

SELAH CITY COUNCIL

4:00pm December 9, 2014

3:30pm Study Session – Shane Backlund,
Selah School District Superintendent



Selah City Council
 Regular Meeting
 Tuesday, December 9, 2014
 4:00pm
 City Council Chambers

Mayor:
 Mayor Pro Tem:
 Council Members:

John Gawlik
 Brooke Finch
 Paul Overby
 John Tierney
 Dave Smeback
 Allen Schmid
 Roy Sample
 Jane Williams

CITY OF SELAH
 115 West Naches Avenue
 Selah, Washington 98942

Interim City Administrator: Joe Henne
 City Attorney: Bob Noe
 Clerk/Treasurer: Dale Novobielski

AGENDA

- A. Call to Order – Mayor Gawlik
- B. Roll Call
- C. Pledge of Allegiance
- D. Agenda Changes **None**
- E. Public Appearances/Introductions/Presentations **None**
- F. Getting To Know Our Businesses **None**
- G. Communications
 - 1. Oral

This is a public meeting. If you wish to address the Council concerning any matter that is not on the agenda, you may do so now. Please come forward to the podium, stating your name for the record. The Mayor reserves the right to place a time limit on each person asking to be heard.

- 2. Written
 - Joe Henne a. Letter from Charter Communications regarding a Broadcast TV Surcharge increase
 - Joe Henne b. November 2014 Monthly Report for Building Permits, Animal Control and Code Enforcement
 - Joe Henne c. Recycling Data Report for the 3rd Quarter of 2014
- H. Proclamations/Announcements **None**
- I. Consent Agenda

All items listed with an asterisk (*) are considered routine by the City Council and will be enacted by one motion, without discussion. Should any Council Member or member of the audience request that any item of the Consent Agenda be considered separately, that item will be removed from the Consent Agenda and become a part of the regular Agenda.

- Monica Lake * 1. Approval of Minutes: October 22, 2014 Special Meeting; November 6, 2014 Special Meeting; and November 25, 2014 Council Meeting
- Dale N. * 2. Approval of Claims & Payroll
- J. Public Hearings
 - Joe Henne 1. Public Hearing –Ellensburg Telephone Company d/b/a Fairpoint Communications Franchise
- K. New Business **None**

L. Old Business **None**

M. Resolutions

- Dale N. 1. Resolution Revising Rates For 2015 Water Utility Services
- Dale N. 2. Resolution Revising Rates For 2015 Sewer Utility Services
- Dale N. 3. Resolution Authorizing the Mayor to Sign a Contract with Ellensburg Telephone Company d/b/a Fairpoint Communications for Centrex Telephone Services
- Charlie B. 4. Resolution Authorizing the Mayor to Sign a Contract with Gift Bricks[®] and Tiles for the Year 2015
- Charlie B. * 5. Resolution Authorizing the Mayor to Sign a Municipality Tourism Promotion Management Contract with Yakima Valley Visitors and Convention Bureau for the Year 2015
- Charlie B. * 6. Resolution Authorizing the Mayor to Sign an Advertisement Contract with Yakima Valley Visitors and Convention Bureau for the Year 2015
- Joe Henne * 7. Resolution Regarding Changes to the By-Laws and Interlocal Agreement to the Cities Insurance Association of Washington (CIAW)
- Joe Henne * 8. Resolution to Approve a Supplemental Agreement with Huibregtse, Louman Association, Inc., No. 2 for the East Goodlander Road Improvements.

N. Ordinances

- Dale N. 1. Ordinance Providing for an 8.5% Increase in Utility Tax Rates on City Services for the Support of Police and Fire Department Operations
- Dale N. 2. Ordinance Adopting the Budget for the City of Selah, Washington for the Year ending December 31, 2015
- Joe Henne 3. Ordinance Granting a Franchise to Ellensburg Telephone Company d/b/a Fairpoint Communications, its Successors or Assigns, to Own and Operate and Maintain a Cable System in the City of Selah, Washington, Setting Forth Conditions Accompanying the Grant of Franchise, and Providing for the Regulation and Use of Said System
- Dale N. 4. Ordinance Amending the 2014 Budget for Miscellaneous Adjustments

O. Communications

- 1. Oral

This is a public meeting. If you wish to address the Council concerning any matter that is not on the agenda, you may do so now. Please come forward to the podium, stating your name for the record. The Mayor reserves the right to place a time limit on each person asking to be heard.

P. Reports/Announcements

- 1. Mayor
 - a. Options for final selection of new City Administrator
- 2. Council Members
- 3. Departmental
- 4. Boards

Q. Executive Session

- 1. 15 Minute Session – Real Estate RCW 42.30.110(1)(b)

R. Adjournment

Next Study Session January 13, 2013
Next Regular Meeting January 13, 2013

Each item on the Council Agenda is covered by an Agenda Item Sheet (AIS)

A yellow AIS indicates an action item.
A blue AIS indicates an information/non-action item.



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING INFORMATIONAL ITEM

12/9/2014 G – 2A

Title: Letter from Charter Communications regarding a Broadcast TV Surcharge increase

Thru: Joe Henne, Interim City Administrator

From: Joe Henne, Interim City Administrator

Action Requested: Informational - No action

Board/Commission Recommendation: Not applicable

Fiscal Impact: N/A

Funding Source: N/A

Staff Recommendation:

Informational only

Background / Findings & Facts:

Charter Communications will be increasing the Broadcast TV Surcharge from \$5.00 to \$5.25, effective with the January 2015 billing statements.

Recommended Motion:

N/A



November 19, 2014

Mr. David Kelly
City Administrator
City of Selah
115 W Naches Ave
Selah, WA 98942

Dear Mr. Kelly,

Containing costs and efficiently managing our operations are critical to our goal to provide customers with the best value possible. Like every business, Charter faces rising costs that require occasional price adjustments.

As a result, customers in your community will be notified of the following price adjustment through a billing statement message on or after November 21, 2014:

Due to rising programming costs, effective with your January billing statement, pricing will be adjusted for the Broadcast TV Surcharge from \$5.00 to \$5.25. This reflects charges assessed to Charter by broadcast TV stations.

We remain committed to providing excellent communications and entertainment services in your community and in each of the communities we serve. If you have any questions about this change, please feel free to contact me at cara.trautmann@charter.com.

Sincerely,

A handwritten signature in black ink that reads 'Cara Trautmann'.

Cara Trautmann
Government Affairs



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING INFORMATIONAL ITEM

12/9/2014 G – 2B

Title: November 2014 Monthly Report for Building Permits, Animal Control and Code Enforcement

Thru: Joe Henne, Interim City Administrator

From: Joe Henne, Interim City Administrator

Action Requested: Informational - No action

Board/Commission Recommendation: Not applicable

Fiscal Impact: Not applicable

Funding Source: Not applicable

Staff Recommendation:

Informational only

Background / Findings & Facts:

Attached are the Building Permit, Animal Control and Code Enforcement Reports for November, 2014.

Recommended Motion:

Informational only.

November 2014 Building Permit Report

No.	Issue Date	Project	Address	Type	Master Plan	Fees
6232	11/18/2014	Selah School District	411 N First St	Extend/Remodel Pumphouse		\$265.30
6233	11/4/2014	Francisco Bazan	801 Ridgeview Ave	Re-roof		\$76.91
6234	11/4/2014	Brian McGuire	707 Viewcrest Ct.	Add on to garage		\$444.80
6235	11/7/2014	Columbia Ridge Homes	1405 W Naches Ave	Building		\$6,442.86
6236	11/7/2014	Columbia Ridge Homes	1405 W Naches Ave	Plumbing		\$210.36
6237	11/7/2014	Columbia Ridge Homes	1405 W Naches Ave	Mechanical		\$133.44
6238	11/7/2014	Columbia Ridge Homes	1405 W Naches Ave	UG Sprinklers		\$39.64
6239	11/4/2014	Selah School District	801 N. First St.	Re-roof-portable at High School		\$149.33
6240	11/5/2014	John Weier	512 Lacey Ave.	Mechanical - Woodstove Install		\$42.67
6241	11/10/2014	Mike Colby	1408 W Cherry Ave	Mechanical - Install/replace furnace/heat pump		\$52.59
6243	11/12/2014	Deborah McLain	110 E 2nd Ave.	Remodel-Replace Windows		\$70.40
6244	11/12/2014	Perry Skipton	513 N 2nd St	Mechanical- Install gas fireplace/piping		\$50.34
6245	11/12/2014	The Church of the Nazarene	401 N First St	Re-Roof Non-Residential		\$149.33
6246	11/12/2014	Torkelson Construction	Lot 1A (181425-33419)	Footing/Foundation Only	IRC2012-8	\$0.00
6247	11/12/2014	Torkelson Construction	Lot 4A (181425-33422)	Footing/Foundation Only	IRC2012-8	\$0.00
6248	11/12/2014	Torkelson Construction	Lot 4B (181425-33426)	Footing/Foundation Only	IRC2012-8	\$0.00
6249	11/18/2014	Selah School District	411 N First St	Water Service 1 1/2" meter install		\$2,926.26
6250	11/17/2014	Torkelson Construction	Lot 1B (181425-33423)	Footing/Foundation Only	IRC2012-8	\$0.00
6251	11/17/2014	Torkelson Construction	Lot 2B (181425-33424)	Footing/Foundation Only	IRC2012-8	\$0.00
6252	11/17/2014	Torkelson Construction	Lot 3B (181425-33425)	Footing/Foundation Only	IRC2012-8	\$0.00
6253	11/17/2014	Our Lady of Lourdes Church	1107 Fremont Ave	Re-Roof Non-Residential		\$149.33
6254	11/18/2014	Larry Flohr	121 E Orchard	Re-Roof		\$76.91
					TOTAL:	\$11,280.47

November 2014 Animal Control Report

ADDRESS	DATE	HRS	PROBLEM	ACTION TAKEN
300 BLK N 1ST STREET	4TH	0.5	DEAD DOG IN ROADWAY	CLEAN UP AND DISPOSE OF ANIMAL
200 BLK E GOODLANDER	4TH	0.5	DEAD CAT IN ROADWAY	CLEAN UP AND DISPOSE OF ANIMAL
800 BLK W HOME AVE.	7TH	1	LOOSE DOG	UNABLE TO LOCATE
700 BLK DAUGHTRY	7TH	0.5	3 DOGS OFF OWN PROPERTY	DOG WERE INSIDE HOUSE UPON ARRIVAL
100 BLK W FREMONT AVE	7TH	0.5	POSSIBLE NEGLECT OF DOG	DOG WAS INSIDE HOUSE UPON ARRIVAL
100 BLK E BARTLETT AVE	10TH	0.5	POSSIBLE PIT BULL	UNABLE TO LOCATE
100 BLK W BARTLETT AVE	13TH	1	POSSIBLE NEGLECT OF DOG	UNFOUNDED-DOG WAS INDOORS UPON ARRIVAL
900 BLK RIDGEVIEW	17TH	0.5	FOUND DOG	RETURNED TO OWNERS ON ITS OWN
300 BLK S 5TH STREET	19TH	0.5	LOOSE DOG	RETURNED TO PROPERTY ON OWN
600 BLK W BARTLETT AVE	20TH	1	LOOSE/AGGRESSIVE DOG	SPOKE TO OWNER-FINAL WARNING
200 BLK ELTON RD	24TH	0	AGGRESSIVE DOG	NOT IN CITY LIMITS-REFERED TO COUNTY ACO
100 BLK W ORCHARD AVE	25TH	0.5	LOOSE DOG	PUT IN PEN AT P.D FOR OWNER TO PICKUP
400 BLK SOUTHERN AVE	26TH	0.5	LOST DOG	UNABLE TO LOCATE

November 2014 Code Enforcement Report

ADDRESS	VIOLATION / COMPLAINT	ACTION TAKEN
400 BLK S 5TH STREET	GRAFITTI ON HOUSE	VERBAL- COVERED SAME DAY



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING INFORMATIONAL ITEM

12/9/2014 G – 2 C

Title: Recycling Data Report for the 3rd Quarter of 2014

Thru: Joe Henne, Interim City Administrator

From: Basin Disposal of Yakima, LLC

Action Requested: Informational - No action

Board/Commission Recommendation: Not applicable

Fiscal Impact: N/A

Funding Source: N/A

Staff Recommendation:

Informational Only

Background / Findings & Facts:

Participation in the Recycling program increased slightly during the third quarter of 2014. See attached for further details.

Recommended Motion:

N/A



October 31, 2014

City of Selah
113 W Naches Ave
Selah, WA 98942

Re: Recycle Data Report 2014

Attached you will find the recycling report for the third quarter of 2014. I hope the City is pleased with the progress of the program. If you have any questions please feel free to give us a call.

Sincerely,

A handwritten signature in black ink that reads "Steven Wheatley". The signature is stylized and includes a long horizontal line extending to the right.

Steven Wheatley

cc: Darrick Dietrich

City of Selah
 Recycling Analysis
 7/01/13-9/30/14

Size	July		August		September	
	Quantity	No. Customers	Quantity	No. Customers	Quantity	No. Customers
32 Gallon Cart	1	2	1	2	1	2
64 Gallon Cart	1	1659	1	1658	1	1656
	2	181	2	183	2	188
	3	4	3	2	3	0
	4	0	4	0	4	0
96 Gallon Cart	1	523	1	527	1	529
	2	53	2	51	2	54
64/96 Gallon Cart	1/1	10	1/1	10	1/1	10
	Total	2,432	Total	2,433	Total	2,439
No. Recycle Customers		1,230		1,240		1,248
Percent Participation		50.58%		50.97%		51.17%
Number Set-outs		1018		1025		1036
Percent Set-out		82.76%		82.66%		83.01%
Total Lbs.		27,260		23,060		28,520
Total Tons		13.63		11.53		14.26
Ave. Lbs./Set Out		26.778		22.498		27.529

City of Selah
 Single Stream Residential Curbside Recycling
 and
 Commercial Program Statistics
 2014

City of Selah

2014	July			August			September		
Date	Commercial Plastic	Commercial OCC	Curbside	Commercial Plastic	Commercial OCC	Curbside	Commercial Plastic	Commercial OCC	Curbside
1		3,240							
2	2080								
3								5,520	
4					3,580				
5								2,620	
6				1,340	4,840	11,300			
7		5,160							
8						11,760			
9			14,080						
10							2,400	3,380	14,240
11			13,180		4,720				
12									14,280
13				1,740					
14									
15							2,300	4,240	
16	2340	3,280							
17									
18					5,260				
19									
20									
21		4,100							
22								3,600	
23	2200	2,820							
24							2,640	3,940	
25					6,000				
26									
27				1,660	3,280				
28		3,220							
29								3,180	
30	2380						2,600		
31									
Total Lbs.	9,000	21,820	27,260	4,740	27,680	23,060	9,940	26,480	28,520
Total Tons	4.50	10.91	13.63	2.37	13.84	11.53	4.97	13.24	14.26
Set Outs CS			1018			1025			1036
Ave lb's/S.O.			26.778			22.498			27.529
Set Out %			82.76%			82.66%			83.01%
Recycle Customers			1230			1,240			1,248



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 I - 1

Title: Approval of Minutes: October 22, 2014 Special Meeting; November 6, 2014 Special Meeting; and November 25, 2014 Council Meeting

Thru: Joe Henne, Interim City Administrator

From: Monica Lake, Executive Assistant

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: N/A

Funding Source: N/A

Staff Recommendation:

Approval of Minutes

Background / Findings & Facts:

See Minutes for details.

Recommended Motion:

Motion to approve the Consent Agenda as read. (This item is part of the Consent Agenda)

City of Selah
Council Minutes
October 22, 2014

Special Meeting
Selah Civic Center
216 South First Street
Selah, WA 98942

A. Call to Order Mayor Gawlik called the meeting to order at 6:30pm.

B. Roll Call

Members Present: Paul Overby; John Tierney; Dave Smeback; Allen Schmid ; Roy Sample;
Jane Williams

Members Excused: Brooke Finch

Staff Present: David Kelly, City Administrator; Gary Hanna, Fire Chief; Rick Hayes,
Police Chief; Eric Steen, Deputy Police Chief; Dale Novobielski,
Clerk/Treasurer; Andrew Potter, Assistant to the City Administrator;
Monica Lake, Executive Assistant

C. Pledge of Allegiance

Mayor Gawlik led the Pledge of Allegiance.

D. Public Hearings

1. Utility Tax Increase

Mayor Gawlik stated that the purpose of the meeting is to discuss the proposed increase in utility taxes, adding that there will be an opportunity for public input after the presentation has been made. He requested that all comments, questions, and statements be held to the topic on the agenda.

City Administrator Kelly talked about the joint budget for the Fire Department, noting that the City paying forty percent while Fire District No. 2 pays sixty percent. He stated that the City doesn't have the ability in the current budget to meet the demands of the department, especially as pertains to the reserves and equipment replacement, and that they need to implement an amortization schedule for vehicle replacement, as well as a replacement schedule for turnout gear. He discussed the need for the Police Department to have an amortization schedule and consistent funding for vehicle replacement, adding that Police Chief Hayes has reinstated the Deputy Chief position and also requested funding for a Community Service Specialist position for office calls and the evidence room. He said that those two

positions will cost the City approximately one hundred sixty thousand dollars, of which eighty-five to ninety thousand is included in the current proposal.

Mayor asked the Council Members if they wished to make a statement.

Council Member Tierney had a question regarding the calculations, saying that it shows a seven percent increase but the proposed rate increase is eight point five percent.

City Administrator Kelly responded that it's a formula; he's done the math and it works out. He said that the eight point five percent increase is on rates, not the entire bill; the utility tax already there will not have an increase.

Clerk/Treasurer Novobielski noted that it is an eight point five percent increase on the components.

Council Member Williams commented that the utility tax is staying the same, and it is simply the rates themselves that are increasing.

Council Member Smeback asked if the eight point five percent applied to the utility tax .

City Administrator Kelly replied that it is an eight point five percent increase on the entire bill.

Council Member Sample wondered what the total tax would be on the utility bill.

City Administrator Kelly responded that it will go from twenty-one percent to twenty-nine point five percent. He remarked that when utility taxes were increased last time they lowered the water and sewer rates by ten percent, and the solid waste rate by seventeen percent, then increased the utility taxes from six percent to twenty-one percent, the net effect being a four point two percent increase.

Mayor Gawlik opened the meeting.

John Knott approached the podium and addressed the Council. He asked for confirmation of the seven percent projected increase in the total bill when it looks to him as if it's a forty percent increase for water consumption.

David replied that it is a seven percent increase, approximately six dollars and ten cents.

Mr. Knott wondered if the City served on the Fire District.

Mayor Gawlik responded that we have a representative that serves on the board.

Mr. Knott inquired as to why the Commissioners aren't responsible for Fire District apparatus replacement.

Mayor Gawlik replied that it is a shared responsibility.

City Administrator Kelly added that those within the City have an EMS levy and property tax, while those outside the City but within the Fire District have their own levy for services. He noted that the City contributes forty percent and the Fire Commissioners contribute sixty percent, and that the City has a great working relationship with the Fire Commissioners.

Mr. Knott asked if the Commissioners make the decisions.

City Administrator Kelly responded that it is a joint decision.

Mr. Knott commented that the Fire Commissioners have taxing authority.

City Administrator Kelly remarked that, if the City opts to raise taxes, the Fire District will contribute an additional four hundred thousand to the joint budget. He noted that they are in a much better financial position currently, and wouldn't need to raise taxes as they have enough resources in their current budget. to cover the difference.

Mr. Knott inquired if City residents would see a tax increase if the Fire District passes another levy, and if City residents would have double taxation.

City Administrator Kelly replied that each entity has its own responsibility, and that the City residents would not be affected by a new Fire District levy.

Carol Bonnett approached the podium and addressed the Council. She said that this will impact a lot of folks who are on fixed incomes. She asked about the bond on the Marudo property and the fine to the IRS.

City Administrator Kelly responded that the City used a loan to purchase the Marudo property in 2002 with the intent to subdivide and sell the lots to develop a larger tax base within the City; the monies received from selling a portion of the lots was used to develop the Carlon Park complex, which is what resulted in a twelve thousand dollar fine to the IRS. He remarked that the money being paid on loan was only covering the interest, not the principal, and that the 2012 budget had designated monies from the enterprise funds for payment on the loan, which by law cannot be used for that purpose, and that they had to find an alternate revenue stream for payments by either raising taxes, cutting City government by elimination of something akin to the Parks Department, or a combination of both. He noted that today's discussion is in regards to operating funds for the Fire Department and the Police Department, as well as implementing an amortization schedule for equipment, which requires that the City either raise taxes or reduce the size of the government and services.

Ms. Bonnett felt that it was very unfortunate that decisions were made to play shell games with taxpayers' money. She inquired about the average per capita position support for law enforcement.

City Administrator Kelly replied that it is somewhere around 3.76 per thousand.

Police Chief Hayes said that the National average is 2.3 officers per thousand.

Ms. Bonnett asked if that number included support staff.

Police Chief Hayes stated that it was just officers on the road, which included himself and the Deputy Chief. He noted that the evidence technician/office help position would be considered support staff.

Ms. Bonnett encouraged the Council to vote no, suggesting that they look at other venues.

City Administrator Kelly wondered what she would suggest.

Ms. Bonnett remarked that she would need additional information to see what could be cut back, saying that she would be interested in seeing what options are available aside from a tax increase.

David Zanatelli approached the podium and addressed the Council. He commented that, at a 2012 meeting, Council had stated that staff would be laid off if taxes weren't raised, yet the Deputy Chief position has been added.

Mayor Gawlik responded that the position was always there, but had been vacant for the last eight years.

Mr. Zanatelli asked where the money for that position went.

Mayor Gawlik replied that it went into the General Fund to pay bills.

Mr. Zanatelli commented that there was a lot of money unaccounted for.

City Administrator Kelly observed that money is reallocated when a position isn't funded.

Mr. Zanatelli remarked that the City can't always come to the people and say they need to raise taxes; there needs to be other ways within the City budget to deal with financial matters that aren't the fault of the citizenry.

Bob Jones approached the podium and addressed the Council. He said that he had no problem with the needs of the Fire Department, but he felt that the City needed to realize the impact that an increase in water rates had on the look of the City and whether people water their lawns. He took exception to the Police Department adding two positions, as he felt they have adequate staffing for the size of the City.

Wayne Worby approached the podium and addressed the Council. He stated that he is not a City resident, and wondered if those in the County were supporting the City's share currently.

City Administrator Kelly commented that the City has a good relationship with the Fire Commissioners, and that they are willing to contribute more to the joint Fire budget if the City contributes more. He noted that they have the resources to increase their contribution without effecting the tax burden for County residents.

Mr. Worby wondered what the County residents were paying that was generating surplus funds beyond what they need.

City Administrator Kelly responded that they have excess taxing capacity to take care of that.

Mr. Worby asked why the County residents, like himself, are paying more than what is being consumed.

City Administrator Kelly replied that they have a reserve fund of two point seven million dollars.

Mayor Gawlik observed that the City will never be equal with the County, as their tax base is larger and they have a larger area to draw from.

Commissioner Brad Helms approached the podium. He explained that they use a calculation based on population percentage, and that while the Fire District has excess funds at present, the City would need to contribute an additional amount to raise the joint budget.

Mr. Worby asked if they rotated equipment in and out.

Commissioner Helms responded that the Fire Chief rotates the equipment and makes suggestions on what needs to be done. He noted that this is one department with two taxing districts supporting it.

Mr. Worby wondered what would happen to County residents if the City didn't increase rates.

Commissioner Helms replied that there would be no change.

Seeing no one else rise to speak, Mayor Gawlik closed the hearing.

Council Member Williams inquired about the division of money and what was needed for each department.

City Administrator Kelly responded that the Police Department would receive fifty-six thousand for vehicles and ninety thousand for operating expenses, while the Fire Department would receive one hundred twenty-three thousand for operating expenses and ninety-three thousand for apparatus replacement.

Council Member Williams asked if the increase from two years ago would still be sunsetted.

City Administrator Kelly replied in the affirmative, adding that he doesn't see a sunset on the proposed eight point five percent increase as needs won't change.

Council Member Overby remarked that Council discussed the matter for quite some time, and that the only ways to increase the amount of their contribution are cutting services or increasing taxes. He noted that there is more than one way to do a tax increase; Council could alter utility taxes, raise the sales tax rate, or increase property taxes. He said that the Council would have to go to the voters for an increase in either sales tax or property tax.

City Administrator Kelly commented that he recalled someone at the retreat pointing out that the citizens elected those on the Council to make financial decisions for the City, and they can either opt to put the matter off for a vote or do what they were elected to do regarding financial decisions for the City.

Council Member Overby observed that, if they opted not to pass the increase, that would put them back in the position of either cutting services or putting the matter to a vote.

E. Adjournment

Council Member Overby moved, and Council Member Schmid seconded, that the meeting be adjourned. By voice vote, approval was unanimous.

The meeting adjourned at 7:23pm.

John Gawlik, Mayor

Paul Overby, Council Member

John Tierney, Council Member

Dave Smeback, Council Member

Allen Schmid, Council Member

EXCUSED
Brooke Finch, Council Member

Roy Sample, Council Member

Jane Williams, Council Member

ATTEST:

Dale E. Novobielski, Clerk/Treasurer

City of Selah
Council Minutes
November 6, 2014

Special Meeting
Selah Civic Center
216 South First Street
Selah, WA 98942

A. Call to Order Mayor Gawlik called the meeting to order at 6:30pm.

B. Roll Call

Members Present: Paul Overby; John Tierney; Dave Smeback; Allen Schmid ; Roy Sample;
Jane Williams

Members Excused: Brooke Finch

Staff Present: David Kelly, City Administrator; Gary Hanna, Fire Chief; Rick Hayes,
Police Chief; Eric Steen, Deputy Police Chief; Dale Novobielski,
Clerk/Treasurer; Andrew Potter, Assistant to the City Administrator;
Monica Lake, Executive Assistant

C. Pledge of Allegiance

Mayor Gawlik led the Pledge of Allegiance.

D. Public Hearings

1. Utility Tax Increase

Mayor Gawlik stated that the purpose of the night's meeting was to discuss the proposed utility tax increase. He requested that all comments, questions, and statements be held to the topic on the agenda.

City Administrator Kelly explained the unique relationship between the City and the Fire District, outlining the percentages paid by each entity into the joint budget for the Fire Department. He reiterated the information from the previous meeting regarding the City's inability to meet the demands of the Fire Department and the Police Department in their current budget for vehicle and equipment replacement, as well as two positions for the Police Department.

Council Member Sample requested that he explain the origination of the utility tax currently in place.

City Administrator Kelly briefly reviewed the history of the Marudo property purchase and the lack of a revenue stream identified to make payments on the loan, and why the utility tax was raised two years ago to provide a revenue source for repayment of the loan.

Mayor Gawlik noted that in years past the utility tax wasn't listed as a separate line item on the billings, although there was a utility tax in place prior to the increase two years ago. He stated that, while he doesn't like paying more taxes either, to provide the services required by law for safety and comfort the City operates these through revenues gained from taxes. He said that our community has grown in population and complexity, and to continue to provide service to its citizens the City needs to continue to move up their technology and operational standards to meet those needs.

City Administrator Kelly remarked that he worked with Clerk/Treasurer Novobielski on the matter two years ago, and they learned that not disclosing the utility tax up front caused the City to pay a tax to the State on the entire bill, including the utility tax the City collected. He added that several thousand dollars has been saved because of the separation and disclosure of the utility tax on the billings.

Council Member Williams inquired about the total dollar amount that the increase will generate.

City Administrator Kelly replied that it would be approximately three hundred fifty thousand dollars.

Council Member Williams asked how much would be allotted to each department.

City Administrator Kelly responded that two hundred thousand would go to the Fire Department and one hundred fifty thousand to the Police Department.

Mayor Gawlik remarked that the City has an outstanding working relationship with the Fire District Commissioners, and when the matter was discussed with them they agreed to step up to the plate and also increase the amount of money they contribute to the joint Fire Department budget.

City Administrator Kelly added that the Fire Commissioners will increase their contribution by three hundred thousand if the City increases theirs by two hundred thousand, for a total of five hundred thousand annually going into the Fire Department reserves.

Mayor Gawlik noted that the Fire District will not raise their rates if the City increases utility taxes.

Mayor Gawlik opened the meeting.

Anna Harris approached the podium and addressed the Council. She said that a lot of this trouble traces back to the property purchase and bond payments, and wondered if the Council has looked at a refinance of the debt, with the savings potentially going to the Fire Department and Police Department. She asked if there is an end in sight for the Marudo loan utility tax increase.

Mayor Gawlik replied in the affirmative regarding the refinance, saying that City Administrator Kelly has been speaking with the current lender about refinancing at a lower interest rate, which will potentially save the City an additional twenty-seven thousand dollars annually.

City Administrator Kelly commented that he has talked with the City's bond counsel recently about refinancing, and that the City will refinance the loan on December first. He stated that they just received the City's bond rating, which is AA-, and that this rating will save the City approximately two hundred twenty-eight thousand dollars over the next eight years in interest. He noted that the Council did vote to have the Marudo loan utility tax be in effect for a total of ten years.

Ms. Harris inquired if this tax will be similar to the one put in effect two years ago.

City Administrator Kelly David responded that this increase will not go away, as the City needs the revenue maintain apparatus and operating budgets for both departments.

Ms. Harris wondered how the expenses for both departments were covered in the past.

City Administrator Kelly replied that, in the past, the City was able to increase property taxes to compensate, and when the current laws were voted in they had to use reserves to cover expenses. He commented that the City is now at a point where they have to decide whether to reduce services and lay off staff or increase taxes to cover their budgetary needs.

Ms. Harris asked if this tax increase would cover services for the foreseeable future, or if the City would also have to increase property taxes.

City Administrator Kelly remarked that utility rates usually increase at a rate of three percent annually, which would also increase the utility taxes. He said that, when they looked a ten year projection, this increase would put the City in a good position for twelve to fifteen years before they'd need to look at the matter again.

Katie Fontaine approached the podium and addressed the Council. She said that she has concerns about another increase as Council has already raised rates due to bad decisions made in the past. She noted that the cost of living is going up, and wondered if every other possible option had been examined and discussed. She inquired as to why the City couldn't negotiate with the Fire District for an eighty/ twenty split instead of the current sixty/ forty split.

City Administrator Kelly explained that the Fire District has revenue from their constituents within the Fire District who don't reside within the City, and that using their money to help citizens within the City limits would be taxation without representation. He added that the Fire District and the City looked at call volume and assessed valuation to come up with the sixty/ forty split.

Mayor Gawlik commented that the Fire Commissioners have stated that they will increase their participation when the City increases their contribution.

Ms. Fontaine asked if this would be on an indefinite basis or for one year.

City Administrator Kelly responded that the Fire Commissioners have been wanting the City to increase their budget for years, and that they've stepped forward to purchase equipment in the past when the City couldn't.

Ms. Fontaine wondered if sixty percent of the calls are still taking place outside City limits.

City Administrator Kelly replied that this has been more of a gentlemen's agreement, as there is an agreement put together that is very clear regarding the use of population, assessed valuation and call volume to determine the percentage for who pays what.

Katie inquired as to whether the eight point five percent increase would be on top of the four point two percent increase from 2012, assuming one had a current bill of one hundred dollars monthly.

City Administrator Kelly responded that it would result in an increase of seven dollars more on a one hundred dollar monthly bill.

Ms. Fontaine asked how this would affect those designated as low income.

Mayor Gawlik replied that those who currently qualify for the low income rate will remain qualified for that.

City Administrator Kelly remarked that there will be a proposal presented at the next Council Meeting to have the increase not affect those on the low income senior and disabled program.

Ms. Fontaine inquired about possible fundraising efforts in the community to support the Fire Department, or if it needs to be a steady stream of money coming in.

City Administrator Kelly commented that the Fire Department had two point eight million dollars' worth of vehicles and equipment, and the Police Department has approximately one million dollars' worth, and that to replace these items on a consistent basis requires a steady stream of cash.

Ms. Fontaine wondered if the only options were a utility tax increase or putting out a vote for a property tax increase.

City Administrator Kelly responded that they could also reduce services, cut services, or do some variation in between.

Ms. Fontaine stated that in the past it was put to a vote of the people.

City Administrator Kelly, said that, as he explained before, the Council discussed whether to do a vote, and ultimately decided that they were elected by the citizens to make these decisions.

Bill Teaford approached the podium and addressed the Council. He said that the allotted ten thousand dollars annually for vehicle maintenance equates to approximately four hundred thirty-four dollars per vehicle, which isn't very much. He felt that the City is getting the most they can out of their equipment, and that if the equipment is neglected it would endanger both the personnel using it and the public.

City Administrator Kelly noted that the Police Department vehicles will be replaced every eight years, the brush trucks every twenty years, and the main fire engines every twenty-five years.

Mr. Teaford expressed his approval of preventative maintenance, adding that if the departments aren't given the tools needed they can't provide the services needed.

Seeing no one else rise to speak, Mayor Gawlik closed the hearing.

Council Member Sample remarked that part of the concerns expressed tonight dealt with having two increases within a few years of each other, and that several Council Members wanted to have an increase that would avoid the need to increase the utility tax by two percent every couple years. He added that this will be sufficient to maintain both departments, and that, while they could present a vote on property tax increases, they would need to start cutting services if it didn't pass. He spoke favorably in regards to the increase to keep both the services and departments functioning by doing the proposed utility tax increase.

E. Adjournment

Council Member Sample moved, and Council Member Overby seconded, that the meeting be adjourned. By voice vote, approval was unanimous.

The meeting adjourned at 7:33pm.

John Gawlik, Mayor

Paul Overby, Council Member

John Tierney, Council Member

EXCUSED

Dave Smeback, Council Member

Allen Schmid, Council Member

Brooke Finch, Council Member

Roy Sample, Council Member

Jane Williams, Council Member

ATTEST:

Dale E. Novobielski, Clerk/Treasurer

City of Selah
Council Minutes
November 25, 2014

Regular Meeting
Selah Council Chambers
115 West Naches Avenue
Selah, WA 98942

A. Call to Order Mayor Gawlik called the meeting to order at 6:30pm.

B. Roll Call

Members Present: Paul Overby; John Tierney; Brooke Finch; Jane Williams

Members Excused: Dave Smeback; Allen Schmid ; Roy Sample

Staff Present: Joe Henne, Interim City Administrator; Bob Noe, City Attorney; Gary Hanna, Fire Chief; Rick Hayes, Police Chief; Dale Novobielski, Clerk/Treasurer; Charlie Brown, Recreation Manager; Andrew Potter, Assistant to the City Administrator; Monica Lake, Executive Assistant

C. Pledge of Allegiance

Council Member Williams led the Pledge of Allegiance. Pastor Jason Williams led the opening prayer.

D. Agenda Changes

Council Member Tierney moved, and Council Member Williams seconded, to delay action on M – 3, M – 4 and N – 2 until the December 9, 2014 Council Meeting to allow for a vote by the full Council. Roll was called: Council Member Overby – no; Council Member Tierney – yes; Council Member Finch – yes; Council Member Williams – yes. Motion passed with three yes votes and one no vote.

E. Public Appearances/Introductions/ Presentations None

F. Getting To Know Our Businesses None

G. Communications

1. Oral

Mayor Gawlik opened the meeting. Seeing no one rise to speak, he then closed the meeting.

2. Written None

H. Proclamations/Announcements None

I. Consent Agenda

Council Member Overby moved, and Council Member Finch seconded, to add M – 2 and N -1 to the Consent agenda. By voice vote, approval was unanimous.

Executive Assistant Lake read the Consent Agenda.

All items listed with an asterisk (*) were considered as part of the Consent Agenda.

* 1. Approval of Minutes: November 12, 2014 Council Meeting

* 2. Approval of Claims & Payroll:

Payroll Checks Nos. 78045 – 78081 for a total of \$163,223.73

Payroll Checks Nos. 78082 – 78117 for a total of \$109,678.12

Payroll Checks Nos. 78118 – 78148 for a total of \$212,000.30

Claim Checks Nos. 64839 – 64858 for a total of \$ 264.96

Claim Checks Nos. 64859 – 64922 for a total of \$158,492.59

* 3. Resolution M – 2: Resolution authorizing the Mayor to sign an amendment to the Interlocal Agreement for Transit Services with City of Yakima / Yakima Transit for Provision of Yakima-Ellensburg Commuter Service

* 4. Resolution M – 5: Resolution Authorizing the Mayor to Sign a Contract with Yakima Valley Conference of Governments for Technical Assistance for the Year 2015

* 5. Ordinance N – 1: Ordinance Amending Selah Municipal Code Chapter 6.02, Criminal Code, by Adding a New Section 6.02.030 entitled, “Additional RCW Provisions Adopted by Reference”; and Establishing an Effective Date

Council Member Overby moved, and Council Member Williams seconded, to approve the Consent Agenda as read. By voice vote, approval of the Consent Agenda was unanimous.

J. Public Hearings

1. Updated City of Selah Water System Plan

Interim City Administrator Henne addressed J – 1. He said that the water system plan update is done every six years, giving a brief summary of the water system’s current status, the projects that have been completed, and those planned for the future. He referred Council to the information included in their packets, outlining the financial program for the next several years and when upcoming projects are

proposed to take place. He noted that one of the requirements for updating the plan is to have a public hearing and solicit public comment.

Council Member Overby remarked that he didn't see the rehabilitation of the North Reservoir on the list of capital improvements.

Interim City Administrator Henne replied that it isn't on the list; the larger of the two tanks has been repaired and the smaller one they can live without as they are still within storage requirements. He commented that there was a water leak in the eight inch main on South 1st Street and Southern Avenue, which blew off forty percent of the top of the pipe and damaged the sewer line. He added that it took most of the day to repair, and this is why the focus is on repair and replacement of lines.

Ben Annen, Huibregtse, Louman Associates, Inc. approached the podium and addressed the Council. He said that he's been working with the Public Works staff to update the 2008 water system plan, which is a Department of Health requirement. He reviewed the proposed water system plan page by page, referencing the materials included in the Council packet, which included identifying the system components, the current state of the system and what needs repaired, consumption, identifying deficiencies within the current system, and options available for financing improvements. He noted that the next item, slated for 2016, is replacement of the booster pump at Palm Park, taking it from a single booster to a side by side pump.

Mayor Gawlik asked if the pumps alternate during usage.

Mr. Annen responded in the affirmative.

Council Member Williams wondered why that came in as number two and the Third Street water main came in as number three.

Interim City Administrator Henne stated that the Third Street water main will be done with a Drinking Water State Revolving Fund (DWSRF) loan, and that he hopes to use the monies designated as asphalt restoration as a match for Federal highway money to completely reconstruct the road. He noted that they have four years to complete the project under the terms of the loan, and he's waiting until the last year in case Federal highway funds become available.

Mr. Annen remarked that it's a good strategy on STP projects that require a match.

Council Member Tierney asked why there were no improvements listed for 2018.

Interim City Administrator Henne replied that he hopes to obtain another DWSRF loan in 2018 to make the improvements designated for 2019, and that if he gets approval he'll need to have money saved for the loan.

Mr. Annen commented that the loan in 2018 would fund projects in 2019, and that it's smart to lump a group of small projects together for one loan.

Mayor Gawlik opened the hearing. Seeing no one rise to speak, he then closed the hearing.

Interim City Administrator Henne noted that the public hearing was a requirement of the adoption process, to allow the public to comment, and he will now incorporate that information into the packet going back to the Department of Health. He said that they have ninety days to review the submitted plan, and will likely bring it back to Council in January for adoption. He added that they are also waiting on the Department of Ecology (DOE) to comment.

Mayor Gawlik wondered if the DOE was also on a timeline.

Interim City Administrator Henne responded that he believes they also have ninety days to respond.

K. New Business **None**

L. Old Business **None**

M. Resolutions

1. Resolution authorizing the Mayor to sign a Law Enforcement Assistance Agreement relating to Communications between the City of Selah and Yakima County

Police Chief Hayes addressed M – 1. He said that this is the contract for dispatch services, which saw a rate increase of nine percent this year.

Mayor Gawlik commented that there wasn't an increase the previous year.

Police Chief Hayes responded that they reviewed the rates and call volume after some other entities complained, and they determined that Selah's rates needed to be increased. He noted that the City had been paying less than they should have over the last two years, and that this corrects the matter.

Council Member Tierney asked if Yakima County is the only show in town.

Police Chief Hayes replied that the Yakima Police Department (YPD) provided this service for several years, but are unable to provide service for narrow band radios based on the location of the Selah Police Station and residents of Selah. He went on to say that the County put an antenna on Selah Butte, and that they have better service with the Sheriff's Department, adding that almost all of their assists are with the Sheriff's Department anyway.

Mayor Gawlik remarked that YPD is working on going digital with their entire communications system; they've already moved to digital technology in their special units and will be doing the same across patrol. He stated that it would be expensive for Selah to meet those requirements.

Police Chief Hayes responded that it will happen eventually, but the Federal government hasn't pushed it yet. He noted that it will cost approximately six thousand dollars per rig to convert.

Mayor Gawlik observed that it will be more expensive for the service than the radios.

Council Member Tierney moved, and Council Member Overby seconded, to Approve the Resolution authorizing the Mayor to sign a Law Enforcement Assistance Agreement relating to Communications between the City of Selah and Yakima County. Roll was called: Council Member Overby – yes; Council Member Tierney – yes; Council Member Finch – yes; Council Member Williams – yes. By voice vote, approval was unanimous.

- * 2. Resolution authorizing the Mayor to sign an amendment to the Interlocal Agreement for Transit Services with City of Yakima / Yakima Transit for Provision of Yakima-Ellensburg Commuter Service

- 3. ~~Resolution Revising Rates For 2015 Water Utility Services~~

POSTPONED TO DECEMBER 9, 2014 COUNCIL MEETING

- 4. ~~Resolution Revising Rates For 2015 Sewer Utility Services~~

POSTPONED TO DECEMBER 9, 2014 COUNCIL MEETING

- * 5. Resolution Authorizing the Mayor to Sign a Contract with Yakima Valley Conference of Governments for Technical Assistance for the Year 2015

N. Ordinances

- * 1. Ordinance Amending Selah Municipal Code Chapter 6.02, Criminal Code, by Adding a New Section 6.02.030 entitled, “Additional RCW Provisions Adopted by Reference”; and Establishing an Effective Date

- 2. ~~Ordinance Providing for an 8.5% Increase in Utility Tax Rates on City Services for the Support of Police and Fire Department Operations~~

POSTPONED TO DECEMBER 9, 2014 COUNCIL MEETING

O. Communications

- 1. Oral

Mayor Gawlik opened the meeting. Seeing no one rise to speak, he then closed the meeting.

P. Reports/Announcements

- 1. Mayor

Mayor Gawlik said that City Attorney Noe will be reviewing the City’s code looking for things that need to be brought up to date. He noted that there will be a Giving Tree in the foyer of City Hall with thirty names on it for those who wish to help those in need. He wished everyone a happy Thanksgiving.

2. Council Members

Council Member Finch had no report.

Council Member Overby had no report.

Council Member Tierney had no report, but wished everyone a happy Thanksgiving.

Council Member Williams had no report, but wished everyone a happy Thanksgiving.

3. Departmental

Community Planner Davison said that the Hearing Examiner will hear Council Member Sample's Planned Development the first week of December, and the Valhalla Heights subdivision the following week; the reports should be received sometime in mid-December. He commented that the Planning Commission will be adopting their minutes from the last meeting, which will then be forwarded to the Council.

Mayor Gawlik asked if there would be a hearing on the Somerset matter.

Community Planner Davison responded in the affirmative.

Clerk/Treasurer Novobielski gave a quick update on sales tax, noting that the City is at eighty-nine percent of budget at the end of November, and that the sales taxes are up due to School District construction and other projects around town.

Council Member Overby wondered if postponing the proposed increases would have an impact on the 2015 budget.

Clerk/Treasurer Novobielski replied in the affirmative, saying that the increases were to be effective December 1st for the billing that the end of the month, and the postponement will result in a one month loss of approximately eight percent for next year's budget.

Council Member Williams asked if it would be possible to vote on it at the next meeting with an effective date of December 1st.

Clerk/Treasurer Novobielski responded that City Attorney Noe has indicated that it cannot be backdated.

Recreation Manager Brown said that the first weekend of December is the Selah-bration, with the lighted parade on Friday night, followed by a movie at Nana Kate's, on Saturday there's Breakfast with Santa, followed Frosty's Freezin' 5K, and Whispers of Christmas with Santa that evening.

Clerk/Treasurer Novobielski asked where the breakfast is held.

Recreation Manager Brown responded that it will be at the at Civic Center.

Fire Chief Hanna FD remarked that his department will also be facing a conversion to digital down the road, adding that, as they have almost one hundred radios, it will cost roughly six hundred thousand to convert the department. He said that they brought nine new volunteer members on as of last Wednesday night, and will be receiving some reimbursement for the initial training courtesy of a program through the State Fire Marshal's office. He noted that the association has decided to do the giving tree again this year as well as sponsoring a couple families for Thanksgiving.

Council Member Tierney inquired if they would deliver the meals via a fire truck.

Fire Chief Hanna responded in the affirmative.

Police Chief Hayes said that he went to Clackamas, Oregon yesterday to pick up a large vehicle for his department. He noted that the vehicle has a command box on back that extends out to sixteen by sixteen feet, adding that he will bring photos to the next meeting.

Council Member Tierney suggested that he just bring the truck.

Police Chief Hayes replied that it would be illegally parked if he did so.

Council Member Overby asked what kind of vehicle it is.

Police Chief Hayes responded that it is a military vehicle with a large box that extends out like a camper, which can be used for a mobile Emergency Operations Center.

Council Member Overby wondered if they intended to use it as a mobile Emergency Operations Center.

Police Chief Hayes replied in the affirmative. He reminded those in attendance that the annual Citizens Academy will be starting on January 5th, and encouraged people to get an application and go through the program.

Interim City Administrator Henne said that the crew has started putting up holiday lights around town; the ones on First Street are already plugged in and the lights for the Civic Center and City Hall will be up next week. He stated that the water main lifted up quite a bit of asphalt; they'll have to check to see if it effected the trolley lines.

Mayor Gawlik noted that he had the opportunity to go down to the site, and expressed his amazement at the good job done by the City crew.

City Attorney Noe said that he met with Wayne Worby to discuss the zoning changes he'd brought to the prior Council Meeting, and that he encouraged him to bring his changes to the Planning Commission for review and recommendation to the Council.

4. Boards **None**

Q. Executive Session **None**

R. Adjournment

Council Member Tierney moved, and Council Member Williams seconded, that the meeting be adjourned. By voice vote, approval was unanimous.

The meeting adjourned at 7:11pm.

John Gawlik, Mayor

Paul Overby, Council Member

John Tierney, Council Member

EXCUSED

Dave Smeback, Council Member

EXCUSED

Allen Schmid, Council Member

Brooke Finch, Council Member

EXCUSED

Roy Sample, Council Member

Jane Williams, Council Member

ATTEST:

Dale E. Novobielski, Clerk/Treasurer



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM
12/9/2014 I – 2

Title: Claims & Payroll

Thru: Joe Henne, Interim City Administrator

From: Dale Novobielski, Clerk/Treasurer

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: See Check Registers.

Funding Source: Various. See Check Registers.

Staff Recommendation:

Approval of Claims & Payroll as listed on Check Registers.

Background / Findings & Facts:

See check Registers.

Recommended Motion:

Motion to Approve the Consent Agenda as read. (This item is part of the Consent Agenda)



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 J – 1

Title: Public Hearing - Ellensburg Telephone Company d/b/a Fairpoint Communications Franchise

Thru: Joe Henne, Interim City Administrator

From: Joe Henne, Interim City Administrator

Action Requested: Public Hearing / Public Meeting

Board/Commission Recommendation: Not applicable

Fiscal Impact: N/A

Funding Source: N/A

Staff Recommendation:

Conduct public hearing and solicit feedback, both pro and con, for the proposed franchise agreement

Background / Findings & Facts:

Ellensburg Telephone Company wishes to have a franchise agreement for cable services within the City of Selah. As part of the process we are required to conduct as public hearing on the matter prior to adoption of the Ordinance granting the franchise agreement. -

Recommended Motion:

N/A



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 M – 1

Title: Resolution Revising Rates For 2015 Water Utility Services

Thru: Joe Henne, Interim City Administrator

From: Dale Novobielski, Clerk/Treasurer

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: Increase for ¾" water service using 10 hundred cubic feet (hcf) per month \$.92 and \$.04 per additional hcf, 1" water service using 10 hcf per month \$1.05 and \$.04 per additional hcf, 1 ¼ - 1 ½ water service using 10 hcf per month \$1.19 and \$.04 per additional hcf, 2" water service using 10 hcf per month \$1.38 and \$.04 per additional hcf, 3" water service using 20 hcf per month \$2.01 and \$.04 per additional hcf, 4" water service using 20 hcf per month \$2.26 per month and \$.06 per additional hcf for the next 180 hcf and \$.05 per additional hcf, over 4" water service using 20 hcf per month \$2.26 per month and \$.06 per additional hcf for the next 4,980 hcf and \$.05 per additional hcf. Multiple dwelling units / mobile home park units \$.41 per month for each dwelling unit or space / Senior or Disabled Low Income service using 3 hcf per month \$.37 per month and \$.05 per additional hcf for the next 7 hcf and \$.06 per additional hcf. Bulk water users will pay an increase of \$.06 per hundred gallons.

Funding Source: Utility customers

Staff Recommendation:

Approval

Background / Findings & Facts:

As a part of the 2015 budget development a 4 % rate increase was determined appropriate for the Water fund.



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



Recommended Motion:

I move to approve the Resolution revising rates for 2015 Water utility services.

Record of all prior actions taken by the City Council and/or a City Board, City Committee, Planning Commission, or the Hearing Examiner (where applicable)

Date:

Action Taken:

11/25/2014

Postposted to the December 9, 2014 Council Meeting.

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RESOLUTION NO. _____

A RESOLUTION REVISING RATES FOR WATER UTILITY SERVICES

WHEREAS, Section 9.02.190 of the Selah Municipal Code provides that rates for Water Utility services be set by resolution of the City Council from time to time, and

WHEREAS, the City Council has determined that a revision in the Water Rate structure is appropriate;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, as follows:

Water Service Charges:

a) Within Corporate Limits

Meter Size	Consumption (100 cubic ft)	Minimum	Overage (per 100 cubic ft)
3/4" or smaller	First	\$14.74	
	Next		1.31
	Over		1.02
1"	First	19.59	
	Next		1.31
	Over		1.02
1-1/4" through 1-1/2"	First	24.47	
	Next		1.31
	Over		1.02
2"	First	29.34	
	Next		1.31
	Over		1.02
3"	First	39.15	
	Next		1.31
	Over		1.02
4"	First	58.71	
	Next		1.64

	Over	200		1.31
Over 4"	First	20	58.71	
	Next	4,980		1.64
	Over	5,000		1.31

- b) The minimum charge per month for the availability of water service for two-family dwellings, multiple dwellings, group houses and condominiums, apartment houses, and mobile home parks as defined in Chapter 10.02 shall be ten dollars and fifty-nine cents (\$10.59) for each dwelling unit or mobile home space. Each dwelling unit or mobile home space shall be allotted 300 cubic feet of minimum consumption, and water used over this minimum amount shall be charged at the applicable rate in section (a) above.
- c) **Low-Income Senior Citizens and Low-Income Disabled Persons Occupant Rate.**
- (1) Single-family dwellings shall be charged be nine dollars and seventy-one cents (\$9.71) per month, for the first 300 cubic feet of water consumption. Additional water consumption will be charged at the rate of \$ 1.20 per 100 cubic feet for the next 700 cubic feet and \$.96 per 100 cubic feet for over 1,000 cubic feet.
 - (2) A senior citizen is a person who occupies a dwelling unit where either the person or the person's spouse is sixty-two years of age or older at the commencement of any month.
 - (3) A low-income senior citizen shall be a senior citizen whose income, combined with the income of the spouse, if any, for the calendar year preceding was fifteen thousand dollars (\$15,000.00) or less.
 - (4) A disabled person is a person who occupies a dwelling unit and qualifies for special parking privileges under RCW 46.16.381(1)(a) through (f) or a blind person as defined in RCW 74.18.020(4) or developmentally disabled as defined in RCW 71A.10.020(2) or a mentally ill person as defined in RCW 71.05.020(1).
 - (5) A low-income disabled person shall be a disabled person whose income, combined with the income of the spouse, if any, for the calendar year preceding was fifteen thousand dollars (\$15,000) or less.
 - (6) Combined income shall be income from all sources, provided that only two-thirds (2/3) of any social security benefits, two-thirds (2/3) of any retirement pension, two-thirds (2/3) of disability benefits, and the full amount of any other income shall be considered as income for the purpose of this section, and provided further, that the gain realized by any person from the sale, transfer, or upon being displaced from, his or her residence shall not be considered as income for the purposes of this section, if reinvested in a replacement residence within eighteen (18) months of its realization.
 - (7) Determination of eligibility shall be made by the City Clerk-Treasurer based upon the annual statement of the low-income senior citizen or low-income disabled person, or any other reasonable and verifiable means at the discretion of the Clerk-Treasurer.

- d) Outside utility users shall pay one hundred fifty percent (150%) of the applicable water service charges charged to City residents and commercial/business users.
- e) Bulk water consumers shall be served at the convenience of the City and shall pay the sum of ten dollars (\$10.00) per fill and one dollar and sixty-four cents (\$1.64) per hundred gallon unit.

BE IT FURTHER RESOLVED that the rates set forth herein shall be effective commencing January 1, 2015.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, this 9th day of December, 2014.

John Gawlik, Mayor

ATTEST:

Dale E. Novobielski, Clerk/Treasurer

APPROVED AS TO FORM:

Robert Noe, City Attorney

RESOLUTION NO. _____



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 M – 2

Title: Resolution Revising Rates For 2015 Sewer Utility Services

Thru: Joe Henne, Interim City Administrator

From: Dale Novobielski, Clerk/Treasurer

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: Increase for Residential service \$1.08 per month, Seniors / Disabled Low Income \$.66 per month, Multi-residential consisting of more than 4 units on one parcel \$.72 per month per unit, Commercial / Schools / Industrial users w/o monitoring stations \$.98 per month and \$.08 per hundred cubic feet (hcf) in excess of 12 hcf per month, Grocery stores / Restaurants / Bakeries \$.98 per month and \$.13 per hcf in excess of 7 hcf, and Yakima Valley School \$2.76 per month and \$.13 per hcf in excess of 20 hcf per month

Funding Source: Utility customers

Staff Recommendation:

Approval

Background / Findings & Facts:

As a part of the 2015 budget development a 3 % rate increase was determined appropriate for the Sewer fund.

Recommended Motion:

I move to approve the Resolution revising rates for 2015 Sewer utility services.



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



Record of all prior actions taken by the City Council and/or a City Board, City Committee, Planning Commission, or the Hearing Examiner (where applicable)

Date:

Action Taken:

11/25/2014

Postposted to the December 9, 2014 Council Meeting.

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RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SELAH, WASHINGTON,
PERTAINING TO SEWER RATES

WHEREAS, Chapter 9.02.160 of the Selah Municipal Code provides that rates for Sewer Utility services be set by resolution of the City Council from time to time; and,

WHEREAS, the City Council has determined that a revision in the Sewer Rate structure is appropriate;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, as follows:

1. RESIDENTIAL RATES

- A. Single-family dwellings and multi-family units of four units or less shall be charged a rate of thirty-seven dollars and nine cents (\$37.09) per month, provided water or sewer service is requested and connection has been made.
- B. Multi-residential dwellings consisting of more than four units on one parcel of land, including, but not limited to, multiplexes, apartments and multi-unit residential complexes, served collectively or independently, shall be charged twenty-four dollars and seventy-six cents (\$24.76) per unit per month without consideration to occupancy status.
- C. Multi-family dwellings, including guest and sleeping rooms, shall be charged thirty-seven dollars and nine cents (\$37.09) per unit of family capacity, per month, without consideration to occupancy status. Family capacity is based on the number of beds, where three beds are considered equal to one unit of family capacity.
- D. Multi-residential developments, including manufactured housing parks, condominium and townhouse developments, and residential development complexes served collectively or independently, shall be charged thirty-seven dollars and nine cents (\$37.09) per unit, or space, per month without consideration to occupancy status.
- E. Low-Income Senior Citizens and Low-Income Disabled Persons Occupant Rate.
 - (1) Single-family dwellings shall be charged a rate of charged twenty-two dollars and seventy-three (\$22.73) per month, per dwelling, regardless of occupancy, provided water or sewer service is requested and connection has been made.
 - (2) A senior citizen is a person who occupies a dwelling unit where either the person or the person's spouse is sixty-two years of age or older at the commencement of any month.

- (3) A low-income senior citizen shall be a senior citizen whose income, combined with the income of the spouse, if any, for the calendar year preceding was fifteen thousand dollars (\$15,000.00) or less.
 - (4) A disabled person is a person who occupies a dwelling unit and qualifies for special parking privileges under RCW 46.16.381(1)(a) through (f) or a blind person as defined in RCW 74.18.020(4) or developmentally disabled as defined in RCW 71A.10.020(2) or a mentally ill person as defined in RCW 71.05.020(1).
 - (5) A low-income disabled person shall be a disabled person whose income, combined with the income of the spouse, if any, for the calendar year preceding was fifteen thousand dollars (\$15,000) or less.
 - (6) Combined income shall be income from all sources, provided that only two-thirds (2/3) of any social security benefits, two-thirds (2/3) of any retirement pension, two-thirds (2/3) of disability benefits, and the full amount of any other income shall be considered as income for the purpose of this section, and provided further, that the gain realized by any person from the sale, transfer, or upon being displaced from, his or her residence shall not be considered as income for the purposes of this section, if reinvested in a replacement residence within eighteen (18) months of its realization.
 - (7) Determination of eligibility shall be made by the City Clerk-Treasurer based upon the annual statement of the low-income senior citizen or low-income disabled person, or any other reasonable and verifiable means at the discretion of the Clerk-Treasurer.
- F. Outside utility users shall pay one hundred fifty percent (150%) of the applicable sewer service charges charged to all City residents.

2. COMMERCIAL/BUSINESS RATES

- A. The minimum monthly charge to a commercial/business account in this category shall be thirty-three dollars and seventy cents (\$33.70) per establishment.
- B. For commercial and business establishments maintaining only restroom facilities for employees and the public, and for hotels and motels without a restaurant that discharges to the same service line, domestic waste charges shall be based upon metered water consumption, and shall be two dollars and eighty-one cents (\$2.81) per one hundred cubic feet, but not less than thirty-three dollars and seventy cents (\$33.70) per establishment, per month.
- C. For commercial and business establishments discharging more than domestic wastes into the City sewage works for treatment, the strength of the wastewater shall be determined by the City, and the commercial/business establishment shall be charged based upon the determined strength and the metered water consumption at the following rate:

Component		Rate
Hydraulic	Q	\$0.8953 per 100 cu.ft.
Biochemical oxygen demand	BOD	0.5143 per pound
Total suspended solids	TSS	0.9807 per pound

Monthly charges shall be made based on the quantities of these constituents discharged to the sewage works, but not less than thirty-three dollars and seventy cents (\$33.70) per establishment, per month.

D. Grocery Stores, Bakeries, Restaurants, Drive-Ins, Convenience Stores Serving Food and Hotels and Motels with a Restaurant

The rate for grocery stores, bakeries, restaurants, drive-ins, and convenience stores serving food and hotels and motels with a restaurant that discharge sewage to the same service line (based upon a typical waste strength of 400 mg/BOD and 400 mg/l TSS for those establishments) shall be based upon metered water consumption, and shall be four dollars and fifty-eight cents (\$4.58) per one hundred cubic feet, but not less than thirty-three dollars and seventy cents (\$33.70) per establishment, per month.

E. Where multiple commercial and business establishments are tenants in a single building and are served by a common water meter, and have a single account with the City, domestic waste charges shall be based upon metered water consumption, and shall be at the rate determined by the City for the highest BOD and TSS values of the users discharging to the sewer, but not less than thirty-three dollars and seventy cents (\$33.70) per establishment, per month. If commercial and business establishments are served by separate water meters, then each establishment shall be charged at the appropriate rate specified within this section, but not less than thirty-three dollars and seventy cents (\$33.70) per meter, per month.

F. Where multiple commercial and business establishments are tenants in a single building and are served by a common water meter, and each establishment has separate account with the City, domestic waste charges shall be based upon metered water consumption at the rate determined by the City for the highest BOD and TSS values of the users discharging to the sewer, but not less than thirty-three dollars and seventy cents (\$33.70) per establishment, per month. Billing amounts in excess of the minimum shall be distributed equally between the establishments connected to the meter.

G. Where residential and commercial uses are jointly served by a common water meter, each residential dwelling unit shall be charged thirty-seven dollars and nine cents (\$37.09), per unit, per month, and each business establishment shall be charged thirty-three dollars and seventy cents (\$33.70) per unit, per month, and be allotted three hundred cubic feet of water per month per residential dwelling unit. Water metered in excess of three hundred cubic feet per residential unit shall be considered commercial consumption, and the appropriate rate as determined by the City shall be applied.

- H. Commercial/business users who lose water through evaporation, irrigation, or in the product, may request a reduction in their monthly sewer charge only if the difference between water consumed and wastewater discharged to the City is documented through the use of water meters. In such a situation, the monthly sewer charges will be based upon the volume of wastewater discharged to the City at the appropriate rate specified within this section.
- I. Outside utility commercial/business users shall pay one hundred fifty percent (150%) of the applicable sewer service charges charged to City commercial/business users.

3. GOVERNMENT RATES

Unless otherwise noted below, governmental sewer accounts shall be charged for sewer service based upon metered water consumption at the rate of two dollars and eighty-one cents (\$2.81) per one hundred cubic feet, but not less than thirty-three dollars and seventy cents (\$33.70) per month.

- A. Schools.
Schools shall be charged for sewer service based upon metered water consumption at the rate of two dollars and eighty-one cents (\$2.81) per one hundred cubic feet, but not less than thirty-three dollars and seventy cents (\$33.70) per month per metered account.
- B. Yakima Valley School.
Yakima Valley School (with the assumed wastewater strength of BOD = 400 mg/l and TSS = 400 mg/l) shall be charged for sewer service based upon metered water consumption at the rate of four dollars and fifty-eight (\$4.58) per one hundred cubic feet. The minimum monthly charge for the Yakima Valley School shall be ninety-four dollars and sixty-four cents (\$94.64). Residential housing units separate from the main school building shall be charged a rate of thirty-seven dollars and nine cents (\$37.09) per month per metered account.
- C. Outside utility government users shall pay one hundred fifty percent (150%) of the applicable sewer service charges charged to City government users.

4. INDUSTRIAL RATES

Industrial users of the City wastewater facilities shall be evaluated and determined by the City as to whether monitoring stations on wastewater discharges will be required. If monitoring stations are required by the City, the City shall designate when, where, and how many stations shall be placed. City-approved monitoring stations shall be installed and maintained continuously in satisfactory and effective operation by, and at the expense of, the industrial user, at the direction of the City.

A. General Industrial User Conditions.

The following conditions apply to all industrial users discharging to the City wastewater facilities:

- (1) There shall be no unmetered sources of water contributing wastewater to the City sewage works without the knowledge and prior written approval of the City.
- (2) The City reserves the right to test, monitor, and control any wastewater discharged to any City facility at any time, including the right set forth in Selah Code Section 9.10.072.
- (3) The discharges of industrial users may be restricted to a capacity allocated in an industrial discharge contract with the City, or a State or NPDES Waste Discharge Permit issued to the user by the Washington Department of Ecology, whichever results in the smaller capacity. In the event the discharge from an industrial user exceeds that allocated, then a rate surcharge shall be assessed. Such a surcharge shall only be assessed when the discharge exceeds that allocated to the industrial user on an average monthly basis for any of the three components that comprise the rate determination (flow, BOD, and TSS). The surcharge shall only be applied to that portion of the component that is in excess of the industrial user's allocation, and shall be equal to one hundred twenty-five percent (125%) of the rate for that component. For example, if an industrial user's discharge is within the allocated limits for flow and BOD, but exceeds the TSS allocated limit by 100 pounds per day on an average monthly basis, then that excess 100 pounds per day times the number of days in the month shall be charged a rate equal to 125% of the per pound TSS rate.
- (4) Industrial users who lose water through evaporation, irrigation, or in the product, may request a reduction in their monthly sewer charge only if the difference between water consumed and wastewater discharged to the City is documented through the use of water meters. In such a situation, the monthly sewer charges will be based upon the volume of wastewater discharged to the City at the appropriate rate specified within this section.
- (5) The pH of discharges from all industrial users discharging liquids into the public sewers other than the industrial pretreatment system shall not be lower than 6.0 nor greater than 9.0 as determined by monitoring station results. Any discharge of waste outside this range shall be subject to a penalty of one hundred thirty-one dollars and eighty-four cents (\$131.84) per day. For the purposes of this monetary penalty, each day's discharge shall be considered a separate event.
- (6) In the event characteristics of the wastewater as determined by the monitoring station results are not available due to an equipment malfunction, failed laboratory test, or other unforeseen circumstance, then the quantities of flow, BOD, and TSS shall be determined as follows:
 - a. The quantity of wastewater flow shall be based on one of the following methods as determined by the City to be effective and representative for the month when data or results are not available:

- i. The wastewater flow shall be equal to the flow for the same month in the previous year times the average flow for the previous twelve (12) months divided by the average flow for the twelve (12) month period preceding the month used from the previous year. For example, if the quantity of flow is not available in October 1999, then the flow would be calculated as follows:

$$\text{October 1999 flow} = \frac{(\text{October 1998 flow}) \times (\text{Average daily flow Oct 1998 through Sept 1999})}{(\text{Average daily flow Oct 1997 through Sept 1998})}$$

- ii. The wastewater flow shall be equal to the total water flow into the user, as determined by water meter readings for the user, times a conversion factor determined by dividing the wastewater flows for the previous twelve (12) months by the water meter readings for the previous twelve (12) months. For example, if the quantity of flow is not available in October 1999, then the flow would be calculated as follows:

$$\text{October 1999 flow} = \frac{(\text{October 1999 water flow}) \times (\text{Oct 1998 through Sept 1999 wastewater flow})}{(\text{Oct 1998 through Sept 1999 water flow})}$$

- iii. The wastewater flow shall be equal to the total water flow into the user, as determined by water meter readings for the user, times a conversion factor determined by the City performing a quantitative water balance through the users process to develop a relationship between water consumption and wastewater discharge.
- iv. The wastewater flow shall be determined by any other method deemed acceptable to the City.

- b. The quantity of BOD shall be based on one of the following methods as determined by the City to be effective and representative for the month when data or results are not available:

- i. The BOD concentration shall be equal to the BOD concentration for the same month in the previous year times the average BOD concentration for the previous twelve (12) months divided by the average BOD concentration for the twelve (12) month period preceding the month used from the previous year. For example, if the BOD concentration is not available in October 1999, then the BOD concentration would be calculated as follows:

$$\text{October 1999 BOD} = \frac{(\text{October 1998 BOD}) \times (\text{Average BOD conc. Oct 1998 through Sept 1999})}{(\text{Average BOD conc. Oct 1997 through Sept 1998})}$$

- ii. The BOD concentration shall be equal to the BOD concentration for the previous month.

- iii. The BOD concentration shall be determined by any other method deemed acceptable to the City.
- c. The quantity of TSS shall be based on one of the following methods as determined by the City to be effective and representative for the month when data or results are not available:
 - i. The TSS concentration shall be equal to the TSS concentration for the same month in the previous year times the average TSS concentration for the previous twelve (12) months divided by the average TSS concentration for the twelve (12) month period preceding the month used from the previous year. For example, if the TSS concentration is not available in October 1999, then the TSS concentration would be calculated as follows:

$$\text{October 1999 TSS} = \frac{(\text{October 1998 TSS}) \times (\text{Average TSS conc. Oct 1998 through Sept 1999})}{(\text{Average TSS conc. Oct 1997 through Sept 1998})}$$

- ii. The TSS concentration shall be equal to the TSS concentration for the previous month.
 - iii. The TSS concentration shall be determined by any other method deemed acceptable to the City.
- (7) The City shall charge monetary penalties for any discharge from an industrial user that meets the criteria of an excessive industrial discharge as defined in Selah Code section 9.10.010. For the purposes of charging monetary penalties, each day's discharge and each component (flow, BOD, and TSS) shall be considered a separate event. Monetary penalties shall include, but not necessarily be limited to, the following:
- a. All costs associated with providing treatment to the industrial slug discharge.
 - b. All costs associated with repair of equipment damaged by, or associated with, providing treatment to the industrial slug discharge.
 - c. All costs associated with NPDES permit violations, federal or state government orders resulting from NPDES permit violations, penalties imposed by the federal or state government upon the City for NPDES permit violations, and all costs associated with any citizens lawsuit filed against the City for NPDES permit violations.
 - d. Industrial slug discharges lasting five (5) or more consecutive days shall be subject to the surcharge provisions of Section 4.A.(3) of this

Resolution whether or not the industrial user's maximum monthly allocated capacity is exceeded.

- (8) Outside utility industrial users shall pay one hundred fifty percent (150%) of the applicable sewer service charges charged to City industrial users.

B. Industrial Users Not Required to Have Monitoring Stations.

- (1) The minimum monthly charge to an industrial account in this category shall be thirty-six dollars and thirty-four cents (\$36.34) per month, per industry.
- (2) For industrial users maintaining only restroom facilities for employees and the public, domestic waste charges shall be based upon metered water consumption at the rate of three dollars and twelve cents (\$3.12) per one hundred cubic feet, but not less than thirty-seven dollars and forty-four cents (\$37.44) per month, per industry.
- (3) Where an industrial user discharges more than just domestic wastewater, and a City-approved monitoring station is not required, rates shall be based upon metered water consumption. Those industries not utilizing City water will be required to install City-approved flow meters on their water supply, and to allow the volume of water used to be determined by meter readings taken by the City on a monthly basis. Charges for wastewater service shall be based upon the volume, strength, and characteristics of the wastewater, using assumed values where actual values are not known or established by the City using a portable sampler, at the following rates:

Component		Rate
Hydraulic	Q	\$0.8953 per 100 cu.ft.
Biochemical oxygen demand	BOD	0.5143 per pound
Total suspended solids	TSS	0.9807 per pound

C. Industrial Users Required to Have Monitoring Stations.

- (1) The minimum monthly charge to an industrial account in this category shall be three hundred forty-three dollars and twenty-two cents (\$343.22) per month, per industry.
- (2) Industrial users required to install City-approved monitoring stations on their discharges to the City, but not required to connect to the City pretreatment facility, shall be charged for sewer service based upon the volume, strength, and characteristics of the wastewater as determined by the monitoring station results at the following rates:

Component		Rate
Hydraulic	Q	\$0.8953 per 100 cu.ft.

Biochemical oxygen demand	BOD	0.5143 per pound
Total suspended solids	TSS	0.9807 per pound

D. Industrial Users Required to Connect to the City Pretreatment Facility.

- (1) The minimum monthly charge to an industrial account in this category shall be five seventy-two dollars and seven cents (\$572.07) per month, per monitoring station, per industry.
- (2) The industrial pretreatment facility is recognized as having a finite capacity to treat wastewater. The following capacities and limitations have been established:

Component	Units	Capacity	Occurrence
Flow	MGD	0.40	Max. Monthly Flow
BOD	lbs/day	4,000	Max. Monthly BOD Loading
TSS	lbs/day	1,500	Max. Monthly TSS Loading

- (3) In the event of multiple users of the pretreatment facility, the City shall allocate a respective share of the capacity of each component to each of the users.
- (4) Industrial users required to connect to the City pretreatment facility shall install City-approved monitoring stations at their expense on their wastewater discharge lines to monitor the volume, strength, and characteristics of their wastewater discharges into the pretreatment facility. Charges for sewer service shall be based upon the volume, strength, and characteristics of the wastewater discharged to the pretreatment facility as determined by monitoring station results at the following rates:

Component		Rate
Hydraulic	Q	\$0.4117 per 100 cu.ft.
Biochemical oxygen demand	BOD	0.2364 per pound
Total suspended solids	TSS	0.4509 per pound

- (5) The pH of discharges from all industrial users discharging liquids into the industrial pretreatment system shall not be lower than 5.0 nor greater than 11.0 as determined by monitoring station results. Any discharge of waste outside this range shall be subject to a penalty of one hundred thirty-one dollars and eighty-four cents (\$131.84) per day. For the purposes of this monetary penalty, each day's discharge shall be considered a separate event.
- (6) In addition to the user rates for wastewater treatment in subsection (4) of this section, all users of the City industrial pretreatment facility shall proportionally bear the operational, maintenance, preventative maintenance, capital, and improvement costs of the pretreatment facility. These costs shall be proportion-

ally divided by the City and imposed on participating users based on volume and strength monitoring by the individual monitoring stations of the user. Special costs (such as sludge removal from the pretreatment facility) shall be proportioned based on the constituent of wastewater creating the necessity for expenditures over the period leading to the need.

BE IT FURTHER RESOLVED that the rates set forth herein shall be effective commencing on January 1, 2015.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, this 9th day of December, 2014.

John Gawlik, Mayor

ATTEST:

Dale E. Novobielski, Clerk-Treasurer

APPROVED AS TO FORM:

Robert Noe, City Attorney

RESOLUTION NO. _____



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 M – 3

Title: Resolution Authorizing the Mayor to Sign a Contract with Ellensburg Telephone Company d/b/a Fairpoint Communications for Centrex Telephone Services

Thru: Joe Henne, Interim City Administrator

From: Dale Novobielski, Clerk/Treasurer

Action Requested: Approval

Board/Commission Recommendation: Approval

Fiscal Impact: \$718.42 monthly

Funding Source: Fund 001

Staff Recommendation:

Approval of the contract

Background / Findings & Facts:

This is a renewal of our contract with Fairpoint Communications for the Centrex phone service. The rates and discount remain the same as the prior contract.

Recommended Motion:

Move to approve the Resolution Authorizing the Mayor to Sign a Contract with Ellensburg Telephone Company d/b/a Fairpoint Communications for Centrex Telephone Services

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE MAYOR TO SIGN A CONTRACT WITH
ELLENSBURG TELEPHONE COMPANY d/b/a FAIRPOINT COMMUNICATIONS
FOR CENTREX TELEPHONE SERVICES**

WHEREAS, the City of Selah requires telephone services and has been using Centrex Telephone Services provided by Ellensburg Telephone Company d/b/a FairPoint Communications for that service;

WHEREAS, the City wishes to continue using such services and wishes to enter into a contract for the same;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON as follows:

The Mayor is authorized to sign a contract with by Ellensburg Telephone Company d/b/a FairPoint Communications for Centrex Telephone Services.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, this 9th day of December, 2014.

John Gawlik, Mayor

ATTEST:

Dale E. Novobielski, Clerk/Treasurer

APPROVED AS TO FORM:

Robert Noe, City Attorney

RESOLUTION NO. _____

CENTREX SERVICE AGREEMENT

This Centrex Service Agreement ("Agreement") made this 9th day of December 2014 by and between Ellensburg Telephone Company d/b/a FairPoint Communications ("COMPANY") and City of Selah ("CUSTOMER").

1. SCOPE OF AGREEMENT

1.1 COMPANY shall furnish Centrex service to CUSTOMER as described in Appendix A to this Agreement.

1.2 This Agreement applies only to the specified number of lines, system features, facilities and services at the locations and in the quantities set forth in Appendix A ("Centrex Services").

1.3 Centrex Services do not include (1) the installation or maintenance of any cable or inside wiring on CUSTOMER's side of a Demarcation Point established in accordance with the regulations of the Federal Communications Commission ("FCC") and COMPANY's Standard Operating Practices, or (2) the provision of any telephone sets or other CUSTOMER premises equipment. Service or equipment excluded by this subsection shall be provided by COMPANY or its affiliates under a separate contract.

1.4 Other services furnished to CUSTOMER by COMPANY are not covered by this Agreement. Rates and charges for such services are in addition to those specified herein.

2. GOVERNING TARIFF

COMPANY's provision of intrastate services is subject to regulation by the applicable state public utilities commission. Except as expressly modified by the terms and conditions set forth in this Agreement, COMPANY's provision of the Centrex Services to the CUSTOMER are governed by the terms and conditions set forth in COMPANY's Tariff on file with the state public utilities commission. Said Tariff is incorporated herein by reference.

3. PAYMENT OBLIGATIONS

3.1 CUSTOMER's payment options and obligations for the Centrex Services are specified in Appendix A.

3.2 In addition to the rates and charges set forth in Appendix A, CUSTOMER shall pay any and all applicable federal, state and local taxes, regulatory and usage fees or assessments pertaining to CUSTOMER's use of the Centrex Service and any other charges imposed on, required or allowed to be collected by COMPANY by any governmental agency or any existing, new or increased charges by any carrier that affect COMPANY's costs in providing the Centrex Services to CUSTOMER.

4. **TERM OF AGREEMENT**

Subject to any required approvals of the state public utilities commission, this Agreement is effective as of the date of execution and shall expire two (2) years from the date of installation or provision of the Centrex Services, provided that this Agreement shall renew automatically for periods of month to month unless terminated in writing by either party at least ninety (90) days prior to the expiration of the then applicable term.

5. **TERMINATION LIABILITY**

5.1 Except as otherwise provided in this Agreement, the CUSTOMER may terminate this Agreement prior to the end of the term provided the CUSTOMER pays COMPANY a termination charge within thirty (30) days equal to the monthly recurring charge for the Centrex Services plus all other federal, state and local applicable charges, taxes, duties, levies or other similar charges times the number of months remaining on the original or renewal term.

5.2 CUSTOMER may terminate this Agreement without termination liability for a material breach by COMPANY, provided that COMPANY has failed to cure said breach within ninety (90) days after receiving written notice of the breach from CUSTOMER.

6. **DEFAULT**

CUSTOMER shall be in default ("Default") of this Agreement in the event: (a) CUSTOMER fails to timely pay any undisputed amount due hereunder; (b) CUSTOMER fails to timely pay any disputed amount due hereunder, upon resolution of the dispute in COMPANY's favor; (c) CUSTOMER becomes insolvent, makes an assignment for the benefit of creditors, files or has filed against it a petition of bankruptcy, and such proceeding is not dismissed within forty-five (45) calendar days; (d) Utilizes the Centrex Services for any unlawful purpose or any purpose other than that for which the Services were intended. In the event of a Default, CUSTOMER shall reimburse COMPANY for all costs (including reasonable attorneys' fees) associated with collecting any delinquent or outstanding payments. In the event of a Default, COMPANY may, subject to applicable state public utilities commission or FCC requirements, terminate this Agreement or cancel or suspend any Centrex Services provided hereunder. COMPANY may cancel or suspend any Centrex Services used in a manner which adversely affects COMPANY's facilities or service to others. CUSTOMER shall in any event be liable for all charges accrued as of the termination, cancellation or suspension date.

7. LIMITATION OF LIABILITY

7.1 The liability of COMPANY for damages arising out of mistakes, omissions, interruptions, delays or errors or defects in transmission occurring in the course of furnishing the Centrex Services and not caused by negligence of the CUSTOMER or any cause beyond COMPANY's control, shall in no event exceed an amount equivalent to the proportionate charge to the CUSTOMER for the period of Centrex Services during which such mistakes, omissions, interruptions, delays or errors or defects in transmission occur, based upon these factors being reported to COMPANY's Repair Department and allowance of 24 hours for repairs.

7.2 In no event shall COMPANY be liable for any damages arising out of mistakes, omissions, interruptions, delays or errors or defects caused by negligence of the CUSTOMER or due to any cause beyond COMPANY's control.

7.3 In no event shall COMPANY be liable for any defacement or damage to the CUSTOMER's premises resulting from the existence of COMPANY's instruments, apparatus and associated wire on such premises, or from the installation or removal thereof, when such defacement or damage is not the result of the negligence of COMPANY or its employees.

7.4 In no event shall COMPANY be liable for incidental, direct, special or consequential damages whatsoever, arising out of or related to the performance of the Agreement.

8. INDEMNIFICATION

CUSTOMER shall indemnify and save COMPANY harmless against the following:

8.1 Any claim arising out of CUSTOMER's performance under this Agreement except when such claim arises through the fault or negligence of COMPANY.

8.2 Acts or omissions of other companies when their facilities are used in connection with COMPANY's facilities to provide Centrex Services.

8.3 Any accident, injury or death occasioned by its equipment or facilities, which such is not due to the negligence of COMPANY.

8.4 Claims for libel, slander or infringement arising from the material transmitted or recorded over its facilities; claims for infringement of patents arising from combining with, or using in connection with, facilities of COMPANY, apparatus and systems of the CUSTOMER; and

8.5 Against all other claims arising out of any act or omission of CUSTOMER in connection with facilities provided by COMPANY.

9. **DISCLAIMER OF WARRANTY**

COMPANY MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE DESCRIPTION, COMPLETENESS, QUALITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF ANY SERVICES PROVIDED HEREUNDER.

10. **FORCE MAJEURE**

Notwithstanding any other provision of this Agreement, neither COMPANY nor the CUSTOMER shall be held responsible for any delay or failure in performance of any part of this Agreement to the extent such delay or failure is caused by Acts of God, acts of civil or military authority, government regulations, fire, flood, major environmental disturbance, power blackout, explosion, war, strike, embargo, riot, terrorist act, insurrection, earth-quake, nuclear accident, unusually severe weather conditions or similar causes beyond the control of the party (collectively referred to as "Force Majeure Conditions"). If any Force Majeure Condition occurs, the party delayed or unable to perform shall give notice as soon as practicable to the other party. During the pendency of the force majeure, the duties of the parties under this Agreement affected by the force majeure condition shall be abated and shall resume, without liability, within a reasonable time thereafter.

11. **NOTICES**

All notices required under this Agreement shall be sent by registered or certified mail, return receipt requested, and shall be addressed as follows:

Ellensburg Telephone Company
d/b/a FairPoint Communications
c/o Lisa R. Hood
Senior Vice President – Telecom Group
502 Cecil G Costin St. Blvd
Port St Joe, FL 32456

City of Selah
115 W Naches Ave
Selah, Wa 98942

With a copy to

Shirley J. Linn
FairPoint Communications, Inc.
521 East Morehead Street, Suite 250
Charlotte, NC 28202

12. MISCELLANEOUS

12.1 This Agreement sets forth the entire understanding of the parties and supersedes all prior written and oral communications and agreements relating thereto.

12.2 No course of dealing or failure of either party to strictly enforce any term, right or condition of this Agreement shall be construed as a waiver of such term, right or condition.

12.3 This Agreement may not be assigned by either party without the express written consent of the other, except that COMPANY may assign this Agreement to an affiliate on written notice to CUSTOMER.

12.4 This Agreement may be executed simultaneously in one or more counterparts, and by different parties hereto in separate counterparts, each of which when executed will be deemed an original, but all of which taken together will constitute one and the same instrument. Facsimile and scanned signatures shall constitute originals.

12.5 This Agreement may be modified only by a written amendment duly signed by persons authorized to sign agreements on behalf of the parties.

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

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed the day and year first above written.

Ellensburg Telephone Company
d/b/a FairPoint Communications

City of Selah

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 M – 4

Title: Resolution Authorizing the Mayor to Sign a Contract with Gift Bricks® and Tiles for the Year 2015

Thru: Joe Henne, Interim City Administrator

From: Charlie Brown, Recreation Manager

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: Unknown at this time.

Funding Source: Fund 001

Staff Recommendation:

I recommend that we approve the contract with Gift Bricks® for our fundraising efforts for matching funds of Volunteer Park.

Background / Findings & Facts:

For the Volunteer Park project we need to obtain matching funds for the \$359,000 grant. These funds need to be secured by May 1, 2015 and per the grant the City cannot be the sole match so we need to raise funds from other sources. This can include donated labor, materials, equipment and cash. One way to raise funds is by selling these gift bricks. For our first order the company is going to honor the price from when we first looked into them which is \$17 for a 4x4 brick, and \$34 for an 8x8 brick. After our first order the costs go up to \$19.50 and \$39.10 per brick. We originally looked into a local company, but they were more expensive for each brick. Gift Bricks® also has a



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



lifetime warranty on the engravings so that if the writing chips and becomes unreadable they will replace it.

Recommended Motion:

I move to approve the Resolution Authorizing the Mayor to Sign a Contract with Gift Bricks® and Tiles for the Year 2015

Record of all prior actions taken by the City Council and/or a City Board, City Committee, Planning Commission, or the Hearing Examiner (where applicable)

Date:	Action Taken:
Click here to enter a date.	Click here to enter text.
Click here to enter a date.	Click here to enter text.
Click here to enter a date.	Click here to enter text.
Click here to enter a date.	Click here to enter text.
Click here to enter a date.	Click here to enter text.
Click here to enter a date.	Click here to enter text.

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR TO SIGN A
CONTRACT WITH GIFT BRICKS[®] AND TILES FOR THE
YEAR 2015**

WHEREAS, the City wishes to sign a contract with Gift Bricks[®] for Fundraising matching funds as a match to the WWRP Grant; and

WHEREAS, Gift Bricks[®] specializes in brick engraving and has a lifetime guarantee on all engravings; and

WHEREAS, bricks will cost \$17.00 (4"x8"), \$34.00 (8"x8") for the first order and \$19.50 and \$39.10 for all additional orders. Shipping is free on all orders over 100 bricks.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, that the Mayor be authorized to sign the contract with Gift Bricks[®] and Tiles for Fundraising matching funds for the Volunteer Park Project.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, this 9th day of December, 2014.

John Gawlik, Mayor

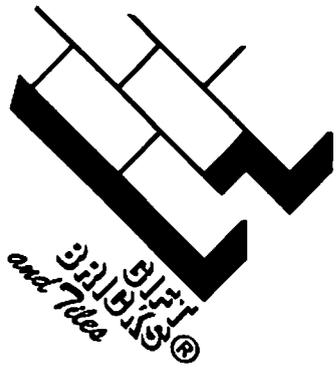
ATTEST:

Dale E. Novobielski, Clerk Treasurer

APPROVED AS TO FORM

Bob Noe, City Attorney

RESOLUTION NO. _____



2920 – 99th Street
Sturtevant, Wisconsin 53177
262-886-0727
800-537-5579
FAX 262-886-1130
e-mail: engrave@giftbricks.com
website: www.giftbricks.com

November 18, 2014

509-759-4491
Fax: 509-698-7338

Mr. Andrew Potter
City of Selah
115 West Naches Avenue
Selah, WA 98942

Dear Mr. Potter:

Enclosed please find two copies of the Gift Bricks® contract. Please sign and return one copy with your deposit. The other copy is for your records. If you are tax exempt please send a copy of your exemption certificate along with your signed contract.

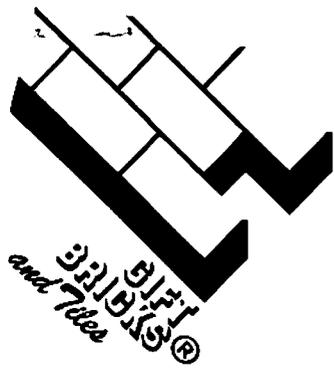
If you have any questions please feel free to contact us.

Sincerely,

A handwritten signature in black ink that reads "Shelley Gulbrandson". The signature is fluid and cursive.

Shelley Gulbrandson
Sales Manager

Enclosures



2920 – 99th Street
Sturtevant, Wisconsin 53177
262-886-0727
800-537-5579
FAX 262-886-1130
e-mail: engrave@giftbricks.com
website: www.giftbricks.com

CONTRACT

November 18, 2014

The following represents the agreement between Gift Bricks® and City of Selah, 115 West Naches Avenue, Selah, WA 98942 to furnish personalized engraved brick for the Volunteer Park fundraiser.

Gift Bricks® agrees to furnish engraved brick under the terms and conditions outlined:

1) Specification and Pricing of Pavers

Furnish Belden Nutmeg Full Range bricks, typestyle to be Helvetica, upper and lower case letters and black epoxy filled. Provisions to accommodate names that exceed specifications or other unusual circumstances will be made on an individual basis. Lifetime warranty on epoxy filled lettering if Gift Bricks® approves pavers and typestyle and bricks are installed per manufacturers specifications. If pavers are mortared in place, sealant is applied, or acid cleaning, the warranty is void. Gift Bricks® must be contacted before soil sterlants, weed killer or fertilizer is used.

Price for 4" X 8" Belden Nutmeg Full Range brick, 3 lines of type, 14 characters per line is:
\$17.00 each for first order
\$19.50 each for all orders after initial order ships

Price for 8" X 8" Belden Nutmeg Full Range brick, 6 lines of type, 14 characters per line is:
\$34.00 each for first order
\$39.10 each for all orders after initial order ships

\$100 per hour charge for logos when camera-ready artwork is not provided or too complex.
Normal charge for logos is \$75 plus the cost of that particular brick.

2) Brick Ordering

Orders to be submitted to us from online ordering system.

Minimum lead-time for submitted orders is 45 days. All changes/additions to the order will cause this lead-time to be extended. Logo bricks require signed approval of proofs. There is a \$15 charge, per order, for proofs on all bricks other than logo bricks. Delays in returning any signed approvals to Gift Bricks® will cause your lead-time to be extended.

Following the placement of your order any changes to brick verbiage after Gift Bricks® has completed the stencil will be subject to additional fees (see Exhibit C).

3) Palletizing

Engraved bricks to be palletized in numeric sequence, packaged, stored and insured by Gift Bricks® for a period of 12 months from the date of the contract at no charge.

4) Terms and Conditions

For orders under 100 engraved brick units, your organization pays the freight. On orders over 100 engraved brick units, Gift Bricks® pays the freight F.O.B. in (1) one shipment.

\$25 deposit to secure Contract and to be applied to last order of Invoice.

50% down payment due with brick order and remaining payment due before engraved brick is delivered.

Prices do not include any State, Federal or Local taxes if applicable.

At no time during this agreement can our product be substituted with another.

All acknowledgements, merits and patents developed by us under this contract are sole property of Gift Bricks®.

Delivery and performance of this contract affected by Acts of Nature, War, Terrorism, Civil Disturbances or Strikes are not covered under agreement.

Gift Bricks® to remain sole supplier for the duration of fundraiser. Contracts not signed and returned within 90 days of receipt will not be honored. The prices on signed and returned contracts will be in effect for twelve months from date of contract.

Gift Bricks®



David Hess, President

November 18, 2014
November 18, 2014

Accepted:
City of Selah

John Gawlik

Date



2920 – 99th Street
Sturtevant, Wisconsin 53177
262-886-0727
800-537-5579
FAX 262-886-1130
e-mail: engrave@giftbricks.com
website: www.giftbricks.com

EXHIBIT C

1-800-537-5579

**CHARGES TO BE ADDED TO ORDER IF CHANGES TO BRICK VERBAGE ARE MADE AFTER
STENCIL HAS BEEN COMPLETED BY GIFT BRICKS® AND BRICK HAS NOT BEEN
ENGRAVED**

<u>Size</u>	<u>For Stencil Remake</u>
4" x 8"	\$10.00
8" x 8"	\$10.00
8" x 16"	\$10.00
12" x 12"	\$10.00
16" x 16"	\$20.00
20" x 20"	\$20.00
24" x 24"	\$20.00
10" Hex	\$10.00

IMPORTANT NOTE: Brick color/shading will result in some variations during each production run. This variation is acceptable in the industry. Gift Bricks® or the manufacturer is not responsible for the suitability of the color for any particular use.



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 M – 5

Title: Resolution Authorizing the Mayor to Sign a Municipality Tourism Promotion Management Contract with Yakima Valley Visitors and Convention Bureau for the Year 2015

Thru: Joe Henne, Interim City Administrator

From: Charles Brown, Recreation Manager

Action Requested: Approval

Board/Commission Recommendation: Approval

Fiscal Impact: \$2,000.00

Funding Source: Fund 121

Staff Recommendation:

I recommend that we approve the purposed contract for 2015.

Background / Findings & Facts:

The YVVCB purposed options to the LTAC, and the current contract reflects their recommendation to you. They are recommending that we do the same advertising as we did last year. This includes a partnership with the Sports Commission who put out the bid for us to continue to host the 2A State Fastpitch Tournament and regularly advises us on our events. The other avenue for marketing that the board recommends that we use is the Visitor's Guide. We have done this in the past and Mr. Cooper had some suggestions on how we could make improvements. The Selah Chamber of Commerce has typically partnered with us on this in the past and paid for a portion of the Visitor



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



Guide's cost. These are great ways for us to get the word out about Selah and get some guidance from a group of people dedicated to making the Valley a Tourism destination.

Recommended Motion:

I move to approve the Resolution Authorizing the Mayor to Sign a Municipality Tourism Promotion Management Contract with Yakima Valley Visitors and Convention Bureau for the Year 2015

Record of all prior actions taken by the City Council and/or a City Board, City Committee, Planning Commission, or the Hearing Examiner (where applicable)

Date:	Action Taken:
11/17/2014	Lodging Tax Advisory Committee voted to continue partnership with the Sports Commission and advertise in the Visitors Guide.
11/12/2013	Resolution Authorizing the Mayor to Sign a Municipality Tourism Promotion Management Contract with Yakima Valley Visitors and Convention Bureau for the Year 2014
10/23/2012	Resolution Authorizing the Mayor Pro Tem to Sign a Municipality Tourism Promotion Management Contract with Yakima Valley Visitors and Convention Bureau for the Year 2013
12/13/2011	Resolution Authorizing the Mayor to Sign a Municipality Tourism Promotion Management Contract with Yakima Valley Visitors and Convention Bureau for the Year 2012



CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY



12/14/2010

Resolution Authorizing the Mayor to Sign a Municipality
Tourism Promotion Management Contract with Yakima
Valley Visitors and Convention Bureau for the Year 2011

[Click here to enter a date.](#) [Click here to enter text.](#)

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR TO SIGN A
MUNICIPALITY TOURISM PROMOTION MANAGEMENT
CONTRACT WITH YAKIMA VALLEY VISITORS AND
CONVENTION BUREAU FOR THE YEAR 2015**

WHEREAS, the City wishes to sign a contract with the Yakima Valley Visitors and Convention Bureau (YVVCB) for Sports Tourism Partnership, for Regional Destination Marketing Services and for Membership to the Yakima Valley Sports Commission Committee; and

WHEREAS, the YVVCB possesses the resources and staff with the necessary expertise to assist the City with sports tourism and regional destination marketing;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, that the Mayor be authorized to sign the contract with the Yakima Valley Visitors and Convention Bureau for Municipality Tourism Promotion Management in the amount of \$2,000.00. A copy of the contract is attached.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, this 9th day of December, 2014.

John Gawlik, Mayor

ATTEST:

Dale E. Novobielski, Clerk Treasurer

APPROVED AS TO FORM

Bob Noe, City Attorney

RESOLUTION NO. _____



**CITY OF SELAH
2015 TOURISM FUND
PROPOSAL**

Contract Term: 1 year at \$3,650

Approved Use of Funding:

a. \$1,650- 2015 Yakima Valley Official Visitors Guide™ Advertisement (Renew):

- Description: One Advertorial Page in the Visitors Guide about Selah; (see attached from 2014).

b. \$2,000 - Sports Tourism Partnership (Renew):

- Reserve one (1) spot on the Yakima Valley Sports Commission Committee for a representative designated by the City of Selah.
- Provide Selah Tourism and Selah Parks and Rec with Yakima Valley sporting schedules.
- Include Carlon Park, Wood Field, McGonagle Park, and Carlon Skate Park in the Yakima Valley Sports Commission Facilities Guide and on www.yakimasports.org.
- Serve on Selah sporting event committees as mutually agreed upon.
- Preparing bid for WIAA 2A State Softball Championships held at Carlon Park. Bid was recently awarded through the 2017-2018 school year.
- Securing complimentary officials' rooms for WIAA and WASA State Softball Tournaments held at Carlon Park.
- Yakima Valley Sports Commission donated to the Annual WASA State Convention where regional and state tournaments are awarded.

Payment and Terms of Contract:

City of Selah agrees to notify Yakima Valley Tourism (Stephanie Gangle, Office Manager & Membership Services, Stephanie@yakimavalleytourism.com) of all Lodging Tax Advisory Committee meetings, tourism plans and budgets and tourism-related City Council agenda items prior to their presentation to the council as well as agendas and minutes to/from such meetings.

Cancellations must be in writing, and none are accepted until confirmed in writing by YVT. All contracted municipalities must be members in good standing with YVT. Any expenses related to collateral material are the responsibility of the sponsor. Agreement is based on commitment for the terms described in this contract.

Acceptance:

Name: _____ Title: _____

Signature: _____ Date: _____



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 M – 6

Title: Resolution Authorizing the Mayor to Sign an Advertisement Contract with Yakima Valley Visitors and Convention Bureau for the Year 2015

Thru: Joe Henne, Interim City Administrator

From: Charles Brown, Recreation Manager

Action Requested: Approval

Board/Commission Recommendation: Approval

Fiscal Impact: \$1,650.00

Funding Source: Fund 121

Staff Recommendation:

I recommend that we approve the purposed advertising contract for 2015.

Background / Findings & Facts:

The YVVCB purposed options to the LTAC, and the current contract reflects their recommendation to you. They are recommending that we do the same advertising as we did last year. This includes a partnership with the Sports Commission who put out the bid for us to continue to host the 2A State Fastpitch Tournament and regularly advises us on our events. The other avenue for marketing that the board recommends that we use is the Visitor's Guide. We have done this in the past and Mr. Cooper had some suggestions on how we could make improvements. The Selah Chamber of Commerce has typically partnered with us on this in the past and paid for a portion of the Visitor Guide's cost. These are great ways for us to get the word out about Selah and



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



get some guidance from a group of people dedicated to making the Valley a Tourism destination.

Recommended Motion:

I move to approve the Resolution Authorizing the Mayor to Sign an Advertisement Contract with Yakima Valley Visitors and Convention Bureau for the Year 2015

Record of all prior actions taken by the City Council and/or a City Board, City Committee, Planning Commission, or the Hearing Examiner (where applicable)

Date:	Action Taken:
11/17/2014	Lodging Tax Advisory Committee voted to continue partnership with the Sports Commission and advertise in the Visitors Guide.
11/12/2013	Resolution Authorizing the Mayor to Sign an Advertisement Contract with Yakima Valley Visitors and Convention Bureau for the Year 2014
10/30/2013	Lodging Tax Advisory Committee approved a recommendation to Council to spend \$1,000 from the Tourism budget to cover the City's cost of the full page ad
10/23/2012	Resolution Authorizing the Mayor to Sign an Advertisement Contract with Yakima Valley Visitors and Convention Bureau for the Year 2013



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



12/13/2011

Resolution Authorizing the Mayor to Sign an
Advertisement Contract with Yakima Valley Visitors and
Convention Bureau for the Year 2012

[Click here to enter a date.](#) [Click here to enter text.](#)

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR TO SIGN AN
ADVERTISEMENT CONTRACT WITH YAKIMA VALLEY
VISITORS AND CONVENTION BUREAU FOR THE YEAR
2015**

WHEREAS, the City wishes to sign a contract with the Yakima Valley Visitors and Convention Bureau (YVVCB) for a one page print advertisement to run in the 2015 Yakima Valley Visitors Guide.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, that the Mayor be authorized to sign the contract with the Yakima Valley Visitors and Convention Bureau for a one page advertisement to be run in the Yakima Valley Visitors Guide.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH,
WASHINGTON, this 9th day of December, 2014.

John Gawlik, Mayor

ATTEST:

Dale E. Novobielski, Clerk Treasurer

APPROVED AS TO FORM

Robert Noe, City Attorney

RESOLUTION NO. _____

Yakima Valley Tourism Official Visitors Guide

ADVERTISING INSERTION AGREEMENT - 2015 Edition
 Managed by Visitors Guide Publications for Yakima Valley Tourism
 216 W. Holly Street, Suite H-24 | Bellingham, WA 98225

Contact Information	PUBLISHED INFORMATION	BILLING INFORMATION (If different)
Business Name:	City of Selah	
Contact Person:	Charles Brown	
Address:	115 West Nachos	
City / State / Zip:	Selah, WA 98942	
Local Phone:	509-698-7301	
Toll Free:		
Fax:		
Website:	www.ci.selah.wa.us	
Contact Email:	cbrown@ci.selah.wa.us	

Order Details	Ad cost	New order	Cost
Municipalities Full Page	\$ 1,650.00	1	\$1,650.00
Municipalities Spread	\$ 3,225.00		\$0.00
			Sub Total
			Adjustment
			\$1,650.00 Total

Ad Placement (Please X one or specify other)	Wineries	Cities	Specify Other
	<input type="checkbox"/> Downtown Yakima	<input type="checkbox"/> Dining	<input type="checkbox"/>
	<input type="checkbox"/> Historic District	<input type="checkbox"/> Lodging	<input type="checkbox"/>
	<input type="checkbox"/> Farm Fresh	<input type="checkbox"/> Relocation	<input type="checkbox"/>
	<input type="checkbox"/> Shopping	<input type="checkbox"/> No Preference	<input type="checkbox"/>

Special Notes: _____

Payment Options (Please check one)	Send Invoice:	Credit Card:
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Card #:
		Exp Date:
		CVS #:
		Name on Card:

Ad Materials Contact (If different from above)	Contact:	Company:
	Phone:	E-mail:

Client Signature: _____ Date: _____
 Print Name: _____ Title: _____
 Sales Person: Audrey Fraggaloch Date: 12/2/14

Checks payable to: Visitors Guide Publications | 215 W. Holly St, Suite H-24 | Bellingham, WA 98225
 Please upload any materials over 6MB to: <https://www.hightail.com/u/VGP>
 Questions? Contact Marcus Yearout 1-800-546-8401 Ext 101 / Fax signed agreement to: 360-676-8760

TERMS & CONDITIONS. The applicant, acting through the undersigned, who represents that the applicant duly authorizes him or her, agrees to the payments stated above. The undersigned has read this application including the terms and conditions at the bottom of this application or on any attachments, and by his/her signature acknowledges the receipt of a copy of this application and agrees to the terms and conditions as stated. The applicant understands and agrees that this contract is subject to acceptance by Visitors Guide Publications (VGP) and authorizes Visitors Guide Publications to obtain and verify credit references pursuant to the terms of this agreement.

All payments to Visitors Guide Publications hereunder shall be made at the address on this agreement unless otherwise mutually agreed upon in writing. A \$1.50 bookkeeping fee or a finance charge of 1.5% per month (18% per annum) whichever is highest will be placed monthly on accounts with balances over 30 days. In the event that the Advertiser listed on this application shall fail to make payment for same when due, and VGP hires an attorney or refers this account for collection, advertiser agrees to pay VGP's costs of collection, including attorney fees. Jurisdiction and venue for any action concerning this agreement, or the performance thereof, shall lie exclusively in Yakima County Superior or District Court, Yakima, Washington. This agreement cannot be cancelled.

PROOFING & LIABILITY FOR ERRORS. Responsibility for final proofing of all production and services provided by Visitors Guide Publications (VGP) or its agents lies with the Advertiser. Visitors Guide Publications or any of its employees or sub-contractors will be held liable for any errors or omissions to typesetting, camera-ready art or other advertising services created on behalf of the Advertiser. VGP will not be held liable for any output errors from disks or electronic submission provided by the Advertiser or their agents. In the event of an error caused by VGP, the maximum liability is limited to the space cost of the display or listing cost as per this advertising insertion agreement.



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 M – 7

Title: Resolution Regarding Changes to the By-Laws and Interlocal Agreement to the Cities Insurance Association of Washington (CIAW)

Thru: Joe Henne, Interim City Administrator

From: Joe Henne, Interim City Administrator

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: N/A

Funding Source: N/A

Staff Recommendation:

Approval of Resolution

Background / Findings & Facts:

CIAW provides insurance for the City. As a member of their association we need to adopt the changes to the By-Laws and Interlocal Agreement, pertaining to their fiscal year, prior to December 31, 2014.

Recommended Motion:

Move to approve the Resolution Regarding Changes to the By-Laws and Interlocal Agreement to the Cities Insurance Association of Washington (CIAW)

RESOLUTION NO. _____

Resolution Regarding Changes to the By-Laws and
Interlocal Agreement to the Cities Insurance
Association of Washington (CIAW)

RECITALS:

WHEREAS, the City of Selah is a member of the Cities Insurance Association of Washington (CIAW);

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

WHEREAS, the CIAW wishes to change its fiscal year;

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

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

NOW, THEREFORE BE IT RESOLVED:

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

Article 14
Fiscal Year

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

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

3.8.11 The Board of Directors shall establish an annual budget for the Association. The Administrator shall submit a proposed budget for the following fiscal year 60 days prior to the end of each fiscal year to the Board of Directors. Fiscal years for the Association shall be from ~~September 1st through August 31st~~ **December 1st through November 30th** of the next calendar year. The Board of Directors shall determine the estimated expenses and cost to be incurred by the

Association for the next fiscal year and shall adopt a budget derived from the Administrator's proposed budget. The budget shall be in a form to provide the following information for the Association as a whole: (1) beginning and ending unreserved fund balance, (2) anticipated revenues in detail, and (3) appropriations in detail. The Board of Directors shall apportion that budget cost among the Members and Associates. All payments due the Association from Members or Associates upon the basis of each budgeted assessment shall be paid as invoiced for the fiscal year for which the assessment is made.

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

BE IT FURTHER RESOLVED THAT the City of Selah hereby acknowledges the appropriate changes to the By-Laws and Interlocal Agreement to accomplish said change.

PASSED this 9th day of December, 2014.

John Gawlik, Mayor

ATTEST:

Dale Novobielski, Clerk/Treasurer

APPROVED AS TO FORM:

Robert F. Noe, City Attorney



INTERLOCAL AGREEMENT

OF

CITIES INSURANCE ASSOCIATION

OF WASHINGTON

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FOR
INTERLOCAL AGREEMENT
CREATING THE
CITIES INSURANCE ASSOCIATION OF WASHINGTON

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**INTERLOCAL AGREEMENT CREATING THE
CITIES INSURANCE ASSOCIATION OF WASHINGTON**

1. *Introduction.*

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

2. *Recitals.*

2.1 Chapter 48.62 Revised Code of Washington provides that two or more "local governmental entities" may, pursuant to Chapter 39.34 Revised Code of Washington, jointly purchase insurance (these activities are hereafter collectively referred to as a "Joint Insurance Purchasing Pool").

2.2 Revised Code of Washington Section 48.62.020 defines "local government entities" to include cities and towns organized and existing under Title 35 or 35A Revised Code of Washington along with certain districts and municipal corporations.

2.3 It is to the mutual benefit of the Members and in the best public interest of the Members to join together to establish this Joint Insurance Purchasing Pool to accomplish the purpose set forth herein.

2.4 The Members have determined it is in their best interest to participate in such a program.

3. *Agreement.*

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

3.1 *Purpose of Agreement.*

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

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

3.2 *Parties to Agreement.*

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

3.2.2 *Types of Memberships.*

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

3.3 *Term of Agreement.*

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

3.4 *Creation of Association.*

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

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

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

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

3.5 *Powers of the Association.*

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

3.5.1 Establish, and require compliance with, all terms of the Joint Insurance Purchasing Pool to be provided by the Association including the types and limits of the insurance coverage, the methodology to be used to allocate the Association's costs among Regular and Associate Members, and the amount of retroactive assessments to be paid by each Regular Member;

3.5.2 Make and enter into contracts;

3.5.3 Incur debts, liabilities or obligations;

3.5.4 Acquire, receive, hold or dispose of property, funds, services, and other forms of assistance from persons, firms, corporations and governmental entities;

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

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

3.6 *Responsibilities of the Association.*

The Association shall have the following responsibilities:

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

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

3.7 *Responsibilities of Members.*

Members shall have the following responsibilities:

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

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

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

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

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

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

3.8 *Board of Directors' Authority.*

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

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

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

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

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

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

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

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

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

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

3.9 *Service Representative Relationship.*

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

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

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

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

3.10 *Effective Date of Pooled Insurance Purchasing Program.*

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

3.11 *Contingent Liability and Retroactive Assessments.*

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

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

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

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

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

3.12 *New Members.*

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

3.13 *Withdrawal.*

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

3.14 *Cancellation.*

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

3.15 *Effect of Withdrawal or Cancellation.*

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

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

3.16 *Termination and Distribution.*

3.16.1 *Termination.*

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

3.16.2 *Distribution.*

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

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

3.17 *Notices.*

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

3.18 *Amendment.*

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

3.19 *Enforcement.*

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

3.20 *Default and Remedies.*

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

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

3.21 *No Waivers.*

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

3.22 *Prohibition Against Assignment.*

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

3.23 *Entire Agreement.*

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

3.24 Severability.

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

3.25 Time.

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

3.26 Section Headings.

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

3.27 Governing Law.

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

3.28 Counterpart Copies.

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

4. Execution.

The parties have executed this Agreement by authorized officials thereof.

Name of City or Town or Public Entity

Mailing Address

Street Address (if different from above)

City

Zip

Phone

By _____
Signature of Authorized Official

(Print or Type Name)

Title

Date

EXHIBIT A List

of Members



All Members 2013-2014

City Members

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

Administered by





All Members 2013-2014

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

Special District Members

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

Administered by





All Members 2013-2014

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

Fire District Members

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

Administered by





All Members 2013-2014

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

Administered by



BY-LAWS

OF

CITIES INSURANCE ASSOCIATION

OF WASHINGTON

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FOR

BY-LAWS OF

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BY-LAWS
OF
CITIES INSURANCE ASSOCIATION OF WASHINGTON

ARTICLE 1
Offices

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

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

ARTICLE 2
Members

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

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

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

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

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

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

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

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

ARTICLE 3
Meetings of Members

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

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

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

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

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

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

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

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

ARTICLE 4 The Board of Directors

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 5 Officers

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

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

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

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

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

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

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

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

ARTICLE 6 Committees

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

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

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

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

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

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

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

ARTICLE 7 Administrator

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

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

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

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

ARTICLE 8 Indemnification

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

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

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

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

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

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

ARTICLE 9 Coverage Determinations and Appeal Rights

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

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

- (2) Whether the corporation is reserving any rights to make subsequent coverage determinations.
 - (3) Whether the corporation is denying coverage for the claims made in the claim or Summons and Complaint under review. In the event that coverage is denied, the Administrator shall inform the Covered Party in writing of the appeal process contained in Section 2 of this Article.

- (d) In the event that the Administrator determines that the Association should (1) reserve its rights to make subsequent coverage determination, or (2) determines that coverage should be denied, then the written notice shall also state the reasons for any such reservation or denial.

- (e) In the event that a final coverage determination cannot be made by the Administrator until after the facts of the claim or Complaint are determined in a legal proceeding, the Administrator shall make a final coverage determination within sixty (60) days or such reasonable time as agreed after the final disposition of the legal proceeding is provided to the Administrator. The determination shall be provided in writing to the Covered Party and shall contain the information required by Sections 9.1(c) and 9.1(d).

- (f) All written determinations by the Administrator shall be deemed final and binding upon all parties unless the Covered Party files a timely notice of appeal with the Board of Directors in the manner specified in Section 9.2. The determination of the Administrator is only binding upon the corporation and relates only to the self retention or deductible in place at that time under the policy of insurance which insures the Association. The determination of the Administrator is not binding upon the carrier who insures the Association. Covered Parties are required to resolve coverage disputes with the insurance carrier pursuant to the terms of the policy issued by that carrier.

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 10

Conflict of Interest and Appearance of Fairness Procedure

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

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

ARTICLE 11 Contracts, Checks, Deposits and Funds

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

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

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

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

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

ARTICLE 12
Certificates of Membership

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

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

ARTICLE 13
Books and Records

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

ARTICLE 14
Fiscal Year

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

ARTICLE 15
Seal

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

ARTICLE 16
Waiver of Notice

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

ARTICLE 17
Amendments to By-Laws

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

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



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 M – 8

Title: Resolution to Approve a Supplemental Agreement with Huibregtse, Louman Association, Inc., No. 2 for the East Goodlander Road Improvements.

Thru: Joe Henne, Interim City Administrator

From: Joe Henne, Public Works Director

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: Continuation of existing \$139,000.00 contract

Funding Source: Street Fund 111

Staff Recommendation:

This Supplement is requesting an extension of time for the design, plans, and specifications to reconstruct and widen existing two lanes, add a turn lane, and construct sidewalks, curb and gutter, storm drainage and street lights for East Goodlander Road project.

Background / Findings & Facts:

This is to change the completion date to December 31, 2014 of the East Goodlander Improvement Project.

Recommended Motion:

To Approve



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



Record of all prior actions taken by the City Council and/or a City Board, City Committee, Planning Commission, or the Hearing Examiner (where applicable)

Date:	Action Taken:
2/28/2012	Resolution to Submit STP Funding Application
1/22/2013	Notice of Funding Status
3/12/2013	Resolution to revise the Local Agency Federal Aid Project Prospectus
6/11/2013	Resolution to Approve a Local Agency Agreement Supplement, No.1 for the East Goodlander Improvements.

[Click here to enter a date.](#) [Click here to enter text.](#)

[Click here to enter a date.](#) [Click here to enter text.](#)

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE MAYOR TO SIGN THE
HUIBREGTSE, LOUMAN ASSOCIATES SUPPLEMENTAL
AGREEMENT NUMBER 2 FOR THE EAST GOODLANDER
ROAD IMPROVEMENTS PROJECT.

WHEREAS, the City of Selah wishes to sign a Supplement Agreement with the Huibregtse, Louman Associates, Inc. for East Goodlander Road Improvements, and

WHEREAS, this extends the completion date to June 30, 2016 and the scope of work for the project and the maximum amount payable remains unchanged;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON that the Mayor be authorized to sign the Supplement Agreement No. 2 with Huibregtse, Louman Associates, Inc. for the East Goodlander Road Improvements project.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON this 9th day of December, 2014.

John Gawlik, Mayor

ATTEST:

Dale E. Novobielski, Clerk/Treasurer

APPROVED AS TO FORM:

Robert F. Noe, City Attorney

RESOLUTION NO. _____



*** TRANSMITTAL MEMO ***

Phone: 509-966-7000 / FAX: 509-965-3800
801 N. 39th Avenue, Yakima, WA 98902

Date: December 3, 2014

Project No.: 12092E

To: City of Selah
115 W Naches Avenue
Selah, WA 98942

Attention: Joe Henne

From: Terry Alapeteri, PE

Re: City of Selah – Goodlander Road Improvements – Supplemental Agreement No. 2

We are sending you attached the following items:

Two (2) original Supplemental Agreements

Joe:

The current Consultant Agreement for the Goodlander Road Improvements STP project expires on 12/31/2014. With the uncertainty of the construction funding for this project, we propose moving the design completion date for this project to 06/30/2016. This date gets us through bidding for construction in 2016.

Attached for Mayor Gawlik's signature is a supplemental agreement that will extend the completion date for design engineering services. There is no requested change in the maximum amount payable for this project.

Please have the two supplemental agreements signed and return one to our office. Thank you.

Copy to: _____ file

Signed: _____



Supplemental Agreement Number <u>2</u>		Organization and Address	
Original Agreement Number 12092E		Huibregtse, Louman Associates, Inc. 2803 River Road Yakima, WA 98902 Phone: 509-966-7000	
Project Number STPUS-8051(002)	Execution Date 11/13/2012	Completion Date 6/30/2016	
Project Title Goodlander Road Improvements	New Maximum Amount Payable \$ 139,000.00		
Description of Work Professional Engineering for design, plans, and specifications to reconstruct and widen existing two lanes, add a turn lane, and construct sidewalks, curb and gutter, storm drainage, and street lights.			

The Local Agency of City of Selah
desires to supplement the agreement entered into with Huibregtse, Louman Associates, Inc.
and executed on 11/13/2012 and identified as Agreement No. 12092E

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:

SCOPE OF WORK shall remain unchanged.

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of the work to read: Completion date shall be changed to June 30, 2016

III

Section V, PAYMENT, shall be amended as follows:

Payment shall remain unchanged.

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: Huibregtse, Louman Associates, Inc.

By: City of Selah


Consultant Signature

Approving Authority Signature

Date



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 N – 1

Title: Ordinance Amending Section 4.34.040 of the Selah Municipal Code, “Occupations Subject to Tax – Amount”

Thru: Joe Henne, Interim City Administrator

From: Dale Novobielski, Clerk/Treasurer

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: \$356,000 in additional revenue will be generated in 2015 with \$140,000 for Police department operations and \$216,000 for Fire.

Funding Source: Utility customers

Staff Recommendation:

Approval

Background / Findings & Facts:

The 2015 budget currently provides for revenues of \$ 140,000 for Police operations and \$ 216,000 for Fire operations to be funded from an increase of 8.5% in Utility Taxes on City utility services.

Recommended Motion:

I move to approve the Ordinance providing for an increase of 8.5% in Utility Taxes on City utility services.



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



Record of all prior actions taken by the City Council and/or a City Board, City Committee, Planning Commission, or the Hearing Examiner (where applicable)

Date:	Action Taken:
10/29/2014	Public Hearing held at the Selah Civic Center for a proposed increase of 8.5% in Utility Taxes on City Services for the support of the Police & Fire Departments.
11/6/2014	Public Hearing held at the Selah Civic Center for a proposed increase of 8.5% in Utility Taxes on City Services for the support of the Police & Fire Departments.
11/25/2014	Postposted to the December 9, 2014 Council Meeting.

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[Click here to enter a date.](#) [Click here to enter text.](#)

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 4.34.040 OF THE SELAH MUNICIPAL CODE,
"OCCUPATIONS SUBJECT TO TAX – AMOUNT"

WHEREAS, the City Council wishes to amend section 4.34.040 to provide for an increase in the Utility Tax rate;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, does ordain that Selah Municipal Code be amended as follows:

SMC 4.34.040 amended as follows:

There is levied upon, and shall be collected from persons, including the city, on account of certain business activities engaged in or carried on, license fees or occupation taxes in the amount to be determined by the application of rates given against gross income as follows:

- (1) Upon every person engaged in or carrying on the business of selling or furnishing electric energy, a fee or tax equal to six percent of the total gross income derived from such business in the city during the period for which the license fee or tax is due;
- (2) Upon every person engaged in or carrying on a telephone business, a fee or tax equal to six percent of the total gross income, excluding revenues from intrastate toll, derived from such business in the city during the period for which the license fee or tax is due. "Telephone business" means the business of providing access to a local telephone network, local telephone switching service, toll service, cellular telephone service, coin telephone service, telephonic, video, data, or similar communication, or transmission for hire, via a local telephone network, toll line or channel, cable, microwave, or similar communication or transmission system. The term includes cooperative or farmer line telephone companies or associations operating exchanges. For the purpose of this subsection, gross income does not include charges which are passed onto the subscriber by a telephone company pursuant to tariffs required by regulatory order to compensate for the cost to the company of the tax imposed by this section, nor competitive telephone service which is a type that can be provided by persons that are not subject to regulation as telephone companies under RCW Title 80 and for which a separate charge is made;
- (3) Upon every person and/or entity engaged in or carrying on the business of selling or furnishing natural gas for domestic, business or industrial consumption, a tax equal to six percent of the total gross income derived from such business in the city during the period for which the tax is due. The city also imposes a use tax, equal in percent to the city's utility tax as now existing or hereinafter amended, for all customers purchasing out of state brokered natural gas;
- (4) Upon every person engaged in or carrying on the business of transmitting television by cable, a fee or tax equal to six percent of the total gross income derived from such business in the city during the period for which the license fee or tax is due;

- (5) Upon every person engaged in or carrying on the business of operating or conducting a water system for domestic, business or industrial consumption, a fee or tax equal to six percent of the total gross income derived from such business in the city during the period for which the license fee or tax is due;
- (6) Upon every person engaged in or carrying on the business of operating or conducting a sewerage system for domestic, business or industrial use, a fee or tax equal to six percent of the total gross income derived from such business in the city during the period for which the license fee or tax is due;
- (7) Upon every person engaged in or carrying on the business of operating or conducting a garbage or solid waste refuse collection system for domestic, business or industrial use, a fee or tax equal to six percent of the total gross income derived from such business in the city during the period for which the license fee or tax is due;
- (8) Upon the City engaged in or carrying on the business of operating water and sewerage systems for domestic, business, or industrial use, and engaged in or carrying on the business of operating a garbage collection service, a fee or tax of equal to twenty-nine and a half ~~one~~ percent of the total gross income derived from such business within the city during the period for which the license fee or tax is due. Of this amount 8.5% will be distributed with 5.16% recorded for the support of Fire department operations and 3.34% for Police department operations. Provided that City utility customers participating in Low Income Senior and/or Disabled rate programs will only be charged a fee or tax equal to the rates imposed in sections (1) thru (7) for private utility company providers.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH,
WASHINGTON this 9th day of December, 2014.

John J. Gawlik, Mayor

ATTEST:

Dale E. Novobielski, Clerk-Treasurer

APPROVED AS TO FORM:

Robert Noe, City Attorney

ORDINANCE NO. _____



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 N – 2

Title: Ordinance Adopting the Budget for the City of Selah, Washington for the Year ending December 31, 2015

Thru: Joe Henne, Interim City Administrator

From: Dale Novobielski, Clerk/Treasurer

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: Appropriations of \$ 13,052,874.

Funding Source: The various operating and reserve funds of the City.

Staff Recommendation:

Approve Ordinance.

Background / Findings & Facts:

In accordance with RCW 35A.33.075 the City is required to adopt its annual operating budget by Ordinance.

Recommended Motion:

I move to approve the Ordinance adopting the 2015 budget for the City of Selah.

AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF SELAH,
WASHINGTON, FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015

WHEREAS, the City council has considered the estimated revenues and appropriations required in budgeting and controlling the financial operations of the City for 2015 and has prepared a preliminary budget, published notices of hearings, and held public hearings as required by law;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON does ordain as follows:

Section 1. The budget for the year 2015 is hereby adopted at the fund level in its final form and content as set forth in the document entitled 2015 Budget.

Section 2. Estimated Revenues & Beginning Net Cash & Investments, Requested Appropriations and Estimated Ending Net Cash & Investments are described in summary as follows:

<u>Fund</u>	<u>Department</u>	<u>Est. Revenues & Beginning Fund Balance</u>	<u>Appropriations</u>	<u>Estimated Ending Fund Balance</u>	<u>Total Requested Appropriations & Ending Fund Balance</u>
001	<u>General</u>				
	Legislative		\$59,814		
	Court	\$99,750	122,357		
	Executive	11,000	145,689		
	Finance, Recording & Election Svcs		188,160		
	Legal	7,000	91,815		
	Facilities	1,900	43,190		
	Police	388,533	2,161,056		
	Detention		106,300		
	Emergency Svcs.		4,153		
	Pollution Control		2,936		
	Animal Control		26,908		
	Community Development	99,500	155,582		
	Planning	11,100	64,353		
	Substance Abuse		2,000		
	Participant Recreation	118,382	267,425		
	Parks	56,700	439,382		
	Transfers-In	127,300			
	Transfers-Out		88,263		
	Non-Departmental	4,090,660	461,775		
		<u>\$5,011,825</u>	<u>\$4,431,158</u>	<u>\$580,667</u>	<u>\$5,011,825</u>

<u>Fund</u>	<u>Department</u>	<u>Est. Revenues & Beginning Fund Balance</u>	<u>Appropriations</u>	<u>Estimated Ending Fund Balance</u>	<u>Appropriations & Ending Fund Balance</u>
103	Fire Control	1,631,331	1,328,739	302,592	1,631,331
110	Street	591,450	525,511	65,939	591,450
111	Street Improvement	440,776	440,776	0	440,776
113	Paths & Trails	7,270	0	7,270	7,270
115	Local Access Street Improv.	227,896	44,201	183,695	227,896
118	Civic Center	94,400	84,794	9,606	94,400
119	Transit	584,070	322,087	261,983	584,070
120	Library	17,000	17,000	0	17,000
121	Tourism	25,000	15,800	9,200	25,000
140	Contingency Reserve	27,685	0	27,685	27,685
150	Fire Equipment Reserve	352,568	255,000	97,568	352,568
153	EMS Equipment Reserve	25,796	0	25,796	25,796
170	CE Equipment Reserve	541,325	118,300	423,025	541,325
171	PW Equipment Reserve	357,164	126,000	231,164	357,164
180	Drugs & Alcohol Comm. Res	8,683	0	8,683	8,683
181	Crime Prev. Accum.Reserve	10,452	9,000	1,452	10,452
190	SPRSA Pool	192,269	146,837	45,432	192,269
202	Goodlander LID	11,674	10,570	1,104	11,674
220	LID Guaranty	46,330	0	46,330	46,330
301	Capital Improvement	223,655	0	223,655	223,655
303	Fire Control Building Res.	1,293	0	1,293	1,293
308	Civic Center Capital	4,591	0	4,591	4,591
310	CE Building/Property Res.	378,058	10	378,048	378,058
411	Water	2,360,298	1,895,622	464,676	2,360,298
415	Sewer	2,801,119	2,362,597	438,522	2,801,119
420	Solid Waste	1,282,000	818,872	463,128	1,282,000
461	Water Reserve	926,668	100,000	826,668	926,668
465	Sewer Reserve	917,778	0	917,778	917,778
470	Solid Waste Reserve	63,188	0	63,188	63,188
		<u>\$19,163,612</u>	<u>\$13,052,874</u>	<u>\$6,110,738</u>	<u>\$19,163,612</u>

PASSED AND ORDAINED BY THE CITY COUNCIL OF THE CITY OF SELAH,
WASHINGTON this 9th day of December, 2014.

ATTEST:

John Gawlik, Mayor

Dale E. Novobielski, Clerk-Treasurer

APPROVED AS TO FORM:

Robert Noe, City Attorney

ORDINANCE NO. _____



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 N – 3

Title: Ordinance Granting a Franchise to Ellensburg Telephone Company d/b/a Fairpoint Communications, its Successors or Assigns, to Own and Operate and Maintain a Cable System in the City of Selah, Washington, Setting Forth Conditions Accompanying the Grant of Franchise, and Providing for the Regulation and Use of Said System

Thru: Joe Henne, Interim City Administrator

From: Joe Henne, Interim City Administrator

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: N/A

Funding Source: N/A

Staff Recommendation:

Approval of Ordinance

Background / Findings & Facts:

Ellensburg Telephone Company wishes to have a cable franchise agreement with the City of Selah. The franchise agreement meets with Public Works and Legal review.

Recommended Motion:

Move to approve the Ordinance granting a franchise agreement to Ellensburg Telephone Company dba Fairpoint Communications



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



Record of all prior actions taken by the City Council and/or a City Board, City Committee, Planning Commission, or the Hearing Examiner (where applicable)

Date:

Action Taken:

12/9/2014

Public Hearing –Ellensburg Telephone Company d/b/a
Fairpoint Communications Franchise

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ORDINANCE NO. _____

ORDINANCE GRANTING A FRANCHISE TO ELLENSBURG TELEPHONE COMPANY
d/b/a/ FAIRPOINT COMMUNICATIONS ITS SUCCESSORS OR ASSIGNS, TO OWN
AND OPERATE AND MAINTAIN A CABLE SYSTEM IN THE CITY OF SELAH,
WASHINGTON, SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF
FRANCHISE, AND PROVIDING FOR THE REGULATION AND USE OF SAID SYSTEM

NOW, THEREFORE, the City of Selah does ordain that there is hereby granted, and established a nonexclusive franchise for a period of fifteen (15) years for the operation and maintenance of a Cable System within the City of Selah to ELLENSBURG TELEPHONE COMPANY d/b/a/ FAIRPOINT COMMUNICATIONS, hereinafter referred to as the "Grantee."

Provided, however, that said franchise shall be subject to the following terms and performance conditions:

ARTICLE I
GRANT OF FRANCHISE
AND GENERAL PROVISIONS

SECTION 1. TITLE OF ORDINANCE

This Ordinance shall be known and may be cited as the "Cable Franchise," hereinafter "Franchise," and it shall become a part of the ordinances of the City of Selah.

SECTION 2. DEFINITIONS

2.1 For the purpose of this ordinance the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is mandatory and "may" is permissive. Words not defined shall be given their common and ordinary meaning.

2.1.1 "Additional service" shall mean cable television communications service provided by the Grantee or others over its Cable System for which a special charge is made based on program or service content, time or spectrum space usage, and shall include all cable television services offered by the Grantee that are not included within the "basic service tier."

2.1.2 "Basic service tier" shall mean those subscriber services provided by the Grantee, pursuant to the Cable Television Consumer Protection and Competition Act of 1992, including the delivery of broadcast signals electing carriage and any public, educational and governmental access covered by the regular monthly charge paid by all subscribers, excluding optional services for which a separate charge is made.

2.1.3 "Council" shall mean the City Council, the governing body of the City of Selah.

2.1.4 "Cable System (CS)" shall mean a facility consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which provided for sale to or use by the inhabitants or businesses of the City.

2.1.5 "Cable mile" shall mean a linear mile of strand-bearing cable as measured on the street or easement from pole to pole or pedestal to pedestal.

2.1.6 "City" is the City of Selah, a municipal corporation of the State of Washington.

2.1.7 "Class IV channel" shall mean a signaling path provided by a Cable System to transmit signals of any type from a subscriber terminal to another point in the cable system.

2.1.8 "Converter" means an electronic device, which converts signals to a frequency not susceptible to interference within the television receiver of a subscriber, and by use of an appropriate channel selector also permits a subscriber to receive all signals delivered at designated converter dial locations.

2.1.9 "FCC" shall mean the Federal Communications Commission and any legally appointed or elected successor.

2.1.10 "Franchise" shall mean the non-exclusive rights granted pursuant to this ordinance to construct and operate a Cable System along the public ways within all or a specified area in the City. Any such authorizations, in whatever form granted, shall not mean and include any license or permit required for the privilege of transacting and carrying on a business within the City as required by other ordinances and laws of this City.

2.1.11 "Grantee" shall mean any "person" receiving a Franchise pursuant to this ordinance and its lawful successor, transferee or assignee.

2.1.12 "Gross Receipts" shall mean all receipts derived directly or indirectly by the Grantee, from providing cable television services within the City, including, but not limited to, basic subscriber and additional service monthly fees, pay cable fees, installation and reconnection fees, leased channel fees, converter rentals, studio rental, production equipment and personnel fees, and advertising revenues; provided, however, that this shall not include any taxes or copyright fees on services furnished by the Grantee herein imposed directly upon any subscriber or user by the state, local or other governmental unit and collected by the Grantee on behalf of said governmental unit or bad debt.

2.1.13 "Installation" shall mean the connection of the system from feeder cable to subscribers' terminals.

2.1.14 "Monitoring" means observing a communications signal, or the absence of a signal, where the observer is neither the subscriber nor the programmer, whether the signal is observed by visual or electronic means, for any purpose whatsoever. Provided, monitoring shall not include system-wide, non-individually addressed sweeps of the system for purposes of verifying system integrity, controlling return paths transmissions, or billing for services.

2.1.15 "Person" shall mean all individual, partnership, association, organization, corporation or any lawful successor, transferee or assignee of said individual, partnership, association, organization or corporation.

2.1.16 "Public School" shall mean any school at any educational level operated within the City by any public, private or parochial school system, but limited to, elementary, junior high school, and high school.

2.1.17 "Reasonable notice" shall be written notice addressed to the Grantee at its principal office or such other office as the Grantee has designated to the City as the address to which notice should be transmitted to it, which notice shall be certified and postmarked not less than four (4) days prior to that day in which the party giving such notice shall commence any action which requires the giving of notice. In computing said four (4) days, Saturdays, Sundays and holidays recognized by the City shall be excluded.

2.1.18 "Reasonable order" shall be written orders not excessive or extreme as to costs or time to comply, governed by sound thinking.

2.1.19 "Sale" shall include any sale, exchange, barter or offer for sale.

2.1.20 "Service area" shall mean the geographic area within franchise territory having forty (40) dwellings per cable mile.

2.1.21 "State" shall mean the State of Washington.

2.1.22 "Street" shall include each of the following which have been dedicated to the public or hereafter dedicated to the public and maintained under public authority or by others and located within the City limits: streets, roadways, highways, avenues, lanes, alleys, sidewalks, easements, rights-of-way and similar public ways and extensions and additions thereto, together with such other public property and areas that the City shall permit to be included within the definition of street from time to time.

2.1.23 "Subscriber" shall mean any person receiving either basic service or additional service from the Grantee.

2.1.24 "User" means a party utilizing a cable system channel for purposes of production or transmission of material to subscribers, as contrasted with receipt thereof in a subscriber capacity.

SECTION 3. RIGHTS AND PRIVILEGES OF GRANTEE

The Franchise granted by the City pursuant to this ordinance shall grant to the Grantee the right and privilege to erect, construct, operate and maintain in, upon, along, across, above, over and under the streets, now in existence and as may be created or established during its terms; any poles, wires, cable, underground conduits, manholes, and other conductors and fixtures necessary for the maintenance and operation of a Cable system.

SECTION 4. FRANCHISE TERRITORY

This nonexclusive Franchise relates to the City limits as presently defined and to any area henceforth added thereto during the term of this Franchise.

SECTION 5. DURATION AND ACCEPTANCE OF FRANCHISE

The Franchise and the rights, privileges and authority hereby granted shall take effect and be in force from and after final passage thereof, as provided by law, and shall continue in force and effect for a term of fifteen (15) years, provided that within thirty (30) days after the date of final passage of the Franchise the Grantee shall file with the City its unconditional acceptance of the Franchise and promise to comply with and abide by all its provisions, terms, and conditions.

SECTION 6. FRANCHISE REQUIREMENTS FOR OTHER FRANCHISE HOLDERS

6.1 In the event that City grants one (1) or more franchise(s) or similar authorizations, for the construction, operation and maintenance of any communication facility which shall offer services substantially equivalent to services offered by the CS it shall not make the grant on more favorable or less burdensome terms. If Grantee finds that the agreement(s) granting said other franchise(s) contain provisions imposing lesser obligations on the Company(s) thereof than are imposed by the provisions of this Franchise, Grantee may petition City for a modification of this Franchise. The Grantee shall be entitled, with respect to said lesser obligations to such modification(s) of this Franchise as may be determined to be necessary to insure fair and equal treatment by this Franchise and said other agreements.

6.2 In the event that a non-franchised multichannel video programing distributor provides service to the residents of the City, the Grantee shall have a right to request Franchise amendments that relieve the Grantee of regulatory burdens that create a competitive disadvantage to the Grantee. In requesting amendments, the Grantee shall file a petition seeking to amend the Franchise. Such petitions shall: (a) indicate the presence of a non-franchised competitor(s); (b) identify the basis for Grantee's belief that certain provisions of the Franchise place Grantee at a competitive disadvantage; and (c) identify the regulatory burdens to be amended or repealed in order to eliminate the competitive disadvantage.

The City shall not unreasonably withhold granting the Grantee's petition and so amending the franchise.

SECTION 7. FRANCHISE RENEWAL

7.1 This Franchise may be renewed by the City upon application of the Grantee pursuant to applicable law.

7.2 A renewed Franchise may be granted pursuant to this ordinance as amended for an additional period of ten (10) years.

SECTION 8. POLICE POWERS

8.1 In accepting this Franchise, the Grantee acknowledges that its rights hereunder are subject to the police power of the City to adopt and enforce general ordinances necessary to the safety and welfare of the public; and it agrees to comply with all applicable general laws and ordinances enacted by the City pursuant to such power.

8.2 Any conflict between the provisions of this Franchise and any other present or future lawful exercise of the City's police powers shall be resolved in favor of the latter, except that any such exercise that is not of general application in the jurisdiction or applies exclusively to Grantee or Cable System franchises which contains provisions inconsistent with this Franchise shall prevail only if upon such exercise, the City finds an emergency exists constituting a danger to health, safety, property or general welfare or such exercise is mandated by law.

SECTION 9. CABLE SYSTEM FRANCHISE REQUIRED, EXCLUSIVE CONTRACTS PROHIBITED.

9.1 No CS shall be allowed to occupy or use the sheets or public right of way of the City or be allowed to operate without a CS Franchise.

9.2 No Grantee or other multichannel video programming distributor shall enter into or enforce an exclusive contract for the provision of cable service or other multichannel video programming with any Person, or demand the exclusive right to serve a Person or location, as a condition of extending service to that or any other Person or location.

9.3 No Grantee or other multichannel video programming distributor shall engage in acts that have the purpose or effect of limiting competition for the provision of cable service or services similar to cable service in the City, except for such actions as are expressly authorized by law.

SECTION 10. USE OF COMPANY FACILITIES

The City shall have the right, during the life of this Franchise, to install and maintain free of charge upon the poles owned by the Grantee any wire and pole fixtures that do not unreasonably interfere with the CS operations of the Grantee.

SECTION 11. NOTICES

All notices from Grantee to the City pursuant to this Franchise shall be to the City Clerk. Grantee shall maintain with the City, throughout the term of this Franchise, an address for service of notices by mail.

SECTION 12. INDEMNIFICATION AND INSURANCE

12.1 Indemnification. The Grantee shall, by acceptance of the Franchise granted herein, defend Grantor, its Officers, Boards, Commissions, Agents, and Employees for all claims for injury to any person or property caused by the negligence or alleged negligence of Grantee in the construction or operation of the cable system and in the event of a determination of liability shall indemnify and hold Grantor, its Officers, Boards, Commissions, Agents, and Employees harmless from any and all liabilities, claims, demands, or judgments growing out of any injury to any person or property as a result of the violation or failure of Grantee to observe its proper duty or because of the negligence or alleged negligence of Grantee arising out of the construction, repair, extension, maintenance, operation or removal of its wires, poles or other equipment of any kind or character used in connection with the operation of the cable system.

12.2 Insurance

12.2.1 The Grantee shall maintain throughout the term of the Franchise insurance in amounts at least as follows:

Workers' Compensation	Statutory Limits
Commercial General Liability	\$1,000,000 per occurrence,
Combined Single Liability (C.S.L.)	\$2,000,000 General Aggregate
Auto Liability including coverage	\$1,000,000 per occurrence
(C.S.L.) on all owned, non-owned	
hired autos	\$1,000,000 per occurrence
Umbrella Liability (C.S.L.)	\$1,000,000 per occurrence

12.2.2 The City shall be added as an additional insured to the above Commercial General Liability, Auto Liability and Umbrella Liability insurance coverage.

12.2.3 The Grantee shall furnish the City with current certificates of insurance evidencing such coverage.

12.2.4 The minimum amounts set forth herein for such insurance shall not be construed to limit the liability of the Grantee to the City under the Franchise issued hereunder to the amounts of such insurance.

SECTION 13. RIGHTS OF INDIVIDUALS

13.1 Grantee shall not deny service, deny access, or otherwise discriminate against subscribers, channel users, or general citizens on the basis of race, color, religion, national origin, age or sex. Grantee shall comply at all times with all other applicable federal, state and local laws and regulations, and all executive and administrative orders relating to nondiscrimination which are hereby incorporated and made part of this ordinance by reference.

13.2 Grantee shall strictly adhere to the equal employment opportunity requirements of the FCC and state and local regulations, as amended from time to time.

13.3 No signals of a Class IV cable communications channel shall be transmitted from a subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the subscriber, except as specifically allowed by federal law. The request for such permission shall be contained in a separate document with a prominent statement that the subscriber is authorizing the permission in full knowledge of its provision. Such written permission shall be for a limited period of time not to exceed one (1) year, which shall be renewable at the option of the subscriber. No penalty shall be invoked for a subscriber's failure to provide or renew such an authorization. The authorization shall be revocable at any time by the subscriber without penalty of any kind whatsoever provided that such revocation request may be required to be in writing by Grantee. Such authorization is required for each type or classification of Class IV cable activity planned; provided however, that the Grantee shall be entitled to conduct system-wide or individually addressed "sweeps" for the purpose of verifying system integrity, controlling return-path transmission, or billing for services.

13.4 The Grantee, or any of its agents or employees, shall not, without the specific written authorization of the subscriber involved, sell, or otherwise make available to any party (A) lists of the names and addresses of such individual subscribers, or (B) any list which identifies the viewing habits of individual subscribers, except as specifically allowed by federal law.

13.5 The CS of the Grantee shall be operated in a manner consistent with the principle of fairness and equal accessibility of its facilities, equipment, channels, studios and other services to all citizens, businesses, public agencies or other entities having a legitimate use for the network; and no one shall be arbitrarily excluded from its use; allocation of use of said facilities shall be made according to the rules or decisions of the Grantee and any regulatory agencies affecting the same.

13.6 Grantee shall establish rates that are nondiscriminatory within the same general class of subscribers which must be applied fairly and uniformly to all subscribers in the franchise area for all services. Nothing contained herein shall prohibit the Grantee from offering (a) discounts to commercial and multiple family dwelling subscribers billed on a bulk basis; (b) promotional discounts; or (c) reduced installation rates for subscribers who have multiple services.

SECTION 14. PUBLIC NOTICE

Minimum public notice of any public meeting relating to this Franchise shall be by publication at least once in a newspaper of general circulation in the area at least ten (10) days prior to the meeting, posting at City Hall and by announcement on at least one (1) channel of the Grantee's CS for five (5) consecutive days prior to the meeting.

SECTION 15. SEVERABILITY

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate,

distinct and independent provision and such holding shall not affect the validity of the remaining portions of this Ordinance.

ARTICLE II CABLE SYSTEM EXTENSION AND OPERATION STANDARDS AND PROCEDURES

SECTION 1. SERVICE AVAILABILITY

1.1 The Grantee shall provide cable service throughout the entire Franchise area pursuant to the provisions of this Franchise and shall keep a record of all service extended by the Grantee. This record shall be provided for inspection by the City at the request of the City during regular office hours.

1.2 Line Extensions

1.2.1 In all areas of the Franchise territory, the Grantee shall be required to extend its system pursuant to the following requirements:

A Except where technically or financially infeasible, Grantee must extend and make reliable CS service available to every dwelling unit in all unserved, developing areas having at least forty (40) dwelling units per cable mile as measured from the existing system, and shall extend its system simultaneously with the installation of utility lines.

B. Grantee must extend and make CS service available to any isolated resident requesting connection at the standard connection charge, if the connection to the isolated resident would require no more than a standard one hundred and fifty (150) foot aerial drop ling.

1.2.2 In areas not meeting the requirement for mandatory extension of service, Grantee shall provide, upon the written request of a potential subscriber desiring service, an estimate of the costs required to extend service to said subscriber. Grantee may require advance payment or assurance of payment satisfactory to Grantee. The amount paid by subscribers for early extension shall be nonrefundable, and in the event the area subsequently reaches the density required for mandatory extension, such payments shall be treated as consideration for early extension.

1.3 New Development Underground

In cases of new construction or property development where utilities are to be placed underground, the developer or property owner shall give Grantee at least thirty days (30) advance written notice of such construction or development, and of the particular date on which open trenching will be available for Grantee's installation of conduit, pedestals and/or vaults, and laterals to be provided at Grantee's expense. Grantee shall also provide specifications as needed for trenching. Costs of trenching and easements required to bring service to the development shall be borne by the developer or property owner; except that if Grantee fails to install its conduit, pedestals and/or vaults, and laterals within five (5) working days of the date the trenches are available, as designated in the notice given by the developer or property owner, then should the trenches be closed after the five-day period, the cost of new trenching is to be borne by Grantee. Except for the notice of the particular date on which trenching will be available to Grantee, any notice provided to Grantee by City of a preliminary plat request shall satisfy the requirement of reasonable notice if sent to the local general manager or system engineer of Grantee prior to approval of the preliminary plat request.

1.4 Special Agreements

Nothing herein shall be construed to prevent Grantee from serving areas not covered under this section upon agreement with developers, property owners, or residents.

SECTION 2. CONSTRUCTION AND TECHNICAL STANDARDS

2.1 Construction Standards

2.1.1 Compliance with Safety Codes. All construction practices shall be in accordance with all applicable sections of the Occupational Safety and Health Act of 1970 and any amendments thereto as well as all state and local codes where applicable.

2.1.2 Compliance with Electrical Codes. All installation of electronic equipment shall be of a permanent nature, durable and installed in accordance with the provisions of the National Electric Safety Code as amended.

2.1.3 Antennas and Towers. Antenna supporting structures (towers) shall be designed for the proper loading zone as specified in Electronics Industry Association's R.S.-22A Specifications.

2.1.4 Compliance with Aviation Requirements. Antenna supporting structures (tower) shall be painted, lighted, erected and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and all other applicable state or local codes and regulations.

2.1.5 Construction Standards and Requirements. All of the Grantee's plant and equipment, including but not limited to the antenna site, head-end and distribution system, towers, house connections, structures, poles, wire, cable, coaxial cable, fixtures and appurtenances shall be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained and operated in accordance with good engineering practices, performed by experienced maintenance and construction personnel so as not to endanger or interfere with improvements the municipality may deem proper to make, or interfere in any manner with the rights of any property owner, or unnecessarily hinder or obstruct pedestrian or vehicular traffic on municipal properties.

2.1.6 Safety, Nuisance, Requirements. The Grantee shall at all times employ ordinary care and shall install and maintain in use commonly accepted methods and devices preventing failures and accidents which are likely to cause damage,

2.2 Network Technical Requirements. The Cable System shall be operated so as to meet the following general objectives:

- A. Capable of continuous twenty-four (24) hour daily operation;
- B. Capable of operating over an outdoor temperature of -20 degrees F to +120 degrees F and meeting all specifications as set forth herein over said temperature range without catastrophic failure or irreversible performance changes over variations in supply voltages from 105 to 130 volts AC;
- C. Operated in such a manner as to avoid causing interference with reception of off-the-air signals by non-subscribers to the network; and

D. Designed, installed and operated so as to assure the delivery to all subscribers of standard color and monochrome signals on the FCC-designed Class I channels without noticeable picture degradation or visible evidence of color distortion or other forms of interference directly attributable to the performance of the Cable System.

2.3 Performance Monitoring

2.3.1 Test procedures used in verification of the performance criteria set forth herein, if not as set forth in paragraph 76.609, Subpart K of the FCC Rules and Regulations, shall be in accordance with good engineering practice and shall be fully described in an attachment to the annual certificate filed upon request with the City.

2.3.2 To the extent that the report of measurements as required above may be combined with any reports of measurements required by the FCC or other regulatory agencies, the City shall accept such combined reports, provided that all standards and measurements herein or hereafter established by the City are satisfied.

2.3.3 At any time after commencement of service to subscribers the City may require additional tests, full or partial repeat tests, different test procedures, or test involving a specific subscriber's terminal. Requests for such additional tests will be made on the basis of complaints received or other evidence indicating an unresolved controversy or significant non-compliance, and such tests will be limited to the particular matter in controversy. The City will endeavor to so arrange its requests for such special tests so as to minimize hardship or inconvenience to Grantee or to the subscriber.

2.4 Street Occupancy

2.4.1 Grantee shall utilize existing poles, conduits and other facilities whenever possible, and shall not construct or install any new, different, or additional poles, conduits, or other facilities whether on public property or on privately-owned property until the written approval of the City is obtained, which approval shall not be unreasonably withheld. However, no location of any pole or wire holding structure of the Grantee shall be a vested interest and such poles or structures shall be removed or modified by the Grantee at its own expense whenever the City reasonably determines that the public convenience would be enhanced thereby.

2.4.2 The facilities of the Grantee shall be installed underground in those areas of the City where existing telephone and electric services are both underground at the time of system construction. In areas where either telephone or electric utility facilities are installed aerially at the time of system construction, the Grantee may install its facilities aerially with the understanding that at such time as the existing aerial facilities are required to be placed underground by the City, the Grantee shall likewise place its facilities underground.

2.4.3 Grantee shall notify the City at least ten (10) days prior to the intention of the Grantee to commence any construction in any streets. The City shall cooperate with the Grantee in granting any permits required, providing such grant and subsequent construction by the Grantee shall not unduly interfere with the use of such streets and that proposed construction shall be done in accordance with the pertinent provisions of the ordinances of the City.

2.4.5 All transmission lines, equipment and structures shall be so installed and located as to cause minimum interference with the rights and reasonable convenience of property owners and at all times, shall be kept and maintained in a safe, adequate and substantial condition, and in good order and repair. The Grantee shall, at all times, employ ordinary care and shall install and maintain in use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public. Suitable barricades, flags, lights, flares or other devices shall be used as such times and places as are reasonably required for the safety of all members of the public. Any poles or other fixtures placed in any public way the Grantee shall be placed in such a manner as not to interfere

with the usual travel on such public way.

2.4.6 Grantee shall, at its own expense, and in a manner approved by the City, restore to City standards and specifications any damage or disturbance caused to the public way as a result of its operations or construction on its behalf.

2.4.7 Whenever, in case of fire or other disaster, it becomes necessary in the judgment of the Chief of the Fire Department or Chief of the Police Department to remove any of the Grantee's facilities, no charge shall be made by the Grantee against the City for restoration and repair, unless such acts amount to gross negligence by the City.

2.4.8 Grantee or its designee shall have the authority to trim trees on public property at its own expense as may be necessary to protect its wires and facilities, subject to the supervision and direction of the City. Trimming of trees on private property shall require written consent of the property owner.

2.4.9 The Grantee at its expense shall protect, support, temporarily disconnect, relocate, or remove any property of Grantee when, in the opinion of the City the same is required by reason of traffic conditions, public safety, street vacation, freeway or street construction, change or establishment of street grade, installation of sewers, drains, water pipes, power line, signal line, transportation facilities, tracks or any other types of structure or improvements by governmental agencies whether acting in a governmental or a proprietary capacity, or any other structure or public improvement, including but not limited to movement of buildings, urban renewal and redevelopment, and any general program under which the City shall undertake to cause all such properties to be located beneath the surface of the ground. The Grantee shall in all cases have the privilege, subject to the corresponding obligations, to abandon any property of Grantee in place. Nothing hereunder shall be deemed a taking of the property of Grantee and Grantee shall be entitled to no surcharge by reason of anything hereunder.

2.4.10 Upon failure of Grantee to commence, pursue or complete any work required by law or by the provisions of this Ordinance to be done in any street, within the time prescribed and to the reasonable satisfaction of the City, the City may, at its option, cause such work to be done and the Grantee shall pay to the City the cost thereof in the itemized amounts reported by the City to Grantee within thirty (30) days after receipt of such itemized report.

2.4.11 The Grantee shall make no paving cuts or curb cuts unless absolutely necessary, but only after written permission has been given by the City.

2.4.12 The Grantee shall install in conduit all cable passing under any major roadway.

SECTION 3. SERVICE AND RATES

3.1 Office and Phone

The Grantee shall maintain an 800 number available so that complaints and requests for repairs or adjustments may be received at any time. In addition, the Grantee shall maintain a service during normal business hours, for the receipt of sums due by its subscribers and shall provide for regular billing of accounts.

3.2 Notification of Service Procedures

The Grantee shall furnish each subscriber at the time service is installed, written instructions that clearly set forth procedures and furnish information concerning the procedures for making inquiries or complaints, including the Grantee's name, address and local telephone number. Grantee shall give the City thirty (30)

days prior notice of any rate increases, channel lineup or other substantive service changes.

3.3 Rate Revision

To the extent that Federal or State law or regulation may now, or as the same may hereafter be amended to, authorize the City to regulate the rates for any particular service tiers, service packages, equipment, or any other services provided by Grantee, the City shall have the right to exercise rate regulation to the full extent authorized by law, or to refrain from exercising such regulation for any period of time, at the sole discretion of the City. If and when exercising rate regulation, the City shall abide by the terms and conditions set forth by the FCC.

SECTION 4. CONTINUITY OF SERVICE

4.1 It shall be the right of all subscribers to continue receiving service insofar as their financial and other obligations to the Grantee are honored. In the event that the Grantee elects to overbuild, rebuild, modify, or sell the Cable System, or the City gives notice of intent to terminate or fails to renew this Franchise, the Grantee shall act so as to ensure that all subscribers receive continuous, uninterrupted service unless circumstances are beyond the control of the Grantee, unforeseen circumstances, or acts of God. In the event of a change of Grantee, or in the event a new operator acquires the Cable System, the Grantee shall cooperate with the City, new Grantee or operator in maintaining continuity of service to all subscribers. During such period, Grantee shall be entitled to the revenues for any period during which it operates the Cable System.

4.2 In the event Grantee fails to operate the Cable System for seven (7) consecutive days without prior approval of the City or without just cause, the City may, at its option, operate the Cable System or designate an operator until such time as Grantee restores service under conditions acceptable to the City or a permanent operator is selected. If the City is required to fulfill this obligation for the Grantee, the Grantee shall reimburse the City for all reasonable costs or damages in excess of revenues from the Cable System received by the City that are the result of the Grantee's failure to perform.

SECTION 5. GRANTEE RULES AND REGULATIONS

The grantee shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably necessary to enable the Grantee to exercise its rights and perform its obligations under this Franchise, and to assure an uninterrupted service to each and all of its customers. Provided, however, that such rules, regulations, terms and conditions shall not be in conflict with the provisions hereof or applicable state and federal laws, rules and regulations.

SECTION 6. FRANCHISE FEE

Grantee shall pay to the City an annual fee in an amount equal to percent 5% of the annual Gross Receipts. Such payment shall be in addition to any other payment, charge, permit fee or bond owed to the City by the Grantee and shall not be construed as payment in lieu of personal or real property taxes levied by state, county or local authorities.

SECTION 7. PAYMENT TO CITY

7.1 Method of Computation

Sales taxes or any other taxes or fees including copyright fees which are collected from subscribers by the

Grantee to be remitted by the Grantee to a governmental agency shall be deducted from the Gross Receipts prior to the computation of the annual Franchise fee. The fee due the City under the provisions of SECTION 6 above shall be computed and paid quarterly, based on the Grantee's fiscal year, with the last quarter payment being adjusted based on review of the Grantee's Gross Receipts and shall be paid not later than ninety (90) days after the end of the Grantee's fiscal year at the office of the Treasurer during its regular business hours. The payment period shall commence as of the effective date of the Franchise. In the event of a dispute, the City, if it so requests, shall be furnished a statement of said payment, by an Officer of the Grantee, reflecting the Gross Receipts and the above charges, deductions and computations for the period covered by the payment.

7.2 Acceptance by City

No acceptance of any payment by the City shall be construed as a release or as an accord and satisfaction of any claim the City may have for further or additional sums payable as a Franchise fee under this Ordinance or for the performance of any other obligation of the Grantee.

7.3 Failure to Make Required Payment

In the event that any Franchise payment or recomputed payment is not made on or before the dates specified herein, Grantee shall pay as additional compensation:

- A. an interest charged, computed from such due date, at the annual rate of nine percent (9%) per annum; and
- B a sum of money equal to two percent (2%) of the amount due in order to defray those additional expenses and costs incurred by the City by reason of delinquent payment.

SECTION 8. TRANSFER OF OWNERSHIP OR CONTROL

8.1 The Franchise granted hereunder shall not be assigned, other than to an entity controlling, controlled by, or under common control with the Grantee, without the prior consent of the Grantor, and such consent shall not be unreasonably withheld or delayed. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or Cable System to secure indebtedness. Within thirty (30) days of receiving a request for transfer, the Grantor shall notify the Grantee in writing of any additional information it reasonably requires to determine the legal, financial and technical qualifications of the transferee. If the Grantor has not taken action on the Grantee's request for transfer within one hundred twenty (120) days after receiving such request, consent by the Grantor shall be deemed given.

8.2 The Grantee shall promptly notify the City of any actual or proposed change in, or transfer of, or acquisition by any other party of, control of the Grantee. The word "control" as used herein is not limited to major stockholders but includes actual working control in whatever manner exercised. A rebuttable presumption that a transfer of control has occurred shall arise upon the acquisition by any person or group of persons of ten percent (10%) of the voting shares of the Grantee. Every change, transfer, or acquisition of control of the Grantee shall make the Franchise subject to cancellation unless and until the City shall have consented thereto, which consent will not be unreasonably withheld. For the purpose of determining whether it shall consent to such change, transfer, or acquisition of control, the City may inquire into the qualification of the prospective controlling party, and the Grantee shall assist the City in any such inquiry.

8.3 By its acceptance of this Franchise, the Grantee specifically grants and agrees that any such sale, assignment or transfer occurring without prior approval of the City Council shall constitute a violation of this Franchise by the Grantee.

8.4 The foregoing requirements shall not apply to any sale, assignment or transfer to any Person

which is owned or controlled by the Grantee, or any Person which owns or controls the Grantee. Grantee shall notify the City thirty (30) days prior to any sale, assignment or transfer.

SECTION 9. RECORDS, REPORTS AND MAPS

9.1 Reports Required. The Grantee shall file with the City:

9.1.1 The Grantee's schedule of charges, contract or application forms for regular subscriber service, policy regarding the processing of subscriber complaints, delinquent subscriber disconnect and reconnect procedures and any other terms and conditions adopted as the Grantee's policy in connection with its subscribers shall be filed with the City upon request.

9.1.2 All petitions, applications and communications of all types submitted by Grantee to the Federal Communications Commission, Securities and Exchange Commission, or any other Federal or State regulatory commission or agency having jurisdiction over any matter affecting operation of Grantee's Cable System pursuant to this Ordinance shall be submitted to the City upon request.

9.1.3 All rules, regulations, terms and conditions which Grantee has adopted for the conduct of its business shall be submitted to the City upon request.

9.2 Records Required. The Grantee shall at all times maintain:

9.2.1 A record of all complaints received and interruptions or degradation of service experienced, for one (1) year.

9.2.2 A full and complete set of plans, records and "as-built" maps showing the exact location of all CS equipment installed or in use in the City, exclusive of subscriber service drops.

9.3 Filing. When not otherwise prescribed herein, all matters required to be filed with the City shall be filed with the City Clerk.

9.4 Other Records. The City may impose reasonable requests for additional information, records and documents from time to time.

9.5 Inspection of Property and Records

Upon three days advance written notice and during normal business hours, Grantee shall permit examination by any duly authorized representative of the City of all Franchise property, together with any appurtenant property of Grantee situated within or without the City. Grantee shall also permit any duly authorized representative of the City to examine and transcribe any and all maps and other records kept or maintained by Grantee or under its control concerning the operations or property of Grantee.

SECTION 10. REMOVAL OF THE CABLE SYSTEM

At the expiration of the term for which this Franchise is granted, or upon its termination as provided herein, Grantee shall forthwith, upon notice by City, remove at its own expense the CS from all streets and public property within the City.

SECTION 11. REQUIRED SERVICES AND FACILITIES

The Grantee agrees that the equipment used in fulfillment of its franchise obligation shall be maintained at the highest standards consistent with changes in the state of the art and Grantee shall regularly advise the City of its equipment changes and modifications to upgrade the system.

SECTION 12. AREA-WIDE INTERCONNECTION

The Grantee shall reasonably cooperate with any interconnection corporation, regional interconnection authority or City, county, state and federal regulatory agency which may be hereafter established for the purpose of regulating, financing, or otherwise providing for the interconnection of cable systems beyond the boundaries of the City.

SECTION 13. COMMUNITY PROGRAMMING

13.1 The Grantee shall maintain, without charge, one outlet to each public school, located in the area served by the system and will provide free basic service, for so long as the system remains in operation in the area. Any such school may install, at its expense, such additional outlets for classroom purposes as it desires, provided that such installation shall not interfere with the operation of Grantee's system, and that the quality and manner of installation of such additional connections shall have been approved by the Grantee and shall comply with all City, state and federal laws and regulations.

In addition, the Grantee shall furnish to the City, without charge, that is, without installation or monthly charges for basic service, one outlet to each Police and Fire Station, and to the City Hall.

13.2 Grantee shall provide a Public, Education and Government (PEG) access channel available to subscribers on the effective date of this Ordinance. The (PEG) access channel, if activated, shall be operated and maintained by the City from a City location to be determined by the City.

ARTICLE III

ADMINISTRATION AND REGULATION

SECTION 1. CITY RULES AND REGULATIONS

1.1 In addition to the inherent powers of the City to regulate and control this Franchise, and those powers expressly reserved by the City, or agreed to and provided for herein, the right and power is hereby reserved by the City to promulgate such additional regulations as it shall find necessary in the exercise of its lawful powers and in furtherance of the terms and conditions of this Franchise.

1.2 The City may also adopt such regulations at the request of Grantee upon application.

SECTION 2. PERFORMANCE EVALUATION SESSIONS

2.1 The City and the Grantee may hold performance evaluation sessions as may be required by federal and state law or by the City. All such evaluation sessions shall be open to the public.

2.2 All evaluation sessions shall be announced by the City in a newspaper of general circulation in accordance with general legal notice requirements.

2.3 Topics which may be discussed at any scheduled or special evaluation session may include, but not be limited to, service rate structures; franchise fee; penalties; discounted services; application of new technologies; system performance; services provided; programming offered; customer complaints; privacy; amendments to this ordinance; judicial and FCC rulings; line extension policies; and Grantee or City rules.

SECTION 3. FORFEITURE OR REVOCATION

3.1 Grounds for Revocation

The City reserves the right to revoke the Franchise granted hereunder and rescind all rights and

privileges associated with the Franchise in the following circumstances, each of which shall represent a default and breach under this ordinance and the Franchise grant:

- A. If the Grantee should default in the performance of any of its material obligations under this ordinance or under such documents, contracts and other terms and provisions entered into by and between the City and the Grantee.
- B. If the Grantee should fail to provide or maintain in full force and effect, the liability and indemnification coverages as required herein.
- C. If the Grantee should frequently violate any orders or rulings of any regulatory body having jurisdiction over the Grantee relative to this Franchise unless such orders or rulings are being contested by the Grantee in a court of competent jurisdiction.
- D. If the Grantee fails to receive necessary FCC approval.
- E. If the Grantee ceases to provide services for any reason within the control of the Grantee. The Grantee shall not be declared at fault or be subject to any sanction under any provision of this ordinance in any case in which performance of any such provision is prevented for reasons beyond the Grantee's control.
- F. If the Grantee attempts to evade any of the provisions of this ordinance or the Franchise agreement or practices any fraud or deceit upon the City.

3.2 Procedure Prior to Revocation

3.2.1 The City shall make written demand by certified mail to the Grantee to comply with any such requirement, limitation, term, condition, rule or regulation and shall provide the Grantee with minimum of 30 days to cure the City's complaint. If the default, failure, refusal or neglect of the Grantee continues for a period of thirty (30) days following such written demand, the City may place its request for termination of the Franchise upon a regular Council meeting agenda. The City shall cause to be served upon Grantee, at least ten (10) days prior to the date of such Council meeting, a written notice of this intent to request such termination, and the time and place of the meeting, notice of which shall be published by the City Clerk at least once, ten (10) days before such meeting in a newspaper of general circulation within the City.

3.2.2 The Council shall hear any persons interested therein, and shall determine, in its discretion, whether or not any default, failure, refusal or neglect by the Grantee was with just cause.

3.2.3 If such default, failure, refusal or neglect by the Grantee was with just cause, the Council shall direct the Grantee to comply within such time and manner and upon such terms and conditions as are reasonable.

3.2.4 If the Council shall determine such default, failure, refusal or neglect by the Grantee was without just cause, then the Council may, by resolution, declare that the Franchise of Grantee shall be terminated.

3.3 Restoration of Property

In removing its plant, structures and equipment, the Grantee shall refill, at its own expense, any excavation that shall be made by it and shall leave all public ways and places in as good condition as prevailed prior to the Grantee's removal of its equipment and appliances without affecting the electrical or telephone cable

wires, or attachments. The City shall inspect and approve the condition of the public ways and public places; and cables, wires, attachments and poles after removal. The liability, indemnity and insurance as provided herein shall continue in full force and effect during the period of removal and until full compliance by the Grantee with the terms and conditions of this paragraph and this ordinance.

3.4 Restoration by City, Reimbursement of Costs

In the event of a failure by the Grantee to complete any work required by Section 3.3 above, or any other work required by City law or ordinance within the time as may be established and to the reasonable satisfaction of the City, the City may cause such work to be done and the Grantee shall reimburse the City the reasonable cost thereof within thirty (30) days after receipt of an itemized list of such costs. The City shall be permitted to seek legal and equitable relief to enforce the provisions of this section.

3.5 Extended Operation

Upon the revocation of a Franchise, the City may require the Grantee to continue to operate the system for a period of time not to exceed three (3) months from the date of such revocation. The Grantee shall, as trustee for its successor in interest, continue to operate the CS under the terms and conditions of this ordinance and the Franchise and to provide the regular subscriber service and any and all of the services that may be provided at that time. The City shall be permitted to seek legal and equitable relief to enforce the provisions of this section.

3.6 Rights Not Affected

The termination and forfeiture of any Franchise shall in no way affect any of the rights of the City or Grantee under the Franchise or any provision of law.

SECTION 4. RECEIVERSHIP AND FORECLOSURE

4.1 The Franchise herein granted shall at the option of the City, cease and terminate one hundred twenty (120) days after the appointment of a receiver or receivers or trustee or trustees to take over and conduct the business of the Grantee whether in a receivership, reorganization, bankruptcy or other action or proceeding unless such receivership or trusteeship shall have been vacated prior to the expiration of said one hundred twenty (120) days, or unless:

- A. Such receivers or trustees shall have, within one hundred twenty (120) days after their election or appointment, fully complied with all the terms and provisions of this ordinance and the Franchise granted pursuant hereto, and the receivers or trustees within said one hundred twenty (120) days shall have remedied all defaults under the Franchise; and
- B. Such receivers or trustees shall, within said one hundred twenty (120) days, execute any agreement duly approved by the Court having jurisdiction in the premises, whereby such receivers or trustees assume and agree to be bound by each and every term, provision and limitation of the Franchise herein granted.

4.2 In the case of a foreclosure or other judicial sale of the plant, property and equipment of the Grantee, or any substantial part thereof, including or excluding this Franchise, the Council may serve notice of

termination upon the Grantee and the successful bidder at such sale, in which event the Franchise herein granted and all rights and privileges of the Grantee hereunder shall cease and terminate thirty (30) days after service of such notice, unless:

- A. The Council shall have approved the transfer of this Franchise, as and in the

manner in this ordinance provided; and

- B. Such successful bidder shall have covenanted and agreed with the City to assume and be bound by all the terms and conditions of this Franchise.

SECTION 5. COMPLIANCE WITH STATE AND FEDERAL LAWS

Notwithstanding any other provisions of this Franchise to the contrary, the Grantee shall at all times comply with all laws and regulations of the state and federal government or any administrative agencies thereof which relate to the conduct of Grantee's system business.

SECTION 6. INTEGRATION

This Agreement sets forth the entire agreement between the parties respecting the subject matter hereof. All agreements, covenants, representations and warranties, express and implied, oral and written, of the parties with regard to the subject matter hereof are contained herein. No other agreements, covenants, representations or warranties, express or implied, oral or written, have been made by any party to another with respect to the matter of this Agreement. All prior and contemporaneous conversations, negotiations, possible and alleged agreements, representations, covenants and warranties with respect to the subject matter hereof are waived, merged herein and therein and superseded hereby and thereby. This is an integrated Agreement.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SELAH this 9th day of December, 2014.

CITY OF SELAH:

ELLENSBURG TELEPHONE COMPANY d/b/a/
FAIRPOINT COMMUNICATIONS:

John Gawlik, Mayor

Agreed to this ____ date of December, 2014.

Attest:

Dale Novobielski, Clerk/Treasurer

By: _____

Its: _____

Approved as to Form:

Bob Noe, City Attorney

ORDINANCE NO. _____



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



COUNCIL MEETING ACTION ITEM

12/9/2014 N – 4

Title: Ordinance Amending the 2014 Budget for Miscellaneous Adjustments

Thru: Joe Henne, Interim City Administrator

From: Dale Novobielski, Clerk-Treasurer

Action Requested: Approval

Board/Commission Recommendation: Not applicable

Fiscal Impact: Fund 001 General \$ 72,993 in expenditures and revenues. Fund 103 Fire Control \$ 47,785 in expenditures and \$ 36,969 in revenues. Fund 110 City Street \$ 17,800 in expenditures. Fund 118 Civic Center \$ 5,100 in expenditures and \$ 625 in revenues. Fund 119 Transit \$ 96,000 in expenditures and \$ 60,000 in revenues. Fund 411 Water \$ 20,100 in expenditures. Fund 415 Sewer \$ 24,700 in expenditures. Fund 420 Solid Waste \$ 17,100 in expenditures.

Funding Source: See above discussion.

Staff Recommendation:

Approve Ordinance.

Background / Findings & Facts:

To amend the 2014 budget for various expenditures not currently provided for in the budget, as follows: The City's insurance carrier changed the beginning date of the policy year which resulted in the City having to pay for 15 months of coverage at an additional cost of approximately \$ 60,000. The City contracted with the City of Yakima, at a cost of approximately \$ 15,000, to host



**CITY OF SELAH
CITY COUNCIL
AGENDA ITEM SUMMARY**



our internet homepage. The City contracted with the City of Yakima to extend fiber optic data service to our Public Works facility and Civic Center for a cost of approximately \$ 43,700 and \$5,300, respectively. This service also added a wireless backup protection to keep the City's computers operational in the event the fiber optic line is damaged. The City obtained architectural services for a new city hall and remodel of the civic center at a cost of approximately \$ 14,000. The City's current State audit is expected to cost \$ 7,000 more than budgeted. Jail costs are expected to exceed budget by approximately \$ 22,000. The City purchased a property and began demolition work on Selah Ave adjacent to the Civic Center for approximately \$ 96,000. Garbage service costs paid to our contract hauler are expected to exceed budget by approximately \$ 15,000 or 2%.

Recommended Motion:

I move to approve the Ordinance amending the 2014 budget for miscellaneous adjustments.

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE 2014 BUDGET FOR MISCELLANEOUS
ADJUSTMENTS

WHEREAS, the City desires to approve miscellaneous adjustments to the 2014 Budget;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SELAH, WASHINGTON, does
ordain as follows: that the Clerk-Treasurer be authorized to amend the 2014 Budget as follows:

001 General

Legislative

001.000.011.511.60.46.03	Insurance - Liability	\$	200
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Court

001.000.012.512.50.46.03	Insurance - Liability		200
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Executive

001.000.013.513.10.46.03	Insurance - Liability		200
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Financial & Record Services

001.000.014.514.21.46.03	Insurance - Liability		1,000
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001.000.014.514.23.41.00	Professional Svcs – State Audit		7,373
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Legal

001.000.015.515.20.46.03	Insurance - Liability		200
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Centralized Services - Facilities

001.000.018.362.90.00.00	Rental Charges – Naches & 4 th St		1,900
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001.000.018.518.30.46.01	Insurance - Property		1,000
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001.000.018.518.30.46.02	Insurance - Vehicle		200
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001.000.018.518.30.51.00	Fiber Optic Services		5,500
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001.000.018.518.30.51.01	Website Services		6,000
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Law Enforcement

Police Operations

001.000.021.398.00.00.00	Insurance Recoveries		71,093
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001.000.021.521.20.46.02	Insurance - Vehicle		3,400
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001.000.021.521.20.46.03	Insurance - Liability		2,500
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Police Facilities

001.000.021.521.50.46.01	Insurance - Property		400
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Custody of Prisoners

001.000.023.523.60.46.02	Insurance - Vehicle		70
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001.000.023.523.61.51.01	Yakima County		7,000
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001.000.023.523.61.51.02	City of Wapato		15,000
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001 General – Cont.

Code Enforcement

001.000.058.558.51.46.02	Insurance - Vehicle	200
001.000.058.558.51.46.03	Insurance - Liability	400

Building Department

001.000.058.558.52.46.02	Insurance - Vehicle	150
001.000.058.558.52.46.03	Insurance - Liability	400

Planning

001.000.058.558.60.46.03	Insurance - Liability	200
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Recreation Services

001.000.071.571.20.46.02	Insurance - Vehicle	200
001.000.071.571.20.46.03	Insurance - Liability	800
001.000.071.571.20.51.00	Fiber Optic Services	2,600

Parks

001.000.076.576.80.46.01	Insurance - Property	1,700
001.000.076.576.80.46.02	Insurance - Vehicle	1,300
001.000.076.576.80.46.03	Insurance - Liability	800

Capital Expenditures

001.000.094.594.18.63.00	Architectural Svcs	14,000
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103 Fire Control

103.000.022.331.97.04.40	Homeland Security	\$ 24,085
103.000.022.395.20.00.00	Insurance Recovery for Capital Asset	2,884
103.000.022.398.00.00.00	Insurance Recoveries	10,000

103.000.022.522.20.35.01	Minor Equipment	\$ 24,085
103.000.022.522.20.46.01	Insurance - Property	2,400
103.000.022.522.20.46.02	Insurance - Vehicle	11,500
103.000.022.522.20.46.03	Insurance - Liability	2,800
103.000.022.522.20.51.00	Fiber Optic Services	5,500
103.000.022.522.20.51.01	Website Services	1,500
103.000.999.508.80.00.00	New Ending Unreserved Fund Balance	76,475

110 City Street

110.000.042.542.90.46.01	Insurance - Property	\$ 1,000
110.000.042.542.90.46.02	Insurance - Vehicle	2,300
110.000.042.542.90.46.03	Insurance - Liability	2,000
110.000.042.542.90.51.00	Fiber Optic Services	11,000
110.000.042.542.90.51.00	Website Services	1,500
110.000.999.508.80.00.00	New Ending Unreserved Fund Balance	\$ 114,116

118 Civic Center

118.000.075.308.00.00.00	New Beginning Unreserved Fund Balance	\$	11,125
118.000.075.575.50.46.01	Insurance - Property	\$	600
118.000.075.575.50.46.03	Insurance - Liability		400
118.000.075.575.50.51.00	Fiber Optic Services		2,600
118.000.075.575.50.51.00	Website Services		1,500
118.000.008.508.80.00.00	New Ending Unreserved Fund Balance		5,185

119 Transit

119.000.047.313.21.00.00	Transit Sales Tax	\$	60,000
119.000.094.594.47.61.00	Land & Improvements	\$	96,000
119.000.999.508.80.00.00	New Ending Cash & Invest.		124,565

411 Water

411.000.034.534.80.46.01	Insurance - Property	\$	5,000
411.000.034.534.80.46.02	Insurance - Vehicle		1,000
411.000.034.534.80.46.03	Insurance - Liability		1,600
411.000.034.534.80.51.00	Fiber Optic Services		11,000
411.000.034.534.80.51.00	Website Services		1,500
411.000.999.508.80.00.00	New Ending Unreserved Fund Balance		192,597

415 Sewer**Operations – Customer Service**

415.000.035.535.70.46.01	Insurance - Property	\$	1,000
415.000.035.535.70.46.02	Insurance - Vehicle		1,000
415.000.035.535.70.46.03	Insurance - Liability		2,600
415.000.035.535.70.51.00	Fiber Optic Services		11,000
415.000.035.535.70.51.00	Website Services		1,500

Operations - Treatment

415.000.035.535.80.46.01	Insurance - Property		2,200
415.000.035.535.80.46.02	Insurance - Vehicle		300
415.000.035.535.80.46.03	Insurance - Liability		800
415.000.035.535.81.46.01	Insurance - Property		2,500
415.000.035.535.90.46.01	Insurance - Property		1,000
415.000.035.535.90.46.03	Insurance - Liability		800
415.000.999.508.80.00.00	New Ending Unreserved Fund Balance		274,733

420 Solid Waste

420.000.037.537.80.41.00	BDI Contract Services	\$	15,000
420.000.037.537.80.46.02	Insurance - Vehicle		400
420.000.037.537.80.46.03	Insurance - Liability		200
420.000.037.537.80.51.00	Website Services		1,500
420.000.999.508.80.00.00	New Ending Unreserved Fund Balance		435,355

PASSED AND ORDAINED BY THE CITY COUNCIL OF THE CITY OF SELAH,
WASHINGTON this 9th day of December 2014.

John J. Gawlik, Mayor

ATTEST:

Dale E. Novobielski, Clerk-Treasurer

APPROVED AS TO FORM:

Robert Noe, City Attorney

ORDINANCE NO. _____