement No. 2

City of Richland
CP-0960

Duties and Responsibilities of Consultant

As a continuation to previous studies, J-U-B ENGINEERS, INC. (CONSULTANT) will provide ongoing assistance to the City of Richland (AGENCY) to advance this project.

This Supplement will provide a conceptual design for a pedestrian overpass and evaluation of a new Option 4 intersection.

Subtask 1 – Project Administration and Meetings

CONSULTANT will administer the tasks in this agreement and provide monthly invoices and status reports. For budget purposes it is estimated that this scope will be complete in 3 months.

CONSULTANT will attend meetings with AGENCY during the course of this supplement. For budget purposes we anticipate up to 2 meetings with AGENCY staff.

CONSULTANT will conduct internal team meetings and communication with AGENCY in preparation of meetings and schedule.

Subtask 2 – Option 4 Layout

Option 4 is a variation of the Split-T Option 3 with the Aaron Way connection moved to the north in order to avoid or minimize Right-of-Way (ROW) impacts. It is assumed that the traffic model for this new option will function similarly to Option 3 and no further traffic analysis will be required. CONSULTANT will develop an exhibit showing Option 4 to the same level of detail as previous exhibits.

Subtask 3 – Pedestrian Overpass Conceptual Design

CONSULTANT will develop concept level design of a pedestrian overpass for George Washington Way. The overpass may or may not be part of the overall project improvements. The intent of the design is to locate a potential crossing, identify concept level budget and provide renderings that could be used for AGENCY at future public meetings.

- This task assumes the previously AGENCY provided topographic survey is sufficient for this task new task. If additional topography is needed AGENCY will provide.
- CONSULTANT will develop up to two conceptual layouts of a pedestrian overpass. These renderings assume the pedestrian overpass would be similar for both the Spilt-T and Traditional Widening.

- CONSULTANT will develop 3D Rendering Concepts. The CONSULTANT will develop up to two (2) draft concept alternatives for a pedestrian overpass. Each concept will include up to three (3) still images from different vantage points for a total of six (6) total still images.
- CONSULTANT will submit the two concept alternatives for AGENCY review and feedback.
- Preferred Concept Alternative – Once the client has reviewed the concept alternatives and provided feedback, the CONSULTANT will then develop the preferred concept alternative.
- Preferred Concept Alternative Review – CONSULTANT will submit the preferred alternative for AGENCY review and feedback.
- Final 3D Renderings – Once the AGENCY has reviewed the preferred concept alternative and provided feedback, the CONSULTANT will make any necessary revisions and produce the final still images of the pedestrian overpass. This will include up to three (3) total still images from different vantage points.

Subtask 4 – Cost Estimates Update

CONSULTANT will develop a planning level Opinion of Probable Costs for the new Option 4 intersection and the pedestrian overpass.

1) Opinion of Probable Costs for pedestrian overpass. Assume one location that could serve both Traditional Widening and Spilt-T alternatives; however the length may vary due to lane configurations.
2) Right-of-Way impacts will be general in nature using similar methodology as previous. No appraisals or property comparable costs are included.
3) Cost estimates will reflect planning level assumptions of probable costs and no detailed design or quantity calculations are included.

Subtask 5 – Council Workshop Support

CONSULTANT will review the previous studies and prepare a memo briefly explaining the development of the traffic projections. The memo will be written for general public in layman non-technical terms.

CONSULTANT will attend a City Council workshop to present the memo and support City staff in answering any questions the Council may have.

ESTIMATED PERSON-HOUR EXHIBIT

George Washington Way/I-182 Access Study

Supplement No. 2

CLIENT: City of Richland

DATE: July 31, 2015

Section:

PROJECT TASK	Principal	Project Manager	Transportation Planner	SR. Traffic Engineer	Landscape Architect	Project Engineer	CADD	Clerical
	1.0	10.0	11.0	1.0	36.0	49.0	22.0	3.0
Subtask 1 Project Administation and Meetings	1.0	6.0	2.0	0.0	0.0	4.0	0.0	2.0
Invoices and Status Reports (3 months)	1.0	2.0	0.0	0.0	0.0	0.0	0.0	2.0
City Staff (2 Meetings)	0.0	4.0	2.0	0.0	0.0	4.0	0.0	0.0
Subtask 2 Option 4 Layout	0.0	1.0	1.0	1.0	0.0	8.0	8.0	0.0
Geometric Layout and Exhibit	0.0	1.0	1.0	1.0	0.0	8.0	8.0	0.0
Subtask 3 Pedestrian Overpass Conceptual Layout	0.0	2.0	0.0	0.0	36.0	14.0	8.0	0.0
Geometric Layout and Exhibit	0.0	1.0	0.0	0.0	0.0	14.0	8.0	0.0
3D Renderings	0.0	1.0	0.0	0.0	36.0	0.0	0.0	0.0
Subtask 4 Cost Estimates	0.0	0.0	0.0	0.0	0.0	14.0	4.0	0.0
Cost Estimate - Option 4	0.0	0.0	0.0	0.0	0.0	3.0	1.0	0.0
Cost Estimate - Pedestrian Overpass	0.0	0.0	0.0	0.0	0.0	6.0	1.0	0.0
ROW Impacts	0.0	0.0	0.0	0.0	0.0	5.0	2.0	0.0
Subtask 5 Council Workshop Support	0.0	1.0	8.0	0.0	0.0	9.0	2.0	1.0
Prepare Memo	0.0	1.0	6.0	0.0	0.0	3.0	1.0	1.0
Attend Workshop	0.0	0.0	2.0	0.0	0.0	6.0	1.0	0.0

Consultant Fee Determination - Summary Sheet
Cost Plus Fixed Fee - Supplement No. 2
Project: George Washington Way / I-182 Access Study

Direct Salary Cost (DSC):

Classification	Man-Hours	Rates of Pay	Costs
Principal	1.0	$70.41	$70.41
Project Manager	10.0	$62.47	$624.70
Transportation Planner	11.0	$47.16	$518.74
SR. Traffic Engineer	1.0	$41.10	$41.10
Landscape Architect	36.0	$29.61	$1,065.96
Project Engineer	49.0	$43.23	$2,118.27
CADD	22.0	$29.69	$653.18
Clerical	3.0	$17.80	$53.39
		Total DSC =	$5,145.75

Overhead (OH Cost - including Salary Additives):

	OH Rate x DSC	of	182.99%	=	$9,416.16
Fixed Fee	FF x DSC		30.00%	=	$1,543.73
				Total DSC, OH & FF	**$16,105.64**

Reimbursables:

Travel and Per Diem

Per Diem	0	days @	$0.00	$0.00
Air Travel	0	trips @	$0.00	$0.00
Mileage	60	miles @	$0.575	$34.50
Lodging	0	nights @	$80.00	$0.00

Reproduction/Mailing Expenses

Plan Copies, Exhibits Mounting $100.00

Survey Equipment

Reimbursable Sub-Total **$134.50**

Subconsultant Costs:

$0.00

Subconsultant Costs	**$0.00**
Total Supplement No. 2	**$16,240.14**
Total (Rounded $10)	**$16,240.00**
Supplement No. 1	**$2,281.00**
Original Agreement	**$38,710.00**
Total To Date	**$57,231.00**

Prepared by: Rick Door **Date: 8/7/2015**

EXHIBIT F
WSDOT
Breakdown of Overhead Cost
Year Ending December 31, 2014

FRINGE BENEFITS		
	Beginning Total	% of Direct Labor
Direct Labor	**11,610,443**	
FICA	1,630,759	14.05%
Unemployment	175,179	1.51%
Medical Aid and Industrial Insurance	86,647	0.75%
Company Insurance and Medical	1,440,804	12.41%
Vacation, Holiday, and Sick Leave	2,629,014	22.64%
Commission, Bonuses/Pension Plan	2,952,469	25.43%
Total Fringe Benefits	**8,914,872**	**76.78%**
GENERAL OVERHEAD		
State B &O Taxes	216,547	1.87%
Insurance	417,317	3.59%
Administration and Time Not Assignable	7,197,780	61.99%
Printing, Stationery, and Supplies	497,983	4.29%
Professional Services	330,946	2.85%
Travel Not Assignable	537,113	4.63%
Telephone and Telegraph Not Assignable	431,665	3.72%
Fees, Dues, Professional Meetings	109,100	0.94%
Utilities and Maintenance	335,218	2.89%
Professional Development	126,174	1.09%
Rent	988,393	8.51%
Equipment Support (computer); Depreciation: Computer expense	999,332	8.61%
Cost of money	90,512	0.78%
Office Miscellaneous, Postage	52,898	0.46%
Total General Overhead	**12,330,978**	**106.21%**
Total Overhead Fringe + General	**21,245,850**	**182.99%**

COUNCIL AGENDA ITEM COVERSHEET

Council Date: 08/18/2015

Agenda Category: Expenditures - Approval

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:
Expenditures from July 27, 2015 - August 7, 2015 for $4,370,618.45 including Check Nos. 225460-225787, Wire Nos. 5961-5967, Payroll Check Nos. 100077-100092, and Payroll Wire/ACH Nos. 9071-9088

Department:
Administrative Services

Ordinance/Resolution Number:

Document Type:
Expenditures

Recommended Motion:
Approve the expenditures from July 27, 2015, to August 7, 2015 in the amount of $4,370,618.45.

Summary:
Breakdown of Expenditures:

Check Nos.	225460-225787	1,663,311.44
Wire Nos.	5961-5967	731,719.74
Payroll Check Nos.	100077-100092	116,589.46
Payroll Wires/ACH	9071-9088	1,858,997.81
TOTAL		$4,370,618.45

Fiscal Impact:
Yes

Total Disbursements: $4,370,618.45.

Attachments:
1. Wire Transfers
2. Voucher Listing Report

VOUCHER LISTING REPORT
SUMMARY OF WIRE TRANSFERS
JULY 27, 2015 - AUGUST 7, 2015

Payee	Wire Description		Amount
Claim Wires - Wire No. 5961 to 5967			
AW Rehn Insurance	Fire Health Reimbursement Account		19,125.00
Conover	Section 125		3,665.80
Department of Licensing	Firearms Online Pmt for Concealed Licenses		642.00
Payment Processing, Inc.	Landfill Merchant Service Fees		837.21
US Bank Trust (Bank of New York)	Principal/Interest Bonds-UTGO 2015		635,000.00
Zenith Administrators/Matrix/Sedgwick	Insurance Claims		72,449.73
	Total Claim Wire Transfers	$	731,719.74
Payroll Wires & Direct Deposits (ACH) - Wire No. 9071 to 9088			
Payroll Wires *see description below	Total Payroll Wire Transfers & Deposits	$	1,858,997.81
	Total Claim & Payroll Wires/ACH	**$**	**2,590,717.55**

*Payroll Wires - transactions represent; employee payroll, payment of benefits, payroll taxes and other related payroll benefits.

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
FUND 001 GENERAL FUND					
Division: 000 UNASSIGNED					
BANK OF AMERICA		15060067394	225628	BANK ANALYSIS FEES	$14,301.69
GRANT, SAMUEL		941 QTR1	225738	REFUND FICA M/C WHILE ON L&I	$1.87
RECOVERY AND WELLNESS CENTER OF EA WASHINGTON		071315	225763	BUSINESS LICENSE REIMBURSEMENT	$40.00
WA STATE DEPARTMENT OF REVENUE		Q2-15LHT	225549	LEASEHOLD TAX-2ND QTR 2015	$38,210.33
		REFUND BNG #2	225782	REFUND OF BROKERED NAT GAS	$10,000.00
WASHINGTON STATE PATROL		I15009511	225701	BACKGROUND CHECKS-JUNE 2015	$324.50
WEDDLE-MARTINEZ, ELLIOT M		CPL REFUND	225550	CPL REFUND-NON RESIDENT	$14.75
				CPL REFUND-NON RESIDENT	$18.00
				CPL REFUND-NON RESIDENT	$18.00
				UNASSIGNED TOTAL****	**$62,929.14**
Division: 001 CITY COUNCIL					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$176.73
				CITY COUNCIL TOTAL****	**$176.73**
Division: 100 CITY MANAGER					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$28.11
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$46.96
				CITY MANAGER TOTAL****	**$75.07**
Division: 101 CITY CLERK					
CODE PUBLISHING INC		50398	225641	RMC UPDATES 7/15/15	$94.04
TRI CITY HERALD	S016440	15-8818	225697	ORD 25-15-COMM DEV RAN ON 6/7/	$39.35
	S016440	15-8819		ORD 27-15-COMM DEV RAN ON 67/	$29.09
	S016440	15-8820		ORD 28-15-CITY ATTN RAN ON 6/7	$39.35
	S016440	15-8821		ORD 29-15-CITY ATTN RAN ON 6/7	$32.51
	S016440	15-8822		ORD 30-15-PW RAN ON 6/7/15	$27.38
	S016440	15-8833		ORD 31-15-ADM SRVS RAN ON 6/7/	$63.31
	S016440	15-8842		PHN 061615-PW RAN ON 6/14/15	$49.62
	S016440	15-8849		PHN 070715 COMM DEV ANNEX 1	$44.49
	S016440	15-8892		MTG NOTICE 062315 COUNCIL WS	$27.38
	S016440	15-8903		PHN 070715 COMM DEV ANNEX 2	$46.20
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$30.65
				CITY CLERK TOTAL****	**$523.37**
Division: 102 CITY ATTORNEY					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$28.11
BELL BROWN & RIO PLLC		669	225713	PROSECUTION SRVCS-AUGUST	$21,205.40
		677		2035 GWAY ABATEMENT	$1,054.50
LEAVY SCHULTZ DAVIS CLARE & RUFF P S		46065	225515	SOUND EMPLOYMENT SOLUTIONS	$259.00

Vendor			P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
XO HOLDINGS LLC DBA				0276349598	225708	PHONE CHARGES 7/23-8/22/15	$48.75
						CITY ATTORNEY TOTAL****	**$22,595.76**
Division:	110	ASSISTANT CITY MANAGER					
AT&T WIRELESS				6/15-287243288881	225626	287243288881 5/27-6/26/15	$28.11
XO HOLDINGS LLC DBA				0276349598	225708	PHONE CHARGES 7/23-8/22/15	$32.08
						ASSISTANT CITY MANAGER TOTAL****	**$60.19**
Division:	111	COMMUNICATIONS & MARKETING					
AT&T WIRELESS				6/15-287243288881	225626	287243288881 5/27-6/26/15	$62.45
XO HOLDINGS LLC DBA				0276349598	225708	PHONE CHARGES 7/23-8/22/15	$11.74
						PHONE CHARGES 7/23-8/22/15	$11.87
						PHONE CHARGES 7/23-8/22/15	$0.27
						COMMUNICATIONS & MARKETING TOTAL****	**$86.33**
Division:	112	CABLE COMMUNICATIONS					
CHARBONEAU, MICHAEL				2015 MILEAGE	225476	CHARBONEAU-MILEAGE 1/16-6/10	$117.88
						USB SPEAKER	$32.57
XO HOLDINGS LLC DBA				0276349598	225708	PHONE CHARGES 7/23-8/22/15	$13.09
						CABLE COMMUNICATIONS TOTAL****	**$163.54**
Division:	113	HANFORD COMMUNITIES					
CITY OF RICHLAND				15-292 LARSEN	225478	ECA MTG/LOS ALAMOS/LARSEN	$150.00
EXCHANGE MONITOR PUBLICATIONS				RNWL08-2015	225655	SBSCRPTN RNWL 9/1/15-8/31/16	$900.00
						SBSCRPTN RNWL 9/1/15-8/31/16	$98.00
LARSEN, PAM BROWN				15-292	225514	ECA MTG/LOS ALAMOS/LARSEN	$52.11
XO HOLDINGS LLC DBA				0276349598	225708	PHONE CHARGES 7/23-8/22/15	$8.63
						HANFORD COMMUNITIES TOTAL****	**$1,208.74**
Division:	120	FIRE					
ANOVAWORKS			P055506	97	225464	ANNUAL AUDIOGRAMS	$1,134.00
AT&T WIRELESS				6/15-287243288881	225626	287243288881 5/27-6/26/15	$28.11
EAGLE PRINTING & GRAPHIC DESIGN INC			S016433	41559	225651	PC61T TALL T'S - CAPT XLG	$534.31
			S016433			PC61T TALL T'S CAPT INK ONLY	$54.30
			S016433			SCREENS	$65.16
			S016433			2XLG	$478.93
			S016433			PC61T TALL T'S - LT XLG	$133.58
INDUSTRIAL ORGANIZATIONAL SOLUTIONS INC				C34473A	225668	CAPTAIN EXAM MATERIALS	$50.00
PRO ACTIVE FIRE TRAINING				MAY 2015	225527	CRITICAL THINKING-IC CLASS	$2,200.00
RICHLAND ACE HARDWARE				209812	225532	WASH BRUSHES	$30.39
				47063		ICE CHESTS	$58.62
SEA WESTERN INC			P055389	185372	225536	ESTIMATED SHIPPING CHARGES	$61.41
			P055389			ELKHART #00093004, MODEL #311	$67.33
			P055389			AKRON #1582-0053, MODEL 1828,	$828.62
			P055389			ELKHART #03057511, MODEL B-95-	$2,157.88

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
SEA WESTERN INC	P055389	185372	225536	ADJUST SALES TAX	$0.01
	P055398	185541	225688	ALTAIR 5X CARRYING CASE	$159.64
	P055398			MSA 10116924, ALTAIR 5X GAS	$1,677.87
	P055398			SHIPPING	$12.22
SIGHT & SOUND SERVICES		7689	225689	ISFSI CLASS A/V SUPPORT	$500.00
XEROX CORPORATION	P055515	080263955	225555	ST 71 MFD - MAINT PLAN 07/15-0	$114.68
	P055515	080263992		ST 73 MFD - 2ND QTR MAINT PLAN	$32.58
	P055515	080343400		OFFICE COPIER LEASE/USAGE (JUN	$354.35
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$172.72
				FIRE TOTAL****	**$10,906.71**

Division: 130 POLICE

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
101 CLEANERS		6/15-9427360	225618	UNIFORM LAUNDRY SRVCS-JUNE	$470.11
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$2,991.37
AVERY, BUNNIE		15-320 AVERY	225466	BLEA GRADUATION/SEATTLE/AVERY	$20.00
BENTON COUNTY PROSECUTOR'S OFFICE		2ND QTR 2105	225630	KIDS HAVEN 2ND QTR 2015	$2,582.54
BENTON COUNTY SHERIFF'S OFFICE		2/15-MEDICAL	225631	MEDICAL SUPPLIES-SERVICES-FEB	$8,601.55
		6/15-CUSTODY		CUSTODY COSTS-JUNE 2015	$20,896.29
BLUMENTHAL UNIFORM CO	P055409	146565	225471	SEW NAME EMBLEM ON GARMENT	$2.17
	P055409			1"x5" NAMETAG DRK NAVY BKGRD &	$15.10
	P055409			SHIPPING	$11.95
	P055409			SEW PR OF CHEVRONS ON GARMENT	$10.86
	P055409			SEW EMBLEM EACH SLEEVE	$4.34
	P055409			71177-750 SHIRT MENS SS PDU CL	$108.58
	P055409			SEW BADGE EMBLEM ON GARMENT	$2.17
CASCADE NATURAL GAS CORP		7/15-75997100005	225717	NAT GAS 871 GW WAY 6/19-7/15	$10.85
CITY OF KENNEWICK		011739	225638	BIPIN COMP SUPPORT MNT-3RD QT	$10,513.50
COBB, MICHAEL		15-321 COBB	225481	BLEA GRADUATION/SEATTLE/COBB	$20.00
DATEC INC	P055510	32201	225645	SHIPPING	$45.61
	P055510			lb3663 BROTHER SECTOR PAPER	$708.62
DAY MANAGEMENT CORPORATION DBA	P055463	172434-00	225484	MOTOROLA WPLN4111 IMPRESS SING	$146.61
	P055463			SHIPPING	$5.43
DOMESTIC VIOLENCE SERVICES		23457	225650	DOMESTIC VIOLENCE SRVCS-JUN'15	$888.50
DORKO, STEPHANIE		15-312 DORKO	225489	FBINAA TRNG/CONF/SEATTLE/DORKO	$71.00
DOSS, DOUG		15-157 DOSS	225490	ROADSIDE IDE/YAKIMA/DOSS	$76.00
FRONTIER	S016464	7/15-206-188-2614	225659	TELEPHONE CHARGE 7/19/15-8/18/	$64.07
LEE, CHRISTOPHER		15-313 LEE	225516	FBINAA TRNG CONF/SEATTLE/LEE	$58.00
		15-322 LEE		BLEA GRADUATION/SEATTLE/LEE	$20.00
LEEDWAY LLC	P055236	ML07081509	225517	ADJUST FOR TAX	($0.01)
	P055236			FREIGHT	$10.86
	P055236			IDCUSTOM CUSTOM ID PATCH: STRE	$32.42
	P055236			OC-SCA-NVY-M SAFARILAND OREGON	$354.69

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
MICROSOFT CORPORATION		E050013WSW	225679	SHAREPOINT ONLINE PLAN 1	$14.01
		E050016T0G		SHAREPOINT ONLINE 6/5-7/4/15	$618.00
MOON SECURITY SERVICES INC		775739	225681	RPD RANGE MONITORING-AUG	$59.90
TREASURE VALLEY COFFEE CO		103625	225696	RPD COFFEE DELIVERY	$76.92
XEROX CORPORATION		80343398	225707	W7225 BASE CHRG/PRINTS-JUNE	$251.18
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$291.98
				PHONE CHARGES 7/23-8/22/15	$6.50
				POLICE TOTAL****	**$50,061.67**
Division: 210 ADMINISTRATIVE SERVICES					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$31.86
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$19.02
				ADMINISTRATIVE SERVICES TOTAL****	**$50.88**
Division: 211 FINANCE					
ALLIED ENVELOPE	P055529	161005	225624	FREIGHT	$50.00
	P055529			WINDOW ENVELOPE, REVERSE FLAP,	$620.92
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$72.41
				PHONE CHARGES 7/23-8/22/15	$0.22
				PHONE CHARGES 7/23-8/22/15	$126.18
				FINANCE TOTAL****	**$869.73**
Division: 212 PURCHASING					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$8.70
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$56.91
				PHONE CHARGES 7/23-8/22/15	$41.14
				PURCHASING TOTAL****	**$106.75**
Division: 213 INFORMATION TECHNOLOGY					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$312.25
EATON CORPORATION	P055435	42516144	225652	7X24 MNTNC ANNUAL RNWL	$10,729.68
MID COLUMBIA ENGINEERING INC	P054872	ST007656	225521	RICH AUSTILL, AS400 MNTNC SERV	$160.88
	P054872	ST007663	225680	RICH AUSTILL, AS400 MNTNC SERV	$143.00
XEROX CORPORATION		080343397	225707	W7855 BASE CHRG/PRINTS-JUNE	$100.09
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$237.49
				INFORMATION TECHNOLOGY TOTAL****	**$11,683.39**
Division: 220 HUMAN RESOURCES					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$41.85
COLUMBIA INDUSTRIES SUPPORT LLC		0023553	225483	ON SITE SHREDDING SRVCS 6/18	$197.60
JUBB, ALLISON		070915	225512	JUBB-RFP BROKER REVIEW LUNCH	$32.20
PARKER, RACHELL		2015 MILEAGE	225526	PARKER-MILEAGE 1/2-6/23/15	$223.10
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$68.60
				HUMAN RESOURCES TOTAL****	**$563.35**

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
Division: 300 COMMUNITY &DEVELOPMENT SERVICE					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$88.64
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$19.27
				COMMUNITY &DEVELOPMENT SERVICE TOTAL****	**$107.91**
Division: 301 DEVELOPMENT SERVICES					
ABADAN INC		CNIN103239	225619	XEROX 6605 MAINT 7/23-8/22	$93.31
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$314.77
MCLEAN LAW OFFICE		C178-14/JULY	225678	C178-14 HEARING EXAMINER SRVCS	$2,928.75
MID COLUMBIA ENGINEERING INC	P055297	ST007655	225521	JOSEPH MINNICK, BLDG INSPECTOR	$1,568.00
	P055297	ST007671	225680	JOSEPH MINNICK, BLDG INSPECTOR	$1,568.00
TRI CITY HERALD	S016440	15-8839	225697	PUBLIC HEARING FILE #SUP2015-1	$76.99
	S016440	15-8857		PLANNING COMMISSION PUBLIC HEA	$46.20
US BANK EQUIPMENT FINANCE INC		282767896	225547	XEROX-LATE FEES	$6.12
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$106.38
				PHONE CHARGES 7/23-8/22/15	$19.33
				DEVELOPMENT SERVICES TOTAL****	**$6,727.85**
Division: 302 REDEVELOPMENT					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$62.45
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$18.96
				PHONE CHARGES 7/23-8/22/15	$5.87
				REDEVELOPMENT TOTAL****	**$87.28**
Division: 303 LIBRARY					
CASCADE NATURAL GAS CORP		7/15-61897100006	225636	NAT GAS 955 NORTHGATE6/19-7/17	$20.17
WASHINGTON STATE PATROL		I15009482	225701	VOLUNTEER BACKGROUND CHECKS	$20.00
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$143.01
				LIBRARY TOTAL****	**$183.18**
Division: 330 PARKS & RECREATION ADMIN					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$41.75
ENTERPRISE RENT A CAR		7/15-45WA423	225493	PRC PARK TOUR RENTAL CAR	$120.26
				PARKS & RECREATION ADMIN TOTAL****	**$162.01**
Division: 331 PARKS & REC - RECREATION					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$12.62
FRONTIER	S016464	7/15-206-188-2614	225659	TELEPHONE CHARGE 7/19/15-8/18/	$184.21
MID COLUMBIA ENGINEERING INC	P054820	ST007673	225680	RP3 - GENERAL EDUCATION	$220.22
WHITE LOTUS ENTERPRISES		JUNE 2015	225705	KARATE INSTRUCTOR-JUNE 2015	$85.60
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$5.87
				PHONE CHARGES 7/23-8/22/15	$35.22
				PHONE CHARGES 7/23-8/22/15	$91.26
				PARKS & REC - RECREATION TOTAL****	**$635.00**

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
Division: 335 PARKS & REC - PARKS&FACILITIES					
ABM JANITORIAL NORTHWEST		8237332	225620	JANITORIAL SRVCS-JULY	$9,417.47
		8264455		CLEAN GEORGE PROUT POOL	$894.40
ACCENT SIGNS INC		14900	225621	PARK EQUIPMENT LABELS	$104.26
AIREFCO INC		3440559	225622	SERVICE WRENCH/CONTACTOR	$219.11
		3441624		C-3 GAL/CONTACTOR 120V	$50.79
		3442879		C-3 150 GALLON	$153.21
		3443919		EXPANSION VALVE/LIQUID FILTER	$482.23
ARAMARK UNIFORM SERVICES INC	S016448	6/15-934962000	225465	LINEN CHARGES FOR JUNE 2015	$388.68
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$180.82
				287243288881 5/27-6/26/15	$125.19
BEAVER BARK & ROCK		696124	225629	BARK	$153.06
BENTON COUNTY SHERIFF'S OFFICE		6/15-WORK CREW II	225631	WORK CREW II-JUNE 2015	$12,230.31
CASCADE NATURAL GAS CORP		7/15-28638100009	225636	NAT GAS 110 SAINT 6/19-7/17	$17.07
		7/15-51897100007		NAT GAS 1005 SWIFT 6/19-7/17	$261.37
		7/15-73638100005		NAT GAS 500 AMON 6/19-7/16	$81.23
		7/15-75226321539		NAT GAS 2710 DUPORTAIL	$18.10
		7/15-80577100003	225717	NAT GAS BLDG 200 6/16-7/14	$10.85
		7/15-90577100002	225636	NAT GAS 300 BLDG 6/15-7/15	$71.94
		7/15-96738100005		NAT GAS 505 SWIFT 6/19-7/16	$10.85
COMPLETE CLEANING SYSTEMS		71106	225642	STRIP-SEAL WAREHOUSE FLOOR	$1,050.00
EFC EQUIPMENT LLC		42223	225653	GAS TRIMMER	$338.82
FASTENAL COMPANY		WARIC51402	225656	BOLTS FOR BRACKETS	$3.96
FREMAREK INC DBA		0555896-IN	225657	BOWL CLIP/WO VANDALISM REMOVR	$205.96
FRONTIER	S016464	7/15-206-188-2614	225659	TELEPHONE CHARGE 7/19/15-8/18/	$1,065.66
	S016464			TELEPHONE CHARGE 7/19/15-8/18/	$30.05
G & R AG PRODUCTS INC		2157201-0001-2	225660	BRACKETS - TJT 30"	$10.23
		2157462-0001-02		TRIGGERJET W/ X18	$25.66
GRAINGER	S016457	979224413	225500	CONDENSER FAN MOTOR ITEM #4M20	$115.29
KENNEWICK INDUSTRIAL & ELECTRICAL SUPPLY		967697	225747	IRRIGATION SUPPLIES	$35.66
		978211	225673	IRRIGATION SUPPLIES	$143.90
MOON SECURITY SERVICES INC		775343	225681	LIBRARY FIRE MONITORING-AUG	$33.00
		776211		WASTEWATER FIRE MONITORING	$66.30
		776446		CREHST FIRE MONITORING-AUG	$53.00
		777776		FIRE MONITORING SRVCS-AUG	$330.00
OXARC INC		R351051	225683	CYLINDER RENTAL	$129.41
PARDINI, PAUL		070115	225525	PARDINI-CDL ENDORSEMENT FEE	$102.00
RICHLAND ACE HARDWARE		209762	225532	AUGER/DISH SOAP	$26.59
		209796		SCRUB SPONGES/FASTENERS	$14.31
		209860		ROUND UP SPRAY	$28.21
		209890		CHAINSAW BAR/LOOP CHAIN	$61.84

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
RICHLAND ACE HARDWARE		46860	225532	QWIK FIX COUPLE/ELBOWS	$24.96
		46863		PVC COUPLE/CAP	$5.18
		46898		DEWALT SAW/AIR RATCHET	$293.20
		46959		SPRAY PAINT/GROUT	$23.86
		47040		BUSHINGS/NIPPLES	$23.76
		47060		COUPLINGS/ADAPTERS	$14.80
		47065		WIRE ROPE CLIPS	$9.95
		47164		WIRE CUP BRUSH	$6.51
		47220		UTILITY TUBES	$37.98
		47221		VALVE FLOAT	$9.22
		47223		COUPLES	$16.66
		47229		STEEL CABLE/PADLOCK	$24.41
		47285		COUPLING	$4.33
		47289		LINK CHAINS	$17.53
		47312		ROSECARE GRANULES/CLEANERS	$48.83
ROTO ROOTER		07853	225535	PUMPED LIFT STATION-COL PARK W	$651.60
SPRAGUE PEST SOLUTIONS		2628607	225691	SPRAY EXTERIOR CITY HALL	$146.61
		2628608		SPRAY EXTERIOR AT FS 2	$135.75
		2628609		SPRAY EXTERIOR POLICE BLDG	$162.90
		2628610		SPRAY EXERIOR LIBRARY	$325.80
STEEBER'S LOCK SERVICE		903961	225692	KEYS FOR FACILITY	$11.29
TACOMA SCREW PRODUCTS INC		22121589	225542	ANCHOR SHACKLES	$19.25
		22121731		CUT OFF WHEELS/NUTS	$14.41
THERMAL SUPPLY INC		5853873	225693	REVERSING VALVE	$238.03
		5856011		U240-HALF DICE AIR 115V	$2,272.98
		5892841		SAE CATCH ALL SEALED TYPE	$114.33
		5911743		COUPLER/GAUGE	$22.73
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$92.64
				PARKS & REC - PARKS&FACILITIES TOTAL****	**$33,510.29**
Division: 338 PARKS & REC - PROJECT ADMIN					
TRI CITY HERALD	S016440	15-8851	225697	CALL FOR BID "HAPO COMMUNITY S	$189.10
XEROX CORPORATION		080343397	225707	W7855 BASE CHRG/PRINTS-JUNE	$65.24
				PARKS & REC - PROJECT ADMIN TOTAL****	**$254.34**
Division: 900 NON-DEPARTMENTAL					
EAST OREGONIAN PUB CO		48161506	225732	E. OREGONIAN-AD TOURISM	$945.84
STATE AUDITOR'S OFFICE		L109256	225539	AUDIT SERVICES-JUNE 2015	$28,204.97
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$41.05
				NON-DEPARTMENTAL TOTAL****	**$29,191.86**
				GENERAL FUND Total ***	**$232,921.07**

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
FUND 101 CITY STREETS					
Division: 401 STREETS MAINTENANCE					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$124.80
BENTON PUD		7/15-72866300000	225632	WYE LIGHTS 6/27-7/27/15	$54.82
FRONTIER	S016464	7/15-206-188-2614	225659	TELEPHONE CHARGE 7/19/15-8/18/	$54.79
	S016464			TELEPHONE CHARGE 7/19/15-8/18/	$30.06
INLAND ASPHALT CO		32-2099730	225669	TACK OIL	$133.50
		32-2099734		ASPHALT	$194.72
		32-2105788		ASPHALT	$59.73
MORRIS, GILBERT		071815	225523	MORRIS-CDL ENDORSEMENT FEE	$105.00
UNITED PARCEL SERVICE	S016460	000986641305	225546	WEIGHT CORRECTION FOR PKG TO	$0.27
XEROX CORPORATION		080343397	225707	W7855 BASE CHRG/PRINTS-JUNE	$58.67
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$23.48
				STREETS MAINTENANCE TOTAL****	**$839.84**
				CITY STREETS Total ***	**$839.84**
FUND 110 LIBRARY					
Division: 303 LIBRARY					
IDENTISYS INC		260781	225667	SOFTWARE UPGRADE & SUPPORT	$1,271.44
				LIBRARY TOTAL****	**$1,271.44**
				LIBRARY Total ***	**$1,271.44**
FUND 112 INDUSTRIAL DEVELOPMENT FUND					
Division: 305 ECONOMIC DEVELOPMENT					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$62.45
CITY OF RICHLAND		15-251 SWEENEY	225478	ICSC RECON/LAS VEGAS/SWEENEY	$405.00
TRI CITY REGIONAL CHAMBER OF COMMERCE		36617A	225777	TCRCC MEMBER DUES 2015-PMT 2	$3,150.00
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$26.15
				ECONOMIC DEVELOPMENT TOTAL****	**$3,643.60**
				INDUSTRIAL DEVELOPMENT FUND Total ***	**$3,643.60**
FUND 153 COMMUNITY DEV BLOCK GRANT					
Division: 308 CDBG PROGRAM					
CASCADE TITLE COMPANY OF BENTON		202584	225474	OOR-1304 POTTER AVE	$160.95
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$5.87
				PHONE CHARGES 7/23-8/22/15	$6.16
				CDBG PROGRAM TOTAL****	**$172.98**
				COMMUNITY DEV BLOCK GRANT Total ***	**$172.98**

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
FUND 154		**HOME FUND**			
Division: 309		HOME PROGRAM			
CITY OF PASCO		003-15	225477	PASCO HOME ADMIN 6/1-6/30/15	$282.29
				PASCO HOME DPA 6/1-6/30/15	$61,617.90
ESCROW & TITLE SERVICES INC DBA		15-16	225495	HONE DPA-TRINIDAD-1031 WILLARD	$7,700.00
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$6.16
				HOME PROGRAM TOTAL****	**$69,606.35**
				HOME FUND Total ***	**$69,606.35**
FUND 301		**STREETS CAPITAL CONSTRUCTION**			
Division: 402		ARTERIAL STREETS			
FREY, BECKY		126 MACARTHUR	225658	SIDEWALK REPAIR-126 MACARTHUR	$271.50
GARCIA, ALBERTO		109 BARTLETT	225661	SIDE WALK REPAIR-109 BARTLETT	$271.50
HERTZ EQUIPMENT RENTAL CORP		28130168-001	225664	LIQUID PROPANE	$52.00
INLAND ASPHALT CO	P055509	32-2130147	225509	SS 1 ASPHALT TACK COAT	$932.66
	P055514	32-2133026		SS 1 ASPHALT TACK COAT	$1,852.61
	P055514	32-2133818		SS 1 ASPHALT TACK COAT	$1,047.99
	P055514	32-2133821		ADJUST SALES TAX	($0.03)
	P055514			5/8 ASPHALTIC CONCRETE HOT MIX	$39,586.67
	P055514	32-2134560		SS 1 ASPHALT TACK COAT	$76.02
	P055514	32-2134564		5/8 ASPHALTIC CONCRETE HOT MIX	$35,692.29
JUB ENGINEERS INC	P054935	94885	225511	SOUTH GWW SAFETY & MOBILITY -	$3,141.90
	P054935	95087		CONTRACT 18-15 MODIFICATION #1	$2,281.00
	S016428	95088		QUEENSGATE DRIVE CORRIDOR	$6,700.00
SLEATER, JANET		1301 WRIGHT AVE	225690	SIDE WALK REPAIR-1301 WRIGHT	$339.38
TRI CITY HERALD	S016440	15-8856	225697	CALL FOR BID "2015 REMOVAL OF	$312.99
WA STATE DEPT OF TRANSPORTATION	P055534	RE-313ATB50616099	225700	DUPORTAIL BRIDGE - ROW General	$64.67
	P055534	RE-313ATB50714119		DUPORTAIL BRIDGE - ROW General	$64.67
				ARTERIAL STREETS TOTAL****	**$92,687.82**
				STREETS CAPITAL CONSTRUCTION Total ***	**$92,687.82**
FUND 317		**FIRE STATION 74 CONSTRUCTION**			
Division: 900		NON-DEPARTMENTAL			
BRUTZMAN'S INC		0000769545	225635	FURNITURE-STATION #74	$3,147.23
STONEWAY ELECTRIC SUPPLY		S101294951.001	225541	CLAMP	$7.57
				NON-DEPARTMENTAL TOTAL****	**$3,154.80**
				FIRE STATION 74 CONSTRUCTION Total ***	**$3,154.80**
FUND 380		**PARK PROJECT CONSTRUCTION**			

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
Division: 337 PARKS & REC PROJECTS					
DESIGN WEST ARCHITECTS	P054913	C19-15/PYMT 6	225487	DESIGN SERVICES FOR JOHN DAM P	$9,840.23
PRO BUILD COMPANY LLC		71460058	225686	VISQUEEN/CONCRETE	$251.25
				PARKS & REC PROJECTS TOTAL****	**$10,091.48**
				PARK PROJECT CONSTRUCTION Total ***	**$10,091.48**
FUND 401 ELECTRIC UTILITY FUND					
Division: 000					
FASTENAL COMPANY	P055475	WARIC51366	225656	NUT, SPRING 3/8-16 STEEL CITY	$427.17
GENERAL PACIFIC INC	P055380	1239562	225662	CABLE, WP, 1/0 CU, 7 STR MHD	$2,079.69
HD SUPPLY POWER SOLUTIONS LTD	P055426	2921604-00	225502	TAPE PHASING - ORANGE, 3M #35,	$101.00
	P055426			TAPE PHASING - BLUE, 3M #35,	$168.33
	P055426			TAPE PHASING - RED, 3M #35,	$168.33
	P055426			TAPE PHASING - YELLOW, 3M #35,	$168.33
REXEL INC DBA	S016425	H196696	225530	CONN, TWISTER DB, BLUE,	$151.49
	S016425			CONN, WIRE-NUT, ORANGE,	$23.37
	P055498	H281968	225687	BALLAST, PARKWAY, 150W -175W	$99.83
				TOTAL****	**$3,387.54**
Division: 501 BUSINESS SERVICES					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$1,214.01
				287243288881 5/27-6/26/15	$28.11
FRONTIER	S016464	7/15-206-188-2614	225659	TELEPHONE CHARGE 7/19/15-8/18/	$89.99
XEROX CORPORATION		080343397	225707	W7855 BASE CHRG/PRINTS-JUNE	$70.11
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$98.09
				PHONE CHARGES 7/23-8/22/15	$52.21
				PHONE CHARGES 7/23-8/22/15	$113.50
				PHONE CHARGES 7/23-8/22/15	$118.66
				PHONE CHARGES 7/23-8/22/15	$51.65
				BUSINESS SERVICES TOTAL****	**$1,836.33**
Division: 502 ELECTRICAL ENGINEERING					
ABADAN INC		CNIN103239	225619	XEROX 6605 MAINT 7/23-8/22	$23.33
				ELECTRICAL ENGINEERING TOTAL****	**$23.33**
Division: 503 POWER OPERATIONS					
AMERICAN ROCK PRODUCTS INC	P055512	239606	225463	5/8" MINUS ROCK WITH MIXER	$79.06
	P055512			MIXER DELIVERY FEE	$190.05
BENTON PUD		7/15-72866300000	225632	WYE LIGHTS 6/27-7/27/15	$11.95
BOYD'S TREE SERVICE LLC	P054715	4081	225472	TREE PRUNING SERVICE FROM JANU	$7,267.88
	P054715	4088		TREE PRUNING SERVICE FROM JANU	$7,267.88
CITY OF RICHLAND		6/2015-1901	225639	#1901 DROP BOX DISP/HAULING	$2,144.96
COLUMBIA GRAIN & FEED INC		134945	225482	TUNEUP CHAINSAW	$105.26

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
GRAINGER	S016457	9789922508	225500	DIGGING BARS ITEM #21YM26	$44.92
	S016457	9791614499		CABLE CUTTER ITEM #1FAH6	$172.68
HD SUPPLY POWER SOLUTIONS LTD	S016293	2851278-00	225502	BUCKINGHAM SUPERSQUEEZE MODEL	$2,800.25
HERTZ EQUIPMENT RENTAL CORP		28121509-001	225506	BACKHOE RENTAL 7/10/15	$249.78
HI-LINE HOLDING COMPANY LLC DBA	S016424	1/I66140	225507	KE033-01-025 GRIP, MESH PULLIN	$564.84
	S016424			DELIVERY	$25.44
	S016424	I/166141	225665	KE033-01-025 GRIP, MESH PULLIN	$282.42
	S016424			DELIVERY CHARGE	$13.41
HOME DEPOT CREDIT SERVICES	S016459	5034721	225666	DEWALT 18V RECIP SAW TOOL ONLY	$102.14
	S016459	7036013		5 GAL COOLER, PLUMB BOB	$37.08
INLAND ASPHALT CO		32-2105788	225669	ASPHALT	$252.06
REXEL INC DBA	S016376	H008617	225687	FIBERGLASS FOLDING RULES - INS	$110.66
	S016376			LOCKBACK KNIFE, 2-3/8" SHEEPFO	$200.15
	S016376			ADJUST FOR TAX	$0.01
	S016376			LOCKBACK KNIFE, 2-5/8" SHEEPFO	$212.82
WESCO DISTRIBUTION INC	S016412	628073	225702	DBI SALA FALL SEAT BELTS 4D LI	$420.17
				POWER OPERATIONS TOTAL****	**$22,555.87**
Division: 504 SYSTEMS DIVISION					
HDR ENGINEERING INC	P055184	00450008-H	225504	4-YR WORK PLAN PER CONTRACT 75	$3,153.39
	P055184			4-YR WORK PLAN PER CONTRACT 75	$1,127.85
HOME DEPOT CREDIT SERVICES	S016459	6573400	225666	BATTERIES FOR DRILLS	$322.54
				SYSTEMS DIVISION TOTAL****	**$4,603.78**
Division: 505 ENERGY POLICY MGMT					
ALDERBROOK HOMES LLC		2251 CAMILLIA	225623	ES HOME REB: 2251 CAMILLIA	$1,000.00
		2263 CAMILLIA		ES HOME REB: 2263 CAMILLIA	$1,000.00
		2275 CAMILLIA		ES HOME REB: 2275 CAMILLIA	$1,000.00
		2287 CAMILLIA		ES HOME REB: 2287 CAMILLIA	$1,000.00
		4550 BARBERA	225461	ES HOME REBATE-4550 BARBERA	$1,000.00
APOLLO SHEET METAL INC		26960-148300	225625	403 CASEY-REBATE-DHP	$800.00
		26984-149438		919 SIRRON-REBATE-HP	$1,000.00
BENTON COUNTY AUDITOR/WEATHERWISE	P055522	312040	225469	D WEIKUM-RECORD LIEN; AC# 3120	$72.00
	P055522	412080		J GROSS-RECORD LIEN; AC# 41208	$72.00
	P055522	542600		ME&U PROP/FAULKNER-RECORD LIEN	$72.00
	P055522	641900		M LAKES-RECORD LIEN; AC# 64190	$72.00
	P055522	701040 RELEASE		W GLINES-LIEN RELEASE; AC# 701	$72.00
	P055522	721460		E GILMOUR-RECORD LIEN; AC# 721	$72.00
	P055522	761240 RELEASE		B CERRILLO-LIEN RELEASE; AC#	$72.00
	P055522	870140 RECORD		T GAMMON-RECORD LIEN; AC# 8701	$72.00
	P055522	870140 RELEASE		T GAMMON-LIEN RELEASE; AC# 870	$72.00
BENTON PUD		06/15-3287762373	225632	ELECTRIC SRVCS 6/20-7/20	$520.69

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CITY OF RICHLAND		15-301 BOOTH	225478	MID C SEMINAR-WENATCHEE-BOOTH	$173.24
		2010140	225479	2925 SONORAN CT-REBATE-HP	$1,000.00
		211520	225640	127 ORCHARD WAY-REBATE-HP/WIN	$2,503.64
		211520-HP		1503 BIRCH-REBATE-HP	$1,000.00
		650880		1933 CYPRESS-REBATE-HP	$1,000.00
		730200	225479	1341 LOUISIANA-REBATE-DHP	$1,200.00
		811460		112 HIGH MEADOWS-REBATE-WIN	$2,131.32
DAYCO HEATING & AIR	P055363	42244	225485	EE LOAN: J HAAN, 1933 CYPRESS	$11,599.57
DELTA HEATING & COOLING INC	P055377	23526	225486	EE LOANS: V PHARE, 1503 BIRCH	$6,858.09
		23527	225646	1701 VAN GIESEN-REBATE-HP	$1,000.00
		23529		313 DELAFIELD-REBATE-DHP	$800.00
		23541		1732 HORN-REBATE-HP	$1,000.00
EES CONSULTING	P055329	31632	225491	POWER RESOURCE PLANNING CONSUL	$16,888.03
ENERGY INCENTIVES INC	P054722	CORJUNE2015	225492	RESIDENTIAL EE INSPECTIONS PER	$1,587.50
HELMES INC DBA		1647 PENNY LANE	225505	ES HOME REBATE-1647 PENNY LN	$1,000.00
		1790 BRIANNA CT		ES HOME REBATE-1790 BRIANNA CT	$1,000.00
		4305 HIGHVIEW		ES HOME REBATE-4305 HIGHVIEW	$1,000.00
IWI INC		74335	225670	72 NEWCOMER-REBATE-INSULATION	$1,307.98
JACOBS & RHODES INC		35125	225671	72 NEWCOMER-REBATE-HP	$1,000.00
M CAMPBELL & COMPANY INC	P055104	11518601	225519	EE LOAN: J ESCUJURI, 127 ORCHA	$9,902.15
		12932602	225676	1646 BUTTERNUT-REBATE-HP	$1,000.00
		14377460		1476 OXFORD-REBATE-HP	$1,000.00
		14534302		1674 FOXGLOVE-REBATE-HP	$1,000.00
		14573934		1626 DAVISON-REBATE-HP	$1,000.00
PERFECTION GLASS		9936419240	225684	1436 RIMROCK-REBATE-WINDOWS	$198.00
		9936419246		1100 CATSKILL-REBATE-WINDOWS	$744.00
SENGER, DAWN M		072115	225537	SENGER-BPA WORKGROUP LUNCH	$11.84
TOTAL ENERGY MANAGEMENT INC		53276WWR	225694	133 FAIRWOOD-REBATE-HP	$1,000.00
				ENERGY POLICY MGMT TOTAL****	**$77,874.05**

Division: 506 TECHNICAL SERVICES

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
DENNY'S		07/08/15	225647	OVERTIME MEALS 7/8/15	$22.32
				TECHNICAL SERVICES TOTAL****	**$22.32**
				ELECTRIC UTILITY FUND Total ***	**$110,303.22**

FUND 402 WATER UTILITY FUND

Division: 000

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
BADGER MOUNTAIN IRRIGATION DISTRICT		2015-2ND QTR	225627	BADGER SOUTH WTR CONNECT FEES	$1,500.00
FERGUSON ENTERPRISES INC	P055404	0469620	225498	TUBING, P.E. 2" CTS, SDR 9 CTS	$222.91
	P055404			TUBING, COPPER 1" TYPE K,	$3,996.11
	P055404			TUBING, COPPER 2" TYPE L RIGID	$491.48

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
HD FOWLER COMPANY INC	P055402	I3977751	225663	TYLER BOX LID, 6500 SERIES,	$11.67
	P055402			VALVE BOX LID, DROP IN, FOR	$138.47
	P055402			TYLER BOX 27" BOTTOM, 6500	$832.80
	P055402			FREIGHT	$16.29
	P055402			TYLER BOX 18" TOP SECTION WITH	$713.83
	P055402			VALVE BOX TOP, 16" SLIP STYLE,	$659.75
	P055402			ADJUST PRICE	($0.01)
NOR AM INVESTMENT LLC		2ND QTR 2015	225682	WHITE BLUFFS WATER LATECOMER	$13,563.40
				UNASSIGNED TOTAL****	**$22,146.70**
Division: 411 WATER ADMINISTRATION					
RH2 ENGINEERING INC	P055068	62927	225531	WATER HYDRAULIC MODELING ON-CA	$1,895.00
				WATER ADMINISTRATION TOTAL****	**$1,895.00**
Division: 412 WATER OPERATIONS					
ARAMARK UNIFORM SERVICES INC	S016448	6/15-934962000	225465	LINEN CHARGES FOR JUNE 2015	$36.17
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$157.83
FIELD INSTRUMENTS & CONTROLS INC		159429	225499	REPAIR PH METER	$422.45
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$59.37
				WATER OPERATIONS TOTAL****	**$675.82**
Division: 413 WATER MAINTENANCE					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$261.34
BEAVER BARK & ROCK		696098	225629	CONCRETE	$206.32
FASTENAL COMPANY		WARIC51339	225734	BOLTS	$246.52
HD SUPPLY WATERWORKS LTD		E161162	225503	METER BOXES	$208.03
INLAND ASPHALT CO		32-2099734	225669	ASPHALT	$89.60
REXEL INC DBA	S016420	H174592	225530	16-3 PAIR SHIELED TC L SHIELD	$397.51
RICHLAND ACE HARDWARE		47069	225532	COOLER PUMP	$24.97
		47081		HAND SOAP/NAIL BRUSH/ELBOW	$10.61
		47120		5 GALLON COOLERS	$54.28
		47169		COMPRESSION SLEEVES	$1.82
WHITNEY EQUIPMENT COMPANY INC	S016401	78857	225554	ADJUST TAX	($0.01)
	S016401			3127 KIT, REPAIR BASIC +, ITEM	$1,436.78
	S016401			AIR FREIGHT	$189.33
	S016401			ROTOR UNIT, ITEM #4435905	$793.87
	S016401			STATOR, 10/7.6 230/460-3, 230-	$1,032.79
XEROX CORPORATION		080343397	225707	W7855 BASE CHRG/PRINTS-JUNE	$50.09
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$18.73
				WATER MAINTENANCE TOTAL****	**$5,022.58**
				WATER UTILITY FUND Total ***	**$29,740.10**

FUND 403 WASTEWATER UTILITY FUND

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
Division: 000					
PARKSON CORPORATION	P054579	C164-14/PYMT 2	225762	C164-14 RETAINAGE PYMT 1	($37,869.15)
				UNASSIGNED TOTAL****	**($37,869.15)**
Division: 421 SEWER CAPITAL PROJECTS					
PARKSON CORPORATION	P054579	C164-14/PYMT 2	225762	TAX FOR WWTF CHLORINATION UPGR	$65,134.94
	P054579			WWTF CHLORINATION UPGRADE - 16	$757,383.00
TRI CITY HERALD	S016440	15-8891	225697	ITB #15-0061 BULK SODIUM CHLOR	$105.33
				SEWER CAPITAL PROJECTS TOTAL****	**$822,623.27**
Division: 422 SEWER OPERATIONS					
ALS GROUP USA CORP DBA	P055318	51-305804-0	225462	WWTP LOCAL LIMITS SAMPLING EVE	$260.00
	P055318			WATER- 1631E TOTAL MERCURY	$120.00
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$165.78
CENTRAL HOSE & FITTINGS INC		413228	225718	WWTP PARTS-INF #2 STEPSCREEN	$63.07
		413404		WWTP PARTS/BOOSTER PUMP	$180.84
		413453		GAUGE/OSG UNITS	$48.72
COMPLETE PEST PREVENTION INC		28541	225643	PEST CONTROL SRVCS-JULY	$108.60
		28542		WWTF WASP/INSPECT TREATMENT	$190.05
GREEN MOUNTAIN TECHNOLOGIES INC	P055053	693	225501	WINDROW MANAGER WIRELESS REPEA	$1,080.57
	P055053			FREIGHT	$54.30
KAMAN INDUSTRIAL TECHNOLOGIES	P055392	B209184	225513	NSK 6311ZZC3_RADIAL BALL BEARI	$112.77
		M320937	225745	BALL BEARING INSERT	$132.20
	P055392	Q504434	225513	FREIGHT	$10.72
	P055392			SKF NJ208ECJ_CYLINDRICAL ROLLE	$112.40
	P055392	S772001		TIM 32206M_BEARING SET: METRIC	$53.63
KENNEWICK INDUSTRIAL & ELECTRICAL SUPPLY		967590	225747	CHK VALVE-OSG BOOSTER PUMP	$9.04
MIDWEST LABORATORIES INC	P055355	767383	225522	SHIPPING	$50.00
	P055355			COR LANDFILL COMPOST FACILITY	$40.00
	P055355			FINISHED COMPOST- MOISTURE	$10.00
TACOMA SCREW PRODUCTS INC		22121134	225769	HEX SCREW/INFL AIR HANDLER	$33.62
UNITED PARCEL SERVICE	S016460	000986641305	225546	GROUND PKG TO ALS FOR WWTP	$56.32
USA BLUEBOOK	P055458	691975	225548	CORNING, PYREX GLASS SETTLOMET	$273.45
	P055458			POLYSEED BOD SEED INOCULUM, IT	$118.32
	P055458			HACH M-FC BROTH W/ROSOLIC ACID	$320.11
	P055458			FREIGHT	$43.92
	P055458			934-AH GLASS FIBER FILTERS, 47	$190.92
	P055458			WIDE TIP VOLUMETRIC PIPET 50ML	$56.96
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$96.10
				SEWER OPERATIONS TOTAL****	**$3,992.41**
Division: 423 SEWER MAINTENANCE					
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$197.23

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CH2O INC		234817	225719	BOILER TESTING-JUN'15 BW LABOR	$62.61
EMPIRE RUBBER & SUPPLY CO		259692	225654	HOSE - VAC TRUCK	$37.90
GRAINGER	S016457	9781799136	225500	PULL CHAIN SWITCH ITEM #46D430	$4.90
HOME DEPOT CREDIT SERVICES	S016459	3040093	225666	PLYWOOD INVOICE #3040093 7/1	$42.80
	S016459	5034732		WEED EATER LINE	$15.41
KAMAN INDUSTRIAL TECHNOLOGIES		Z569863	225672	SEAL MAINTENANCE	$4.13
RICHLAND ACE HARDWARE		46983	225532	CLEANERS	$17.34
		47093		DISHWASHER SOAP	$19.52
		47144		GATE VALVE	$10.31
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$1.39
				SEWER MAINTENANCE TOTAL****	**$413.54**
				WASTEWATER UTILITY FUND Total ***	**$789,160.07**

FUND 404 SOLID WASTE UTILITY FUND

Division: 000

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
BLANKENSHIP CONSTR SYS		WW3343	225716	REFUND OVERPMT LANDFILL#3343	$30.00
GESA CREDIT UNION		WW4209	225737	REFUND OVERPMT LANDFILL #4209	$45.00
MURRI CONSTRUCTION		WW10031	225755	REFUND OVERPMT LANDFILL#10031	$9.86
TOLRUD, ANN		WW11282	225776	REFUND OVERPMT LANDFILL#11282	$45.00
WASTEWORKS REFUND		01-656820	225494	REFUND OVERCHARGE	$20.00
				UNASSIGNED TOTAL****	**$149.86**

Division: 432 SOLID WASTE COLLECTION

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$62.45
CLAYTON WARD COMPANY	P054911	834203	225480	2015 DROP BOX RECYCLING SERVIC	$7,000.00
HOME DEPOT CREDIT SERVICES	S016459	9035683	225666	SCRAPER,4" MTL CUT,TASK LIGHT,	$652.98
VERIZON WIRELESS		9749276950	225780	ROUTEWARE DATA 7/20-8/19	$640.18
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$20.32
				SOLID WASTE COLLECTION TOTAL****	**$8,375.93**

Division: 433 SOLID WASTE DISPOSAL

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
ARAMARK UNIFORM SERVICES INC	S016448	6/15-934962000	225465	LINEN CHARGES FOR JUNE 2015	$125.16
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$31.37
BENTON COUNTY SHERIFF'S OFFICE		6/15-WORK CREW II	225631	WORK CREW II-JUNE 2015	$4,076.64
COLUMBIA GRAIN & FEED INC		135021	225721	BLOWER AIR FILTER	$19.44
COMPLETE PEST PREVENTION INC		28624	225722	PEST CONTROL SRVCS-JULY	$97.74
FRONTIER	S016464	7/15-206-188-2614	225659	TELEPHONE CHARGE 7/19/15-8/18/	$120.14
IRRIGATION SPECIALISTS INC		1154812-01	225741	SPRINKLER REPAIR PARTS	$46.76
PARAMETRIX INC	P055201	01-75541	225761	2015 LANDFILL SAMPLING,MONITOR	$11,571.26
RICHLAND ACE HARDWARE		47150	225532	WINDOW CLEANER/BUG SPRAY	$17.90
TESTAMERICA LABORATORIES INC	P055200	58086973	225543	2015 LANDFILL GROUNDWATER LAB	$360.00
	P055200	58086974		2015 LANDFILL GROUNDWATER LAB	$432.00

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
TESTAMERICA LABORATORIES INC	P055200	58087372	225543	2015 LANDFILL GROUNDWATER LAB	$10,319.00
WASTE MANAGEMENT		0092837-1819-6	225786	POL SERVICE-LANDFILL-JULY	$128.56
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$41.52
				SOLID WASTE DISPOSAL TOTAL****	**$27,387.49**
				SOLID WASTE UTILITY FUND Total ***	**$35,913.28**

FUND 405 STORMWATER UTILITY FUND

Division: 440 STORMWATER CAPITAL PROJECTS

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
HDR ENGINEERING INC	P054264	00450536-H	225504	STORMWATER MANAGEMENT PLAN-123	$6,983.48
INLAND ASPHALT CO		32-2099734	225669	ASPHALT	$29.86
				STORMWATER CAPITAL PROJECTS TOTAL****	**$7,013.34**

Division: 441 STORMWATER

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$19.29
HD FOWLER COMPANY INC		I3960495	225663	REPAIR PARTS-JADWIN/SWIFT	$468.99
WESTERN SYSTEMS & FABRICATION INC	P055466	12105	225704	FREIGHT	$44.48
	P055466			WASHDOWN GUN 25GPM 850 PSI, IT	$636.94
				STORMWATER TOTAL****	**$1,169.70**
				STORMWATER UTILITY FUND Total ***	**$8,183.04**

FUND 407 MEDICAL SERVICES FUND

Division: 121 AMBULANCE

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
BOUND TREE MEDICAL LLC		81776621	225633	MASIMO SENSOR/ASPIRIN/GAUZE	$160.53
		81777822		AMB FRIDGE/STRETCHER/SPLINT	$1,254.31
		81777823		ELECTRODES/SALINE/OB KIT	$784.78
		81777824		EXTENSION SET/FLUSH SYRINGE	$203.97
		81779187		FETAL DOPPLER	$194.49
		81780545		SNAPLOK	$48.31
		81780546		LEVOPHED/BVM/NALOXONE	$528.04
		81781905		ET TUBE HOLDER/IV SETS/SALINE	$505.47
		81783271		TRACHEAL DILATOR	$45.81
		81783272		O2 MASK/ADULT	$61.00
		81784622		SUCTION UNIT	$1,152.02
		81784623		DILTIAZEM	$64.23
		81786092		THIAMINE	$43.77
		81792604		GERMICIDAL WIPES/HAND WIPES	$17.35
		81794063		IV SETS/BLOOD TUBES/SALINE	$582.31
		81795530		SCOOP STRETCHER	$272.57
		81795531		AMIDATE	$112.74
		81795532		MIDAZOLAM	$50.27
		81796887		GLUCOSE STRIPS/BITRAC MASK	$569.77

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
BOUND TREE MEDICAL LLC		81796888	225633	DEFIB PADS/EXAM GLOVES/IV	$894.17
		81798316		IV SETS/SALINE/ELECTRODES	$924.03
		81798317		COLLARS/SPLINTS/SALINE	$193.58
		81799796		TOURNIQUETS	$17.38
		81799797		ET TUBES	$105.30
		81801417		6-WIRE LEADS	$573.22
		81803203		O2 BITRAC MASK	$108.00
HOME DEPOT CREDIT SERVICES	S016459	6040612	225666	HOMER BUCKET, VELCRO, DUSTMOP	$88.85
RICHLAND ACE HARDWARE		47075	225532	BATTERIES	$21.68
		47104		15W BULBS	$22.24
XEROX CORPORATION	P055515	080263947	225555	AMB BILL MFD - 2ND QTR MAINT P	$32.58
				AMBULANCE TOTAL****	**$9,632.77**
				MEDICAL SERVICES FUND Total ***	**$9,632.77**

FUND 408 BROADBAND FUND

Division: 460 BROADBAND ADMINISTRATION

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
PARAMOUNT COMMUNICATIONS INC	P055141	31020	225524	RETAINAGE C70-15 C/O 1 INV 310	($340.00)
	P055141			EXPANSION OF THE CITY OF	$53,648.40
	P055141			C/O #1 TRENCHING, PVC INSTALL	$7,384.80
				BROADBAND ADMINISTRATION TOTAL****	**$60,693.20**
				BROADBAND FUND Total ***	**$60,693.20**

FUND 501 CENTRAL STORES FUND

Division: 000

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CONNELL OIL INC	P055483	0121556-IN	225644	GREASE CARTRIDGE, RED TAC #2	$144.44
	P055483			OIL, BAR & CHAIN, HIGH TAC	$72.78
FARMERS EXCHANGE	P055482	151410	225496	OIL, 2 CYCLE, 50:1 RATIO	$564.63
HD FOWLER COMPANY INC	P055412	I3968893	225663	FREIGHT	$16.29
	P055412			COUPLING GALV, 3/4 " TAPERED	$34.32
	P055412			NIPPLE, GALV. 1-1/4 IN X CLOSE	$11.51
	P055412			ADJUST AMOUNT	$0.01
	P055412			BUSHING, GALV 1 IN X 3/4 IN,	$235.12
	P055412			COUPLING GALV, 1 IN, TAPERED	$56.36
	P055412			NIPPLE, GALV. 2 IN X 6 IN	$38.44
	P055412			NIPPLE, GALV. 3/4 IN X CLOSE	$31.22
	P055412			BUSHING, GALV 1 IN X 1/2 IN	$25.25
	P055412			ELBOW GALV, 1 IN, 90 DEGREE	$23.19
	P055412			CAP, PIPE, GALV 1" THREADED	$19.33
	P055412			ELBOW GALV, 3/4 IN, 90 DEGREE	$12.54
HOME DEPOT CREDIT SERVICES	S016459	5020485	225666	CONCRETE "C" STOCK	$318.48

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
WEST COAST PAPER COMPANY	P055215	9120053	225551	TOWEL, ROLL, REINFORCED, WHITE	$280.32
	P055215			DISCOUNT	($2.58)
				UNASSIGNED TOTAL****	**$1,881.65**
				CENTRAL STORES FUND Total ***	**$1,881.65**

FUND 502 EQUIPMENT MAINTENANCE FUND

Division: 000

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
WESTERN STATES EQUIPMENT COMPANY	P055454	PC110303863	225703	HYD HOSE AEROQUIP GH781-4,1/4"	$91.22
				UNASSIGNED TOTAL****	**$91.22**

Division: 214 EQUIPMENT MAINTENANCE

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
A & E TOWING LLC		2433	225460	TOWING VEH 2393 WO 39870	$62.44
ARAMARK UNIFORM SERVICES INC	S016448	6/15-934962000	225465	LINEN CHARGES FOR JUNE 2015	$135.08
CONNELL OIL INC		0121744-IN	225644	LUBE PRODUCTS	$450.38
FASTENERS INC		S4326688.001	225497	CLAMPS/BLACK TIE WRAP	$211.66
HOME DEPOT CREDIT SERVICES	S016459	3583750	225666	WIRE ROPE & KEY RAIL	$14.31
HOTSY OF SPOKANE		20978	225508	CARBON-ATE PLUS SOAP	$2,063.40
JIM'S PACIFIC GARAGES INC		1176066	225510	FUEL FILTER VEH 7152 WO 39811	$36.86
		1176067		FUEL FILTER VEH 7146 WO 39810	$36.86
		1176821		BRAKE DRUMS VEH 3222 WO 39774	$670.43
		1176822		BRAKE DRUMS VEH 3296 WO 39550	$773.69
MCCURLEY CHEVROLET		882670	225520	SEAT BELT KIT VEH 1382/39743	$228.18
		882694		AC COMPRESSOR VEH 3301/39739	$586.42
		882788		TIMING BELT VEH 3301 WO 39739	$46.26
		882874		SENSOR VEH 2359 WO 39773	$77.77
		883699	225677	SWITCH/CONN VEH 1107 WO 39903	$275.61
RDO EQUIPMENT CO		P55338	225528	FLOODLAMP VEH 6594	$71.65
		P55634		RETURNED FLOODLAMP VEH 6594	($71.65)
		P55742		LAMP VEH 6594 WO 39964	$25.33
STEEBER'S LOCK SERVICE		903967	225540	KEYS VEH 2363 WO 39960	$8.58
THERMAL SUPPLY INC		5917680	225544	COIL CLEANER VEH 5036/39787	$31.62
TRANSPORT EQUIPMENT CO INC DBA		PASIN1415935-2	225545	6WAY PLUG VEH 3203 WO 39921	$6.87
		PASIN1450119	225695	BRAKES VEH 3212 WO 39973	$191.42
WESTERN PETERBILT INC		H241332	225552	VALVES VEH 3283 WO 39879	$357.44
		H241929		STEER AXLE VEH 3296 WO 39550	$8,372.76
WESTERN STATES EQUIPMENT COMPANY		PC110304416	225703	COUPLING VEH 3309 WO 39871	$25.87
WESTERN SYSTEMS & FABRICATION INC		12045	225553	OIL SENSOR KIT VEH 3315/39468	$303.04
		12067		ROLLER ASSY VEH 3285 WO 39602	$49.28
		12068		AIR ACTUATOR VEH 3282/39701	$454.12
WONDRACK DISTRIBUTING INC		0759330	225706	CARD LOCK FUEL 7/9-7/15	$18,203.82
		0759429		CARD LOCK FUEL 7/16-7/22	$18,426.52

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$66.75
				EQUIPMENT MAINTENANCE TOTAL****	**$52,192.77**
				EQUIPMENT MAINTENANCE FUND Total ***	**$52,283.99**
FUND 505	**PUBLIC WORKS ADMIN & ENGINEER**				
Division: 450	PW ADMIN & ENGINEERING				
AT&T WIRELESS		6/15-287243288881	225626	287243288881 5/27-6/26/15	$675.59
XO HOLDINGS LLC DBA		0276349598	225708	PHONE CHARGES 7/23-8/22/15	$180.72
				PW ADMIN & ENGINEERING TOTAL****	**$856.31**
				PUBLIC WORKS ADMIN & ENGINEER Total ***	**$856.31**
FUND 520	**HEALTH CARE/BENEFITS PLAN**				
Division: 222	EMPLOYEE BENEFIT PROGRAM				
DEPARTMENT OF ENTERPRISE SERVICES		8418718	225648	SELF INSUR ASSESS 7/1-12/31/15	$1,202.62
LIFE INSURANCE COMPANY OF NORTH AMERICA		8/2015-FL1051384	225675	FL1051384 PREMIUMS-AUGUST	$9,466.25
		8/2015-LK030278		LK030278 PREMIUMS-AUGUST	$11,296.53
		8/2015-OK807703		OK807703 PREMIUMS-AUGUST	$2,531.40
REHN & ASSOCIATES INC		JUNE 2015	225529	HRA PREMIUM-JUNE	$288.75
VERDE SERVICES INC		1028241	225698	2ND QTR 2015 COBRA/RETIREE	$245.00
				EMPLOYEE BENEFIT PROGRAM TOTAL****	**$25,030.55**
				HEALTH CARE/BENEFITS PLAN Total ***	**$25,030.55**
FUND 522	**POST EMP HEALTHCARE PLAN**				
Division: 224	POST EMPLOYMENT BENEFITS PRGM				
VERDE SERVICES INC		1028241	225698	2ND QTR 2015 COBRA/RETIREE	$1,460.00
				POST EMPLOYMENT BENEFITS PRGM TOTAL****	**$1,460.00**
				POST EMP HEALTHCARE PLAN Total ***	**$1,460.00**
FUND 611	**FIREMAN'S PENSION**				
Division: 216	FIRE PENSION				
ANDERS, PETER		AP00003707301501	225556	MEDICARE PREMIUM/ANDERS	$104.90
BOWLS, DAVID		070815DB	225601	NON COVERED MEDICAL 7/8-7/15	$160.00
		AP00003507301501	225560	MEDICARE PREMIUM/BOWLS	$104.90
CANFIELD, HARRY R		AP00000407301501	225563	MEDICARE PREMIUM/CANFIELD	$104.90
CARRICK, HENRY		AP00000507301501	225564	MEDICARE PREMIUM/CARRICK	$104.90
CLARK, FRANK M		AP00000607301501	225565	MEDICARE PREMIUM/CLARK	$104.90
CLEARWATER FAMILY EYE CARE		052815HC	225602	VISION DOS 5/28/15	$362.00
COLUMBIA BASIN IMAGING PC		100614DD	225603	MEDICAL DOS 10/6/14	$7.64
DOWNS, DANNY		AP00005107301501	225571	MEDICARE PREMIUM/DOWNS	$104.90

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
ELIASON, CURTIS		AP00003307301501	225573	MEDICARE PREMIUM/ELIASON	$104.90
ESTY, RAYMOND J		AP00000907301501	225574	MEDICARE PREMIUM/ESTY	$104.90
FERRIANS, ALLEN LARRY		AP00006007301501	225575	MEDICARE PREMIUM/FERRIANS	$104.90
GOTTLIEB, ROBERT DDS		060215MB	225604	DENTAL DOS 6/2/15	$24.00
HOUCHIN, EARL		AP00001207301501	225578	MEDICARE PREMIUM/HOUCHIN	$104.90
HUGHES PHYSICAL THERAPY P.S.		012615RL	225607	NON COVERED MEDICAL 1/26-3/18	$187.21
JAMES M CAREY DMD		062215RL	225608	DENTAL DOS 6/22/15	$37.00
JOHNSON, NEILS E		AP00003407301501	225579	MEDICARE PREMIUM/JOHNSON	$104.90
JONES, HAROLD		AP00005507301501	225580	MEDICARE PREMIUM/JONES	$104.90
KEYS, JACK D		AP00006207301501	225581	MEDICARE PREMIUM/KEYS	$104.90
LAHTI, ROGER P		061115RL	225611	NON COVERED 6/11;6/20;6/25;7/3	$260.00
		071615RL		NON COVERED RX #577064 7/16/15	$78.69
		071815RL		NON COVERED MEDIAL 7/18-7/23	$130.00
		AP00006407301501	225582	MEDICARE PREMIUM/LAHTI	$104.90
MITCHELL, RAYMOND L		AP00001507301501	225586	MEDICARE PREMIUM/MITCHELL	$104.90
MURRAY, DAVID		AP00008307301501	225588	MEDICARE PREMIUM/MURRAY	$104.90
MYERS, EDWARD A		AP00007607301501	225589	MEDICARE PREMIUM/MYERS ED	$104.90
POLLARD, JAMES		AP00004807301501	225590	MEDICARE PREMIUM/POLLARD	$99.90
RONEY, LARRY		AP00003607301501	225591	MEDICARE PREMIUM/RONEY	$104.90
SIEMENS, DONALD		AP00008107301501	225592	MEDICARE PREMIUM/SIEMENS	$104.90
TRI CITIES LABORATORY		060314CE	225615	NON COVERED TESTS DOS 6/3/14	$39.50
WEST, ROYAL		AP00002007301501	225597	MEDICARE PREMIUM/WEST	$104.90
WILLIAMSON, CRAIG E		AP00007507301501	225598	MEDICARE PREMIUM/WILLIAMSON	$104.90
				FIRE PENSION TOTAL****	**$3,588.84**
				FIREMAN'S PENSION Total ***	**$3,588.84**

FUND 612 POLICEMEN'S PENSION

Division: 217 POLICE PENSION

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
BAKER, MARSHALL R		AP00006307301501	225557	MEDICARE PREMIUM/BAKER	$104.90
BATES, LAURIE VERN JR		AP00004907301501	225558	MEDICARE PREMIUM/BATES	$104.90
BEDEN, LARRY		AP00003807301501	225559	MEDICARE PREMIUM/BEDEN	$104.90
BRUNSON, DALE A		AP00004207301501	225561	MEDICARE PREMIUM/BRUNSON	$104.90
BUSH, LEE		AP00008407301501	225562	MEDICARE PREMIUM/BUSH	$104.90
CLEAVENGER, WILL J		AP00007307301501	225566	MEDICARE PREMIUM/CLEAVENGER W	$104.90
CLEMENTS, JOHN M		AP00007407301501	225567	MEDICARE PREMIUM/CLEMENTS	$104.90
COUCH, LARRY		AP00006607301501	225568	MEDICARE PREMIUM/COUCH	$104.90
CULTURAL DBA		AP00008207301501	225569	ASSISTED LIVING-MANUEL	$4,500.00
DEMYER, JAMES J		AP00008007301501	225570	MEDICARE PREMIUM/DEMYER	$104.90
DUCHEMIN, ROGER		AP00000807301501	225572	MEDICARE PREMIUM/DUCHEMIN	$104.90
GANLEY, JOHN M		AP00007907301501	225576	MEDICARE PREMIUM/GANLEY	$104.90
GRANDRIDGE EYE CLINIC		040815WC	225605	VISION DOS 4/8/15	$125.00

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
HEASTON & THOMPSON VISION CLINIC		061915RC	225606	VISION DOS 6/19/15	$60.00
HIGGINS, FRED C		AP00007807301501	225577	HIGGINS MEDICARE PREMIUM	$104.90
JAMES M CAREY DMD		060915LB	225608	DENTAL DOS 6/9/15	$79.40
KROGER-FRED MEYER		061615JD	225609	NON COVERED RX #6270096 6/16	$125.91
LABBERTON, W.K. DDS		050115GZ	225610	DENTAL DOS 5/1/15	$112.40
LARSON, SCOTT K		071615SL	225612	NON COVERED RX #0686727 7/14	$812.29
LEWIS, DAVID L		AP00004307301501	225583	MEDICARE PREMIUM/LEWIS	$104.90
LOHDEFINCK, RICHARD N		AP00002307301501	225584	MEDICARE PREMIUM/LOHDEFINCK	$104.90
MALLEY'S PHARMACY		060415RT	225613	NON COVERED RX #910975 6/4/15	$137.65
MANUEL, D ART		AP00002507301501	225585	MEDICARE PREMIUM/MANUEL	$104.90
MATHESON, HAN & GIESA PLLC		060215DL	225614	DENTAL DOS 6/20/15	$63.00
		061115DL		DENTAL DOS 6/1/15	$140.00
MOORE, ROBERT		AP00007107301501	225587	MEDICARE PREMIUM/MOORE	$104.90
SPARKS, DAVID W		AP00005907301501	225593	MEDICARE PREMIUM/SPARKS	$104.90
THOMAS, GERALD D		AP00003207301501	225594	MEDICARE PREMIUM/THOMAS G	$104.90
TURNER, ROY		AP00003107301501	225595	MEDICARE PREMIUM/TURNER	$104.90
UPTOWN VISION CENTER		060915JC	225616	VISION DOS 6/9/15	$366.00
WENDLAND, WALTER		052915WW	225617	MEDICAL DOS 5/29-6/24/15	$900.00
		061315WW		HOME CARE 6/13-6/26/15	$1,201.50
		070115WW		HOME CARE 7/1-7/10/15	$2,541.00
		070115-WW		MEDICAL DOS 7/1-7/16/15	$600.00
		AP00001907301501	225596	MEDICARE PREMIUM/WENDLAND	$104.90
WILMOTH, ROD		AP00004507301501	225599	MEDICARE PREMIUM/WILMOTH	$104.90
ZIMMERMAN, GERALD		AP00005007301501	225600	MEDICARE PREMIUM/ZIMMERMAN	$104.90
				POLICE PENSION TOTAL**	**$14,071.95**
				POLICEMEN'S PENSION Total *	**$14,071.95**

FUND 641 SOUTHEAST COMMUNICATIONS CTR

Division: 600 SECOMM OPERATIONS GENERAL

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
CENTURYLINK		0715/509-786-2112	225637	GENERAL 7/6-8/5/15	$129.27
		7/15-506-624-3863	225475	GENERAL 7/16-8/16/15	$7.31
CORPORATE TRANSLATION SERVICES INC		77529	225723	TRANSLATION SRVCS	$4.40
DEVRIES BUSINESS SERVICES		0065883	225728	SHREDDING SRVCS-5/31/15	$4.00
		0067586	225649	ELECTRIC SRVCS 6/20-7/20	$4.00
POCKETINET COMMUNICATIONS INC		94372	225685	WIRELESS TRNSPRT/INTERNET-AUG	$268.28
RIGGLE PLUMBING INC		29198	225765	BLACKFLOW TEST	$74.94
VERIZON WIRELESS		9748497965	225699	CELL PHONES 6/7-7/6/15	$278.98
				SECOMM OPERATIONS GENERAL TOTAL**	**$771.18**

Division: 601 E911 OPERATIONS

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
BARBER, JAMES		15-232 BARBER	225467	NENA CONF-EXPO/DENVER/BARBER	$1,282.28

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
BARBER, JAMES		15-319 BARBER	225467	STATE 911 MTG/TACOMA/BARBER	$298.29
BENTON FRANKLIN FAIR AND RODEO		6570	225470	BF FAIR-TENT SPACE FEE	$210.00
ENTERPRISE RENT A CAR		7/15-45WA423	225493	15-232 BARBER RENTAL CAR	$250.72
LANGUAGE LINE SERVICES LLC		3636154	225674	E911 TRANSLATION SRVC-JUNE	$327.04
POCKETINET COMMUNICATIONS INC		94372	225685	WIRELESS TRNSPRT/INTERNET-AUG	$268.27
				E911 OPERATIONS TOTAL****	**$2,636.60**
Division: 602 SECOMM AGENCY					
BRASHEAR ELECTRIC INC	S016119	C14-097/PYMT 2	225473	BENTON COUNTY ups REPLACEMENT	$49,074.03
	S016119	C14-097/PYMT 3		BENTON COUNTY ups REPLACEMENT	$49,074.03
				SECOMM AGENCY TOTAL****	**$98,148.06**
				SOUTHEAST COMMUNICATIONS CTR Total ***	**$101,555.84**
FUND 642 800 MHZ PROJECT					
Division: 610 800 MHZ					
BENTON PUD		7/15-4843174575	225714	UTILITY SRVCS 5/26-6/27	$705.01
DAY MANAGEMENT CORPORATION DBA		387244	225726	CABLE REPAIR	$412.68
KLICKITAT COUNTY PUD		6/15-69552623	225748	GOLGATHA UTILITIES 4/30-6/02	$252.04
		7/15-69552623		GOLGATHA UTILITIES 6/2-6/30	$246.90
				800 MHZ TOTAL****	**$1,616.63**
				800 MHZ PROJECT Total ***	**$1,616.63**
FUND 643 EMERGENCY MANAGEMENT					
Division: 620 STATE / LOCAL ASSISTANCE					
BECK, JEREMY		062815	225468	BECK-MILEAGE-LES BLAIR FIRE	$35.65
RIGGLE PLUMBING INC		29198	225765	BLACKFLOW TEST	$74.93
VERIZON WIRELESS		9748497965	225699	CELL PHONES 6/7-7/6/15	$58.76
				STATE / LOCAL ASSISTANCE TOTAL****	**$169.34**
Division: 621 RADIOLOGICAL EMGCY PREPAREDNES					
CHARTER COMMUNICATIONS		7/15-180070706114	225720	CABLE SERVICE 7/30-8/29/15	$57.12
VERIZON WIRELESS		9748497965	225699	CELL PHONES 6/7-7/6/15	$80.02
				RADIOLOGICAL EMGCY PREPAREDNES TOTAL****	**$137.14**
Division: 622 DOE EMERGENCY PREPAREDNESS					
VERIZON WIRELESS		9748497965	225699	CELL PHONES 6/7-7/6/15	$58.76
				DOE EMERGENCY PREPAREDNESS TOTAL****	**$58.76**
Division: 623 JURISIDICTION					
CHARTER COMMUNICATIONS		7/15-180070706114	225720	CABLE SERVICE 7/30-8/29/15	$42.15
DEVRIES BUSINESS SERVICES		0065883	225728	SHREDDING SRVCS-5/31/15	$4.00
		0067586	225649	ELECTRIC SRVCS 6/20-7/20	$4.00
POCKETINET COMMUNICATIONS INC		94372	225685	WIRELESS TRNSPRT/INTERNET-AUG	$229.95

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
				JURISIDICTION TOTAL****	**$280.10**
				EMERGENCY MANAGEMENT Total ***	**$645.34**

FUND 803 UTILITY BILL CLEARING FUND

Division: 000

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
ADVANCED UTILITY ACCOUNTS PAYABLE INVOICES		CISPAY10640	225752	Customer Refund	$55.75
		CISPAY10641	225712	Customer Refund	$3.53
		CISPAY10642	225733	Customer Refund	$243.11
		CISPAY10643	225756	Customer Refund	$37.75
		CISPAY10644	225730	Customer Refund	$65.80
		CISPAY10645	225731	Customer Refund	$226.19
		CISPAY10646	225751	Customer Refund	$99.26
		CISPAY10647	225781	Customer Refund	$107.41
		CISPAY10648	225740	Customer Refund	$3.97
		CISPAY10649	225749	Customer Refund	$20.52
		CISPAY10650	225759	Customer Refund	$4.64
		CISPAY10651	225727	Customer Refund	$0.36
		CISPAY10652	225736	Customer Refund	$3.37
		CISPAY10653	225715	Customer Refund	$136.12
		CISPAY10654	225775	Customer Refund	$8.38
		CISPAY10655	225779	Customer Refund	$4.85
		CISPAY10656	225784	Customer Refund	$2.87
		CISPAY10657	225785	Customer Refund	$0.02
		CISPAY10658	225744	Customer Refund	$2.00
		CISPAY10659	225760	Customer Refund	$103.50
		CISPAY10660	225778	Customer Refund	$6.46
		CISPAY10661	225783	Customer Refund	$130.25
		CISPAY10662	225787	Customer Refund	$56.71
		CISPAY10663	225746	Customer Refund	$2.57
		CISPAY10664	225758	Customer Refund	$3.31
		CISPAY10665	225764	Customer Refund	$130.04
		CISPAY10666	225774	Customer Refund	$2.42
				Customer Refund	$4.01
				Customer Refund	$70.92
		CISPAY10667	225743	Customer Refund	$3.33
		CISPAY10668	225773	Customer Refund	$1.31
		CISPAY10669	225725	Customer Refund	$2.81
		CISPAY10670	225709	Customer Refund	$32.27
		CISPAY10671	225735	Customer Refund	$15.25
		CISPAY10672	225729	Customer Refund	$29.84

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
ADVANCED UTILITY ACCOUNTS PAYABLE INVOICES		CISPAY10673	225768	Customer Refund	$0.66
		CISPAY10674	225742	Customer Refund	$34.00
		CISPAY10675	225750	Customer Refund	$35.46
		CISPAY10676	225754	Customer Refund	$5.93
		CISPAY10677	225757	Customer Refund	$74.35
		CISPAY10678	225767	Customer Refund	$110.37
		CISPAY10679	225724	Customer Refund	$4.73
		CISPAY10680	225710	Customer Refund	$3.81
		CISPAY10681	225766	Customer Refund	$39.09
		CISPAY10682	225771	Customer Refund	$113.82
		CISPAY10683	225753	Customer Refund	$125.34
		CISPAY10684	225772	Customer Refund	$24.08
		CISPAY10685	225770	Customer Refund	$106.27
		CISPAY10686	225711	Customer Refund	$6.47
				UNASSIGNED TOTAL****	**$2,305.28**
				UTILITY BILL CLEARING FUND Total ***	**$2,305.28**

Vendor	P.O. Number	Invoice Number	Check #	Purpose of Purchase	Invoice Amount
				Invoice Total: ****	$1,663,311.44

	Number of Invoices	Amount
Vouchers In Richland	104	$191,035.10
Vouchers In Tri Cities	114	$229,072.98
Vouchers In WA	165	$312,384.80
Vouchers Outside WA	324	$930,818.56
Vouchers Final Total.................	707	$1,663,311.44

Ob ject Category	Title	Total	Percentage
2	BENEFITS	$45,682.00	2.75%
3	SUPPLIES	$82,857.40	4.98%
4	OTHER SERVICES & CHARGES	$327,341.11	19.68%
5	INTERGOVERNMENTAL SERVICES	$55,994.98	3.37%
6	CAPITAL PROJECTS	$998,120.96	60.01%
	MACHINERY & EQUIPMENT	$98,148.06	5.9%
	REFUNDS	$2,305.28	0.14%
9	INTERFUND SERVICES	$144.69	0.01%
	INVENTORY PURCHASES	$52,716.96	3.17%
	Total	$1,663,311.44	