

Next Ord: 1608-08

Next Res: 765-08

MISSION STATEMENT

The mission of the Sedro-Woolley City government is to provide selected services that are not traditionally offered by the private sector. This will be achieved through providing the highest quality services we can within the resources with which we're provided; involving residents in all aspects of planning and operations; serving as a clearinghouse for public information; and operating facilities which meet the legitimate, identified concerns of the residents of and visitors to our community.

We believe in being community-centered, consistently contributing to the quality of life in our area and as fully deserving of the public's trust through the consistent expression of positive values and acceptance of accountability for producing meaningful results.

CITY COUNCIL AGENDA

March 12, 2008

7:00 PM

Sedro-Woolley Community Center
703 Pacific Street

1. Call to Order
2. Pledge of Allegiance
3. Consent Calendar

NOTE: Agenda items on the Consent Calendar are considered routine in nature and may be adopted by the Council by a single motion, unless any Councilmember wishes an item to be removed. The Council on the regular agenda will consider any item so removed after the Consent Calendar.

- a. Minutes from Previous Meeting
 - b. Finance
 - Claim Vouchers #62789 to #62909 for \$563,501.70
 - Payroll Warrants #42071 to #42166 for \$249,085.77
 - c. Agreement - Pitney Bowes for Postage Meter
 - d. Interlocal Agreement - Skagit County District Court Probation 2008-2010
 - e. Interlocal Agreement with Skagit County - Maintenance of USGS Gage Stations 2008
 - f. Interlocal with WSP for State Mobilization Reimbursement 2008-2013
 - g. Pipeline License - BNSF Railway Company & City of Sedro-Woolley
 - h. Final Acceptance - Sterling Street & Township Street Sewer Project (Ram Const.)
4. Special Presentation - Bob Blakely - 30 Year Employee Award
 5. Public Comment (Please limit your comments to 3-5 minutes)

UNFINISHED BUSINESS

6. City Hall Update
7. Resolution - Establishing Hearing Examiner Fees (*action requested*)

NEW BUSINESS

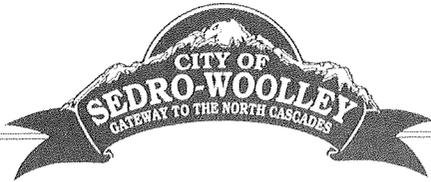
8. Sign Ordinance Revision (*1st reading*)
To consider allowing white backlit signs

COMMITTEE REPORTS AND REPORTS FROM OFFICERS

EXECUTIVE SESSION/YES

WORKSESSION FORMAT (1 HOUR)

9. Sewer Utility Rates & Capital Facilities Charge (*1st reading, no action required*)
Background/Discussion/Analysis/Recommendation
10. PWTF Construction Loan Agreement No. PC08-951-039
For completing the Critical Sewer Interceptor Replacement Project



DATE: March 12, 2008

TO: Mayor Anderson and City Council

FROM: Patsy Nelson, Finance Director

SUBJECT: 1) CALL TO ORDER; 2) PLEDGE OF ALLEGIANCE; 3) CONSENT CALENDAR

1. CALL TO ORDER - The Mayor will call the March 12, 2008 Regular Meeting to Order. The Finance Director will note those in attendance and those absent.

___ Ward 1 Councilmember Ted Meamber

___ Ward 2 Councilmember Tony Splane

___ Ward 3 Councilmember Louie Regua

___ Ward 4 Councilmember Pat Colgan

___ Ward 5 Councilmember Hugh Galbraith

___ Ward 6 Councilmember Rick Lemley

___ At-Large Councilmember Dennis London

2. PLEDGE OF ALLEGIANCE - The Mayor will lead the City Council and citizens in the Pledge of Allegiance to the United States of America.
3. CONSENT CALENDAR - Mayor will ask for Council approval of Consent Calendar items.

CITY OF SEDRO-WOOLLEY

Regular Meeting of the City council
February 27, 2008 – 7:00 P.M. – Community Center

The Meeting was called to order at 7:00 P.M.

ROLL CALL: Mayor Mike Anderson, Councilmembers: Ted Meamber, Tony Splane, Pat Colgan, Hugh Galbraith, Rick Lemley and Dennis London. Staff: Finance Director Nelson, City Attorney/Supervisor Berg, Engineer Frieberger, Planner Moore and Police Chief Wood.

Consent Calendar

- Minutes from Previous Meeting
- Finance
 - Claim Vouchers #62688 to #62788 for \$149,639.27
 - Payroll Warrants #41975 to #42070 for \$168,032.28
- Award of Bid – Library Re-Roof
- Resolution – Delegating Authority to PW Director to Manage SR20 Sewer Project
- Request for Out of State Travel – Legal
- Request for Out of State Travel – Police
- Possible Surplus of Muffle Furnace from Wastewater Treatment

Councilmember Splane requested Item G – Possible Surplus of Muffle Furnace from Wastewater Treatment be removed from the consent calendar for further discussion.

Councilmember London moved to approve Items A-F on the consent calendar. Seconded by Councilmember Colgan. Motion carried (6-0).

Councilmember Splane expressed concern of the guarantee wording in the surplus of the Muffle Furnace and stated it should be sold “as is”.

Councilmember Splane moved to authorize the Mayor to declare the Muffle Furnace surplus and place it for sale on the AWC exchange website with a minimum bid of \$1,400 as is, no warranty. Councilmember Colgan seconded. Motion carried (6-0).

Special Recognition – Boy Scouts

Police Chief Wood introduced Zachary Farmer who is working towards his Eagle Scout award by building a picnic area behind the Police and Fire Departments and the New City Hall. Wood stated Farmer was in charge of coordinating work parties working weekends and in inclement weather to complete the project. Wood thanked Farmer for his work and presented him with a certificate of commendation.

Public Comment

None

PUBLIC HEARING

None

UNFINISHED BUSINESS

City Hall Update

City Attorney/Supervisor Berg reviewed the progress of City Hall and noted things are progressing and changing daily as we near closer to substantial completion and the move in date.

He reviewed proposed contracts with Guardian Security for alarm monitoring at the new building and a Change Order #2 with Dimensional Communications for adjustments in the phone and data system.

Berg also presented a brief report on the progress of the Police Evidence Storage and Parks project.

Councilmember Lemley moved to approve Change Order 2 with Dimensional Communications in an amount not to exceed \$8,200.00. Seconded by Councilmember London. Motion carried (6-0).

Councilmember Colgan moved to have a contract with Guardian Security. Councilmember Splane seconded. Motion carried (6-0).

NEW BUSINESS

Approval of Flag Pole Donation at Riverfront Park

City Attorney/Supervisor Berg reviewed a proposal by Carl Garrison for a flag pole to be installed at Riverfront Park in memory of Janice Garrison.

Discussion ensued to include types of poles and swapping of poles with an existing pole.

Councilmember Galbraith moved to accept the donation from Carl Garrison to switch the flag poles and placing a new one at the Riverfront Park Amphitheater. Councilmember London seconded. Motion carried (6-0).

2008 Budget Amendment #1

Finance Director Nelson reviewed the proposed Budget Amendment # 1 for 2008. She noted the proposed changes are results of the sale of City Hall, 2007 year end events, and receipt of an Early Learning Grant.

Councilmember Meamber moved to approve Ordinance #1606-08 An Ordinance Amending Ordinance No. 1591-07 entitled, "An Ordinance Adopting the Annual Budget for the City of Sedro-Woolley for the Fiscal Year Ending December 31, 2008." Seconded by Councilmember Lemley. Motion carried (6-0).

Hearing Examiner Ordinance

Planner Moore introduced consultant Jim Hanson who has been working with the planning staff to review and improve the City code. Moore reviewed background information and the proposed ordinance for establishing a hearing examiner and modifying the procedures in the development code. He noted this is a result of the City becoming a Code City.

Discussion ensued to include School District #101 being included in the ordinance, expense of a hearing examiner and additional staffing, cost borne by applicant and reduction in staff hours for processing.

Councilmember Galbraith moved to approve Ordinance No. 1607-08 An Ordinance Adding a New Chapter to Title 2 Establishing a Hearing Examiner; and Modifying the Procedures of the Development Code to Include a Hearing Examiner. Seconded by Councilmember Colgan. Motion carried (6-0).

COMMITTEE REPORTS AND REPORTS FROM OFFICERS

Councilmember Meamber – noted a loose panel on one of the buildings at the golf course and thanked the Police Department for the removal of the graffiti on the backside of the museum.

Councilmember London – thanked the Street Department in the road maintenance done within the vicinity of his neighborhood.

Finance Director Nelson – requested to meet with the Finance committee immediately following the meeting.

City Attorney/Supervisor Berg – reported on the Municipalities meeting attended earlier in the day and noted Sedro-Woolley had a large contingency. He also reviewed the meeting agenda and outcome.

Mayor Anderson – acknowledged Carl Garrison in the audience and thanked him for his donation to the City.

Carl Garrison addressed the Council and reviewed the proposed location for the flag pole.

Engineer Frieiberger – highlighted items contained within his report provided to Council to include the SR20 Sewer Project, advertising of bids for the McGargile CIPP project, Metcalf sewer project, Fruitdale/McGargile Road Improvement project right-of-way appraisals, continued discussions with Brickyard Creek Sub-Flood zone, 2008 Public Works Trust Fund Loan documents, EDC Committee recommendations, “Safe Routes to Schools” meeting in preparation for grant application and Skagit County’s request of shared maintenance of the USGS stream gauges.

Police Chief Wood – commended Bob Park on the graffiti patrol and reported on a recent meeting with the downtown bar owners.

Councilmember Meamber – reported on a complaint from citizens regarding the cigarette butts being thrown on the sidewalks.

Wood noted that issue was addressed at the recent meeting with local bar owners.

Discussion ensued regarding graffiti around the New City Hall building.

Councilmember Meamber moved to adjourn. Seconded by Councilmember Splane. Motion carried (6-0).

The meeting adjourned at 7:53 P.M.

CITY OF SEDRO-WOOLLEY

Joint Work Session of the City Council and Planning Commission
March 4, 2008 – 7:00 P.M. – Community Center

The worksession was called to order at 7:00 P.M.

Pledge of Allegiance

ROLL CALL: Present: Mayor Mike Anderson, Councilmembers Ted Meamber, Tony Splane, Pat Colgan, Hugh Galbraith, Rick Lemley and Dennis London. Planning Commission: Rick Judd, Chris Bulcroft and Susie Williams Staff: City Attorney/Supervisor Berg, Finance Director Nelson, Planner Moore and Associate Planner Coleman.

Proposed Comprehensive Plan Amendment – 2008 Docket

- Associate Planner Coleman reviewed the process of annual comprehensive plan changes and lead a discussion to include:
 - 1) Sedro-Woolley School District request to increase impact fees.
 - 2) Request of Urban Village Zone by Sedro-Woolley, LLC on SR 20 land between Trail Road and the West end of the Koozer property. Mary McGoffin on behalf of the Sedro-Woolley LLC explained the vision: pedestrian friendly, live/work areas, better infill, open space, attractive entry to town, multi-functional buildings, parking areas, trails, etc. A master plan rather than binding site plans would be used by this type of zoning. McGoffin noted Sedro-Woolley LLC has hired a planner consultant to draft code language to propose to the City.
 - 3) Rezone of land recently acquired by the City next to the Wastewater Treatment Plant to Public.
 - 4) Rezone of land used by Solid Waste to Public; rezone city owned “Park” land by Park Cottages to Public; rezone section of Cemetery to Public.
 - 5) Increase Park Impact Fees by removing discount on current calculation.

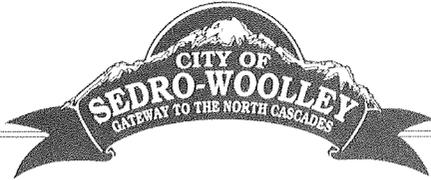
A five-minute break was held from 8:00 – 8:05 P.M.

Sedro-Woolley Design Standards & Guidelines Manual Updates

- Planner Moore lead a discussion explaining deficiencies and difficulties in current manuals and asked the Council and Planning Commission their wishes regarding changes to further extend the theme of 1920’s in the Central Business District. Moore reported that Burlington Northern Santa Fe Railroad has given their permission to re-instate the sign at the railroad trestle on SR20.

The next Joint Council and Planning Commission meeting is scheduled for June 11, 2007 with guest speaker Mike Walter, land use expert from Seattle to address the panel.

The meeting adjourned at 8:30 P.M.



DATE: March 12, 2008
TO: Mayor Anderson and City Council
FROM: Patsy Nelson, Finance Director
SUBJECT: FINANCE - VOUCHERS

Attached you will find the Claim Vouchers proposed for payment for the period ending March 12, 2008.

Motion to approve Claim Vouchers #62789 to #62909 in the amount of \$563,501.70.

Motion to approve Payroll Warrants #42071 to #42166 in the amount of \$249,085.77.

If you have any comments, questions or concerns, please contact me for information during the working day at 855-1661. This will allow me to look up the invoices that are stored in our office.

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62789	SEDRO-WOOLLEY POSTMASTER	POSTAGE	SWR	232.97
		POSTAGE	SAN	232.97
		OPERATING SUPPLIES	SWTR	232.96
		WARRANT TOTAL		698.90
62790	ADS EQUIPMENT INC	MAINT OF PUMPING EQUIP	SWR	146.59
		WARRANT TOTAL		146.59
62791	ACTION COMMUNICATIONS INC	SMALL TOOLS & MINOR EQUIP	FD	219.54
		WARRANT TOTAL		219.54
62792	ALL-PHASE ELECTRIC	REPAIRS/MAINT-EQUIP	FD	145.89
		WARRANT TOTAL		145.89
62793	ALPINE FIRE & SAFETY	SAFETY EQUIPMENT	ST	84.24
		OPERATING SUPPLIES	SAN	480.44
		OPERATING SUPPLIES	SAN	9.13
		WARRANT TOTAL		573.81
62794	AMERICAN FORESTS	BOOKS, PERIOD, RECORDS	LIB	25.00
		WARRANT TOTAL		25.00
62795	ARAMARK UNIFORM SERVICES	LAUNDRY	CS	35.52
		LAUNDRY	PK	55.41
		LAUNDRY	PK	18.35
		MISC-LAUNDRY	CEM	21.20
		MISC-LAUNDRY	ST	24.86
		LAUNDRY	SWR	42.08
		LAUNDRY	SWR	24.09
		WARRANT TOTAL		221.51
62796	ASSOC PETROLEUM PRODUCTS	AUTO FUEL	CS	114.20
		AUTO FUEL	PD	1,158.03
		AUTO FUEL/DIESEL	ST	180.50
		AUTO FUEL/DIESEL	ST	527.61
		AUTO FUEL/DIESEL	SWR	172.55
		AUTO FUEL/DIESEL	SAN	372.07
		AUTO FUEL/DIESEL	SAN	277.94
		AUTO FUEL/DIESEL	SAN	2,249.47
		WARRANT TOTAL		5,052.37
62797	AT & T	TELEPHONE	JUD	1.67
		TELEPHONE	FIN	20.78
		TELEPHONE	LGL	25.09
		TELEPHONE	PLN	20.08
		TELEPHONE	ENG	92.03
		TELEPHONE	INSP	10.04
		TELEPHONE	SWR	13.04
		WARRANT TOTAL		182.73
62798	BANK OF AMERICA	TUITION/REGISTRATION	ENG	22.11
		WARRANT TOTAL		22.11

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62799	BANK OF AMERICA	MISC-DUES/SUBSCRIPTIONS	FIN	50.00
		OPERATING SUPPLIES	CS	75.81
		COMPUTER NETWORK	CS	75.00
		MISC-TUITION/REGISTRATION	CEM	100.00
		MISC-TUITION/REGISTRATION	ST	100.00
		EQUIPMENT	CH	624.24
		WARRANT TOTAL		1,025.05
62800	BARNETT IMPLEMENT CO. INC	OPERATING SUPPLIES	CEM	73.70
		WARRANT TOTAL		73.70
62801	BANK OF AMERICA	TUITION/REGISTRATION	LIB	194.50
		WARRANT TOTAL		194.50
62802	BANK OF AMERICA	OFFICE SUPPLIES	CIV	12.19
		OFFICE SUPPLIES	CIV	60.73
		OPERATING SUPPLIES	FD	20.52
		REPAIRS/MAINT-EQUIP	FD	142.56
		WARRANT TOTAL		236.00
62803	BAY CITY SUPPLY	OPERATING SUPPLIES	CS	126.31
		OFFICE/OPERATING SUPPLIES	PD	61.26
		OPERATING SUPPLIES	FD	61.26
		OPERATING SUPPLIES	FD	38.30
		WARRANT TOTAL		287.13
62804	BELFAST GRAVEL	ENHANCEMENT PROJECT	PK	7.03
		WARRANT TOTAL		7.03
62805	BERG VAULT COMPANY	REPAIR/MAINT-STREETS	ST	96.00
		OPERATING SUPPLIES	SWTR	245.00
		WARRANT TOTAL		341.00
62806	BIGGAR, ROB DBA	PROFESSIONAL SERVICES	SWR	1,078.00
		WARRANT TOTAL		1,078.00
62807	BLUMENTHAL UNIFORM & EQUIP	UNIFORMS/ACCESSORIES	PD	23.85-
		UNIFORMS/ACCESSORIES	PD	51.07
		BALISTIC VESTS	PD	804.23
		WARRANT TOTAL		831.45
62808	BLUNT, TAMARA	COMMUNITY CENTER RENTS		175.00
		COMMUNITY CENTER DEPOSITS		100.00
		WARRANT TOTAL		275.00
62809	BOY'S LIFE	BOOKS, PERIOD, RECORDS	LIB	41.00
		WARRANT TOTAL		41.00
62810	BROWN & COLE STORES	REPAIRS/MAINT-DORM	FD	16.23
		WARRANT TOTAL		16.23
62811	BLDG PERMITS LAW BULLETIN	MISC-DUES	INSP	99.00

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		WARRANT TOTAL		99.00
62812	CDW GOVERNMENT, INC.	OFFICE EQUIPMENT	FD	4,204.26
		OFFICE EQUIPMENT	FD	5,416.67
		OFFICE EQUIPMENT	FD	202.53
		OFFICE EQUIPMENT	FD	683.42
		WARRANT TOTAL		10,506.88
62813	CAL-PACIFIC PRODUCTS	OPERATING SUPPLIES	SWR	447.74
		WARRANT TOTAL		447.74
62814	CENTRAL WELDING SUPPLY	OPERATING SUPPLIES	SAN	16.74
		WARRANT TOTAL		16.74
62815	COLLINS OFFICE SUPPLY, INC	SUPPLIES	JUD	36.86
		SUPPLIES	FIN	141.24
		SUPPLIES/BOOKS	PLN	25.88
		SUPPLIES	ENG	32.66
		OFF/OPER SUPPS & BOOKS	INSP	25.88
		WARRANT TOTAL		262.52
62816	COLACURCIO BROTHERS, INC.	BINGHAM PARK BLDG	PK	18,688.12
		CONSTRUCTION	CH	297,577.51
		EVIDENCE/STORAGE BUILDING	CH	32,409.57
		WARRANT TOTAL		348,675.20
62817	COOK PAGING (WA)	TELEPHONE	FD	6.26
		WARRANT TOTAL		6.26
62818	CORRECTIONAL INDUSTRIES	PROFES. SVCS. REIMBURSE	ENG	11.77
		WARRANT TOTAL		11.77
62819	COUNTRYSIDE CHEVROLET	REPAIR & MAINT - AUTO	PD	391.33
		REPAIR & MAINT - AUTO	PD	40.42
		REPAIR & MAINT - AUTO	PD	40.42
		WARRANT TOTAL		472.17
62820	SKAGIT WEEKLY NEWS GROUP	MISC-PRINTING & BINDING	PLN	41.40
		SUPPLIES	ENG	41.40
		PRINTING/PUBLICATIONS	PD	136.08
		PRINTING/PUBLICATIONS	PD	89.64
		OFF/OPER SUPPS & BOOKS	INSP	41.40
		WARRANT TOTAL		349.92
62821	CRYSTAL SPRINGS	OPERATING SUPPLIES	SAN	50.03
		WARRANT TOTAL		50.03
62822	DC'S PRINTING & AWARDS	OFFICE/OPERATING SUPPLIES	PD	81.00
		PROFESSIONAL SERVICES	PD	307.80
		OPERATING SUPPLIES	FD	79.38
		CLOTHING	PK	135.00
		WARRANT TOTAL		603.18

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62823	DEMCO INC.	SUPPLIES	LIB	163.11
		WARRANT TOTAL		163.11
62824	DESTINATION WIRELESS	OPERATING SUPPLIES	SWR	21.59
		OPERATING SUPPLIES	SAN	10.79
		WARRANT TOTAL		32.38
62825	EASY PICKER GOLF PRODUCTS INC.	OPERATING SUP - DRIVING RANGE		1,137.52
		WARRANT TOTAL		1,137.52
62826	E & E LUMBER	OPERATING SUPPLIES	CS	16.64
		REPAIRS/MT-RV PARK	PK	13.18
		REPAIRS/MT-RV PARK	PK	13.99
		OPERATING SUPPLIES	ST	12.15
		OPERATING SUPPLIES	SWR	13.50
		OPERATING SUPPLIES	SWR	12.06
		OPERATING SUPPLIES	SWR	24.28
		OPERATING SUPPLIES	SWR	3.15
		OPERATING SUPPLIES	SAN	64.58
		OPERATING SUPPLIES	SWTR	15.22
		WARRANT TOTAL		188.75
62827	ENTERPRISE SALES, INC.	CONTAINERS	SAN	6,534.42
		CONTAINERS	SAN	6,437.31
		CONTAINERS	SAN	6,512.84
		CONTAINERS	SAN	4,907.29
		WARRANT TOTAL		24,391.86
62828	EMERGENCY MEDICAL	OPERATING SUPPLIES	FD	301.64
		OPERATING SUPPLIES	FD	115.93
		OPERATING SUPPLIES	FD	34.40
		OPERATING SUPPLIES	FD	218.40
		OPERATING SUPPLIES	FD	203.69
		WARRANT TOTAL		466.68
62829	FASTENAL COMPANY	SMALL TOOLS/MINOR EQUIP	ST	50.00
		SMALL TOOLS/MINOR EQUIP	ST	22.18
		SMALL TOOLS/MINOR EQUIP	ST	7.97
		WARRANT TOTAL		35.79
62830	GATEWAY SEPTIC SERVICE LLC	REPAIRS/MT-RV PARK	PK	216.00
		WARRANT TOTAL		216.00
62831	GARRISON ENGINEERING CORP	BINGHAM PARK BLDG	PK	201.75
		EVIDENCE/STORAGE BUILDING	CH	201.75
		WARRANT TOTAL		403.50
62832	GALETON GLOVES & SAFETY PRODUCTS	SAFETY EQUIPMENT	PK	116.35
		WARRANT TOTAL		116.35
62833	GLOBAL EQUIP. COMPANY	SMALL TOOLS & MINOR EQUIP	FD	643.03
		WARRANT TOTAL		643.03

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62834	GREAT AMERICA LEASING COR	EQUIPMENT LEASES	CS	269.89
		EQUIPMENT LEASES	CS	308.99
		WARRANT TOTAL		578.88
62835	GUARDIAN SECURITY	PUBLIC UTILITIES	CS	26.50
		PROFESSIONAL SERVICES	PD	78.00
		WARRANT TOTAL		104.50
62836	HACH COMPANY	MAINT OF GENERAL EQUIP	SWR	289.71
		MAINT OF GENERAL EQUIP	SWR	1,695.60
		WARRANT TOTAL		1,985.31
62837	HELDREF PUBLICATIONS	BOOKS, PERIOD, RECORDS	LIB	133.00
		WARRANT TOTAL		133.00
62838	I. A. P. E.	DUES/SUBSCRIPTIONS	PD	50.00
		WARRANT TOTAL		50.00
62839	INGRAM LIBRARY SERVICES	BOOKS, PERIOD, RECORDS	LIB	48.58
		BOOKS, PERIOD, RECORDS	LIB	214.73
		BOOKS, PERIOD, RECORDS	LIB	18.32
		BOOKS, PERIOD, RECORDS	LIB	63.94
		BOOKS, PERIOD, RECORDS	LIB	18.72
		BOOKS, PERIOD, RECORDS	LIB	124.07
		BOOKS, PERIOD, RECORDS	LIB	18.58
		WARRANT TOTAL		506.94
62840	INSITUFORM	OTHER IMPROVEMENTS	SWR	17,653.17
		WARRANT TOTAL		17,653.17
62841	JACOBS, LEO	CLOTHING	SAN	30.13
		WARRANT TOTAL		30.13
62842	LABCORP	PROFESSIONAL SERVICES	LIB	53.00
		WARRANT TOTAL		53.00
62843	LOGGERS AND CONTRACTORS	MAINTENANCE OF LINES	SWR	55.08
		WARRANT TOTAL		55.08
62844	MCILRATH, DAN	HEALTH CLUB	PD	77.64
		WARRANT TOTAL		77.64
62845	MCLOUGHLIN & EARDLEY CORP	SMALL TOOLS & MINOR EQUIP	FD	439.40
		WARRANT TOTAL		439.40
62846	MARTIN MARIETTA MATERIALS	MAINTENANCE OF LINES	SWR	575.68
		MAINTENANCE OF LINES	SWR	477.01
		WARRANT TOTAL		1,052.69
62847	MUNICIPAL EMERGENCY SERVICES, INC.	OPERATING SUPPLIES	FD	28.68
		WARRANT TOTAL		28.68

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62848	MID-AMERICAN RESEARCH CHEM.	OPERATING SUPPLIES	SAN	179.66
		WARRANT TOTAL		179.66
62849	MORTENSON SIGNS	OPERATING SUPPLIES	SAN	336.53
		WARRANT TOTAL		336.53
62850	MOTOR TRUCKS, INC.	REPAIRS/MAINT-EQUIP	SAN	262.12
		WARRANT TOTAL		262.12
62851	N C MACHINERY CO.	REPAIR/MAINT-STREETS	ST	1,027.47
		REPAIR/MAINTENANCE-EQUIP	ST	56.95
		REPAIR/MAINTENANCE-EQUIP	ST	7.51
		WARRANT TOTAL		1,091.93
62852	NATIONAL FIRE PROT. ASSOC.	MISC-DUES	FD	270.00
		WARRANT TOTAL		270.00
62853	NEW PIG CORPORATION	OPERATING SUPPLIES	SAN	528.95
		WARRANT TOTAL		528.95
62854	NEXTEL COMMUNICATIONS	TELEPHONE	FIN	90.51
		TELEPHONE	LGL	30.17
		PUBLIC UTILITIES	CS	30.17
		TELEPHONE	PLN	30.17
		NEXTEL CELL PHONES		60.36
		TELEPHONE	PD	513.06
		TELEPHONE	FD	492.04
		TELEPHONE	INSP	30.17
		TELEPHONE	PK	271.62
		TELEPHONE	CEM	60.36
		TELEPHONE	ST	181.02
		NEXTEL CELL PHONES		528.53
		NEXTEL CELL PHONES	SAN	213.41
		WARRANT TOTAL		2,531.59
62855	NWAIA	MISC-TUITION/REGISTRATION	INSP	185.00
		WARRANT TOTAL		185.00
62856	OFFICE DEPOT	SUPPLIES	FIN	111.82
		SUPPLIES	FIN	79.91
		COMPUTER NETWORK	CS	163.25
		SUPPLIES/BOOKS	PLN	84.01
		SUPPLIES	ENG	84.02
		OFFICE/OPERATING SUPPLIES	PD	31.34
		OFFICE/OPERATING SUPPLIES	PD	31.34
		OFFICE/OPERATING SUPPLIES	PD	137.17
		OFFICE/OPERATING SUPPLIES	PD	11.75
		OFFICE/OPERATING SUPPLIES	PD	62.52
		OFFICE/OPERATING SUPPLIES	PD	22.88
		OFFICE SUPPLIES	FD	41.98
		OFFICE SUPPLIES	FD	32.53
		OFFICE SUPPLIES	FD	126.00

WARRANT	VENDOR NAME	DESCRIPTION	AMOUNT
		OFFICE SUPPLIES FD	87.77
		OFFICE SUPPLIES FD	88.20
		OFFICE SUPPLIES FD	32.65
		OFFICE SUPPLIES FD	7.83
		OFF/OPER SUPPS & BOOKS INSP	84.02
		WARRANT TOTAL	1,081.91
62857	OLDCASTLE PRECAST, INC.	MAINTENANCE OF LINES SWR	470.46
		WARRANT TOTAL	470.46
62858	OWEN EQUIPMENT COMPANY	REPAIRS/MAINTENANCE	122.91
		REPAIRS/MAINTENANCE	1,569.14
		WARRANT TOTAL	1,692.05
62859	PACIFIC POWER BATTERIES	REPAIR/MAINTENANCE-EQUIP ST	325.49
		WARRANT TOTAL	325.49
62860	PAT RIMMER TIRE CTR, INC	REPAIR/MT-SMALL TOOLS EQUIP PK	91.88
		OPERATING SUPPLIES ST	498.39
		OPERATING SUPPLIES ST	602.10
		OPERATING SUPPLIES ST	108.54
		OPERATING SUPPLIES ST	35.10
		REPAIR/MAINTENANCE-EQUIP ST	31.32
		REPAIRS/MAINT-EQUIP SAN	21.06
		WARRANT TOTAL	1,388.39
62861	PETTY CASH-DEBRA PETERSON	SUPPLIES LIB	49.89
		EARLY LITERACY LIB	36.52
		WARRANT TOTAL	86.41
62862	PITNEY BOWES, INC.	SUPPLIES FIN	87.20
		WARRANT TOTAL	87.20
62863	PLATT	REPAIRS/MAINT-BUILDING SAN	364.52
		WARRANT TOTAL	364.52
62864	PUBLIC UTILITY DIS. NO.1	PUBLIC UTILITIES CS	382.81
		UTILITIES-RIVERFRONT PK	121.18
		UTILITIES-TRAIN PK	16.40
		UTILITIES-HAMMER SQUARE PK	160.88
		UTILITIES-BINGHAM & MEMORIAL P	27.40
		UTILITIES - OTHER PK	33.08
		PUBLIC UTILITIES CEM	59.00
		PUBLIC UTILITIES ST	33.08
		PUBLIC UTILITIES LIB	22.08
		PUBLIC UTILITIES SWR	131.90
		PUBLIC UTILITIES SAN	33.08
		WARRANT TOTAL	1,020.89
62865	PUGET SOUND ENERGY	PUBLIC UTILITIES CS	1,344.74
		PUB UTILITIES-MALL CS	7.23
		PUB UTILITIES-MALL CS	92.56

WARRANT	VENDOR NAME	DESCRIPTION	AMOUNT
		PS - Stormwater	196.63
		REPAIRS & MAINTENANCE PD	3.09
		UTILITIES-GOLF PK	34.40
		UTILITIES-RIVERFRONT PK	876.01
		UTILITIES-COMMUNITY CTR PK	176.11
		UTILITIES-SENIOR CENTER PK	341.53
		UTILITIES-TRAIN PK	134.08
		UTILITIES-HAMMER SQUARE PK	374.30
		UTILITIES-BINGHAM & MEMORIAL P	7.23
		UTILITIES - SHOP PK	87.11
		UTILITIES - OTHER PK	7.23
		PUBLIC UTILITIES CEM	99.69
		PUBLIC UTILITIES ST	141.67
		PUBLIC UTILITIES ST	50.61
		PUBLIC UTILITIES ST	77.86
		PUBLIC UTILITIES ST	7,179.82
		PUBLIC UTILITIES LIB	256.15
		ADVERTISING HOT	29.04
		MISCELLANEOUS CH	735.00
		PUBLIC UTILITIES SWR	9,354.05
		PUBLIC UTILITIES SWR	168.85
		PUBLIC UTILITIES SAN	193.76
		WARRANT TOTAL	21,968.75
62866	PUGET SOUND LEASING CO. INC	PUBLIC UTILITIES RV	8.70
		UTILITIES-RIVERFRONT PK	16.63
		UTILITIES-COMMUNITY CTR PK	32.75
		UTILITIES-SENIOR CENTER PK	136.24
		PUBLIC UTILITIES SWR	150.76
		WARRANT TOTAL	345.08
62867	PURCHASE POWER	POSTAGE PD	220.49
		POSTAGE FD	220.50
		WARRANT TOTAL	440.99
62868	R & D SUPPLY, INC.	MAINTENANCE OF LINES SWR	1,421.15
		WARRANT TOTAL	1,421.15
62869	RAMBOW, HEATHER	PROFESSIONAL SERVICES SAN	250.00
		WARRANT TOTAL	250.00
62870	READY! FOR KINDERGARTEN	EARLY LITERACY LIB	3,898.88
		WARRANT TOTAL	3,898.88
62871	RELIABLE (OFFICE SUPPLY)	OFFICE/OPERATING SUPPLIES PD	123.05-
		OFFICE/OPERATING SUPPLIES PD	197.62-
		OFFICE/OPERATING SUPPLIES PD	40.35
		OFFICE/OPERATING SUPPLIES PD	622.46
		OFFICE/OPERATING SUPPLIES PD	197.62
		OFFICE/OPERATING SUPPLIES PD	55.42-
		WARRANT TOTAL	484.34

CITY OF SEDRO-WOOLLEY
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WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62872	RICK'S REFRIGERATION INC.	SOLID WASTE DISPOSAL	SAN	155.52
		WARRANT TOTAL		155.52
62873	ROSARIO, JULIE	TUITION/REGISTRATION	ENG	10.00
		WARRANT TOTAL		10.00
62874	SANDERSON SAFETY SUPPLY	REPAIRS/MAINT-EQUIP	FD	493.00
		WARRANT TOTAL		493.00
62875	SCADA & CONTROLS ENGINEERING INC	PROFESSIONAL SERVICES	SWR	891.00
		WARRANT TOTAL		891.00
62876	SCIENTIFIC SUPPLY	OPERATING SUPPLIES	SWR	120.96
		WARRANT TOTAL		120.96
62877	SEARS COMMERCIAL ONE	EQUIPMENT	CH	215.98
		EQUIPMENT	CH	183.59
		EQUIPMENT	CH	1,150.07
		WARRANT TOTAL		1,549.64
62878	SEAWESTERN FIRE FIGHTING EQUIP.	REPAIRS/MAINT-EQUIP	FD	100.19
		WARRANT TOTAL		100.19
62879	SEATTLE PUMP AND EQUIP CO	REPAIRS/MAINTENANCE		350.31
		WARRANT TOTAL		350.31
62880	SEDRO-WOOLLEY AUTO PARTS	REPAIR & MAINTENANCE	CS	44.98
		OFFICE/OPERATING SUPPLIES	PD	38.89
		OPERATING SUPPLIES	CEM	21.83
		OPERATING SUPPLIES	ST	4.08
		REPAIRS/MAINT-EQUIP	ST	124.20
		REPAIRS/MAINT-EQUIP	ST	520.02
		REPAIRS/MAINTENANCE		35.39
		WARRANT TOTAL		540.99
62881	SEDRO-WOOLLEY SCHOOL DIST	SCHOOL GMA IMPACT FEES		2,010.00
		WARRANT TOTAL		2,010.00
62882	SEDRO-WOOLLEY VOLUNTEER	SALARIES-VOLUNTEERS	FD	12,771.50
		WARRANT TOTAL		12,771.50
62883	SJOSTROM LAW OFFICE	PROFESSIONAL SERVICES	LGL	385.00
		WARRANT TOTAL		385.00
62884	SKAGIT 911	CONTRACT SVS-CNTRL DISPATCH	FD	1,018.06
		WARRANT TOTAL		1,018.06
62885	SKAGIT CO. PUBLIC WORKS	SOLID WASTE DISPOSAL	SAN	34,432.29
		WARRANT TOTAL		34,432.29
62886	SKAGIT COUNTY SHERIFF	PRISONERS	PD	6,252.96
		WARRANT TOTAL		6,252.96

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62887	SKAGIT COUNTY TREASURER	CRIME VCTM & WITNSS PROG	LGL	136.36
		WARRANT TOTAL		136.36
62888	SKAGIT FARMERS SUPPLY	OPERATING SUPPLIES	CEM	43.19
		OPERATING SUPPLIES-PROPANE	ST	16.56
		MAINTENANCE OF LINES	SWR	65.87
		WARRANT TOTAL		125.62
62889	SKAGIT HYDRAULICS, INC.	REPAIRS/MAINT-EQUIP	SAN	420.70
		WARRANT TOTAL		420.70
62890	SKAGIT VALLEY PUBLISHING	ADVERTISING/LEGAL PUBLIC	PLN	123.53
		ADVERTISING/LEGAL PUBLIC	PLN	110.86
		ADVERTISING	PK	332.87
		ADVERTISING	PK	449.24
		PROFESSIONAL SERVICES	LIB	260.63
		WARRANT TOTAL		1,277.13
62891	SK. WHATCOM ELECTRONICS	OPERATING SUPPLIES	CS	88.33
		OPERATING SUPPLIES	CS	342.14
		COMPUTER NETWORK	CS	42.12
		WARRANT TOTAL		472.59
62892	SPRINT	TELEPHONE	FD	60.69
		WARRANT TOTAL		60.69
62893	S & W ROCK PRODUCTS, INC.	REPAIR/MT-METCALF BALL PARK PK		894.30
		REPAIR/MT-METCALF BALL PARK PK		585.36
		WARRANT TOTAL		1,479.66
62894	TRUE VALUE	OPERATING SUPPLIES	CS	26.90
		OPERATING SUPPLIES	FD	33.54
		OPERATING SUP - CITY HALL	PK	23.18
		OPERATING SUPPLIES	ST	14.66
		OPERATING SUPPLIES	SWR	42.08
		OPERATING SUPPLIES	SWR	6.44
		REPAIRS/MAINT-EQUIP	SAN	7.54
		WARRANT TOTAL		154.34
62895	HAWKINGS, JAMES DBA	EQUIPMENT RENTAL	SWR	95.00
		WARRANT TOTAL		95.00
62896	UTIL UNDERGROUND LOC CTR	OPERATING SUPPLIES	SWR	36.00
		WARRANT TOTAL		36.00
62897	VALLEY AUTO SUPPLY	REPAIRS/MAINT-EQUIP	FD	11.65
		MAINTENANCE OF VEHICLES	SWR	28.81
		MAINTENANCE OF VEHICLES	SWR	6.46
		MAINTENANCE OF VEHICLES	SWR	11.56
		MAINTENANCE OF VEHICLES	SWR	84.30
		REPAIRS/MAINT-EQUIP	SAN	138.27
		REPAIRS/MAINT-EQUIP	SAN	28.30

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		REPAIRS/MAINT-EQUIP	SAN	88.13
		REPAIRS/MAINT-EQUIP	SAN	27.26
		REPAIRS/MAINT-EQUIP	SAN	186.31
		REPAIRS/MAINT-EQUIP	SAN	65.92
		REPAIRS/MAINT-EQUIP	SAN	88.13
		REPAIRS/MAINT-EQUIP	SAN	32.93
		REPAIRS/MAINT-EQUIP	SAN	13.37
		REPAIRS/MAINT-EQUIP	SAN	259.19
		REPAIRS/MAINT-EQUIP	SAN	23.09
		REPAIRS/MAINT-EQUIP	SAN	182.36
		REPAIRS/MAINT-EQUIP	SAN	39.69
		REPAIRS/MAINT-EQUIP	SAN	63.90
		REPAIRS/MAINT-EQUIP	SAN	130.83
		WARRANT TOTAL		1,510.46
62898	VALLEY R.V.	REPAIRS/MAINT-EQUIP	SAN	24.57
		WARRANT TOTAL		24.57
62899	VERIZON NORTHWEST	TELEPHONE	JUD	68.83
		TELEPHONE	PK	90.70
		TELEPHONE	PK	110.24
		TELEPHONE	CEM	57.63
		TELEPHONE	ST	56.09
		TELEPHONE	LIB	191.82
		TELEPHONE	SWR	574.04
		TELEPHONE	SAN	197.50
		WARRANT TOTAL		1,346.85
62900	WA CITY PLANN DIRECTORS	MISC-DUES/SUBSCRIP/MEMSHIP PLN		50.00
		WARRANT TOTAL		50.00
62901	WA ASSOC OF BUILDING OFF	MISC-DUES	INSP	75.00
		WARRANT TOTAL		75.00
62902	WA ST ASSOC OF MUNICIPAL	MISC-TUITION/REGISTRATION	LGL	185.00
		WARRANT TOTAL		185.00
62903	WA ST DEPT OF PROF LICEN	INTERGOV SVC-GUN PERMITS	PD	54.00
		WARRANT TOTAL		54.00
62904	WA STATE DEPT OF REVENUE	COMPUTER NETWORK	CS	98.13
		OFFICE/OPERATING SUPPLIES	PD	43.27
		PRINTING/PUBLICATIONS	PD	23.17
		MACHINERY & EQUIPMENT	PD	819.10
		MACHINERY AND EQUIPMENT	FD	80.55
		TAXES AND ASSESSMENTS	PK	38.60
		OPERATING SUPPLIES	CEM	32.08
		TAXES AND ASSESSMENTS	CEM	154.12
		SUPPLIES	LIB	16.64
		TAXES AND ASSESSMENTS	LIB	5.01
		BOOKS, PERIOD, RECORDS	LIB	40.13
		EQUIPMENT	CH	68.56

CITY OF SEDRO-WOOLLEY

SORTED TRANSACTION WARRANT REGISTER

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WARRANT	VENDOR NAME	DESCRIPTION	AMOUNT
		MAINT OF PUMPING EQUIP SWR	92.38
		MAINT OF GENERAL EQUIP SWR	24.71
		TAXES AND ASSESSMENTS SWR	3,893.88
		OPERATING SUPPLIES SAN	96.35
		SMALL TOOLS & MINOR EQUIP SAN	34.04
		TAXES & ASSESSMENTS SAN	4,815.20
		WARRANT TOTAL	10,375.92
62905	WA ST OFF OF TREASURER	STATE REMITTANCES-COURT	7,087.69
		WARRANT TOTAL	7,087.69
62906	WASTE AGE	MISC-DUES/SUBS & TUITN/REG SAN	109.00
		WARRANT TOTAL	109.00
62907	WASTE MANAGEMENT OF SKGT	RECYCLING FEE - HOUSEHOLD SAN	8,225.47
		WARRANT TOTAL	8,225.47
62908	WOOD'S LOGGING SUPPLY INC	POSTAGE FIN	9.00
		POSTAGE FD	23.37
		REPAIRS/MAINT-EQUIP FD	25.87
		OPERATING SUPPLIES CEM	41.46
		OPERATING SUPPLIES CEM	13.60
		OPERATING SUPPLIES ST	92.79
		SMALL TOOLS/MINOR EQUIP ST	59.39
		MACHINERY/EQUIPMENT SWR	3,699.00
		REPAIRS/MAINT-EQUIP SAN	136.24
		OPERATING SUPPLIES SAN	61.48
		OPERATING SUPPLIES SWTR	39.96
		REPAIRS/MAINTENANCE	14.44
		WARRANT TOTAL	4,216.60
62909	WHITLOCK, TAMMANY	PLANNING REVIEW FEES	450.00
		WARRANT TOTAL	450.00
		RUN TOTAL	563,501.70

FUND	TITLE	AMOUNT
001	CURRENT EXPENSE FUND	55,055.58
101	PARK FUND	26,081.95
102	CEMETERY FUND	777.86
103	STREET FUND	12,057.47
105	LIBRARY FUND	5,894.30
108	STADIUM FUND	29.04
110	PUBLIC LANDS 110	275.00
331	CITY HALL CONST FUND	333,166.27
401	SEWER FUND	44,876.08
412	SOLID WASTE FUND	80,652.82
425	STORMWATER	2,625.33
621	SUSPENSE FUND	2,010.00
TOTAL		563,501.70

CITY OF SEDRO-WOOLLEY
 SORTED TRANSACTION WARRANT REGISTER
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DEPARTMENT	AMOUNT
001 000 000	7,537.69
001 000 012	107.36
001 000 014	590.46
001 000 015	761.62
001 000 016	72.92
001 000 018	3,712.22
001 000 019	485.93
001 000 020	550.98
001 000 021	12,029.76
001 000 022	28,656.13
001 000 024	550.51
FUND CURRENT EXPENSE FUND	55,055.58
101 000 042	34.40
101 000 076	26,047.55
FUND PARK FUND	26,081.95
102 000 036	777.86
FUND CEMETERY FUND	777.86
103 000 042	12,057.47
FUND STREET FUND	12,057.47
105 000 072	5,894.30
FUND LIBRARY FUND	5,894.30
108 000 019	29.04
FUND STADIUM FUND	29.04
110 000 000	275.00
FUND PUBLIC LANDS	275.00
	110
331 000 012	333,166.27
FUND CITY HALL CONST FUND	333,166.27
401 000 035	44,876.08
FUND SEWER FUND	44,876.08
412 000 037	80,652.82
FUND SOLID WASTE FUND	80,652.82
425 000 039	2,625.33
FUND STORMWATER	2,625.33
621 000 000	2,010.00
FUND SUSPENSE FUND	2,010.00
TOTAL	563,501.70



Pitney Bowes

Empowering the Power of Business

Your Business Information

State & Local Term Rental account # 60

SEDRO WOOLLEY POLICE DEPT		CAN #	ORDER #
Full legal name of renter		DBA name of renter	Tax ID # (FEIN/TIN)
926 Melcalf Street	Sedro-Woolley	WA	982841018
Billing address	City	State	Zip+4
	() Ext	17449567880	
Billing contact name	Billing contact phone #	Billing CAN #	
926 Melcalf Street	SEDRO WOOLLEY	WA	98284-1018
Installation address (if different than billing address)	City	State	Zip+4
Eron Berg	(360) 855 1881 ext	17449573668	
Installation contact name	Installation contact phone #	Installation CAN #	
Credit Card #	Name on card	Exp date	Type of card
Tax exempt #	State tax (if applicable)	Fiscal period (from - to)	

Your Business Needs

Qty	Business Solution Description
	Mail Stream Solution - 1
1	DM500 Digital Mailing System with 10lb Integrated Weighing
1	IntelliLink Interface / PSD for DM500-DM1000 w/PP (NTF)
1	VBS Postage Pass
1	Basic Accounting (25 Dept) Software
1	IntelliLink Subscription
1	Service Level Agreement Coverage

Check items to be included in customer's payment

Equipment Maintenance
Provides service coverage including certain parts and labor

Software Maintenance
Provides revision updates and technical assistance

Soft-Guard® Subscription
Provides postal and carrier updates

If you do not elect to include Soft-Guard® protection with your lease, you will automatically receive updates at the then-current rates.

IntelliLink™ Subscription/Meter Rental
Provides simplified billing and includes () resets per year

() Confirmation Services Electronic access to postal confirmation service
Provide an invoice for postage, consolidated billing and enhanced management reporting information.

(x) Purchase Power

Your Payment Plan

Number of months	Monthly amount*
First 60	284

() Required advance check of \$() received

() Tax exempt certificate attached

Initial Rental Term _____

* Monthly Billing Only

Your Acknowledgement

By your signature as "Renter" below, you request that we rent to you the equipment described above of all any schedule attached hereto (the "Equipment") for essential governmental purposes in consideration of your payment to us of the amount set in the Payment Schedule, subject to the terms and conditions provided in this Agreement. For purposes of this Agreement, all payments set forth in the Payment Schedule shall be referred to as the "Total Payments." The payments referred to in Payment Schedule other than the "Final Payment" shall be referred to singularly as a "Period Payment" and collectively as the "Period Payments." Your offer will be binding on us when we accept it by having an authorized employee sign it. All periodic payments shall be payable only to us at our executive offices unless we direct you otherwise in writing.

1. **NON-APPROPRIATION.** You warrant that you have funds available to pay the Total Payments until the end of your current fiscal period, and shall use your best efforts to obtain funds to pay the Total Payments in each subsequent fiscal period from the end of your Initial Term if your appropriation requires to your legislative body, or funding authority (Covering Body) for funds to pay the Total Payments is denied, you may terminate this Agreement on the last day of the fiscal period for which it has been appropriated, upon 10 submission of documentation reasonably necessary to us evidencing the Covering Body's denial of an appropriation sufficient to continue this Agreement for the next succeeding fiscal period, and (b) submission of charges and collections under this Agreement (incurred through the end of the fiscal period for which funds have been appropriated, including the return of the Equipment) to your agency.

Signature	Date	
Mike Anderson	May 01	
Print name	Title	Email address
Albert Hackworth	021	
Account rep	District office	PBGFS acceptance

(Rev. November 2000)

Department of the Treasury
Internal Revenue Service

Under Internal Revenue Code section 149(e)

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

Part 1 Reporting Authority

Check box if **Amended Return**

1 Issuer's name SEDRO WOOLLEY POLICE DEPT	2 Issuer's employer identification number
3 Number and street (or P.O. box if mail is not delivered to street address) 325 Metcalf Street	Room/suite
4 City, town, or post office, state, and ZIP code SEDRO WOOLLEY WA 98284-1016	5 Report number 5
6 Name and title of officer or legal representative whom the IRS may call for more information	7 Telephone number of officer or legal representative ()

Part II Description of Obligations Check if reporting: a single issue or on a consolidated basis

8a Issue price of obligation(s) (see instructions)	8a
b Issue date (single issue) or calendar year (consolidated) (see instructions)	
9 Amount of the reported obligation(s) on line 8a:	
a Used to refund prior issue(s)	9a
b Representing a loan from the proceeds of another tax-exempt obligation (e.g., bond bank)	9b
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box <input type="checkbox"/>	
11 If any obligation is in the form of a lease or installment sale, check this box <input checked="" type="checkbox"/>	
12 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box <input type="checkbox"/>	

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Issuer's authorized representative	Date	Type or print name and title
------------------------------------	------	------------------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to pay a penalty in lieu of arbitrage rebate (see the line 12 instructions).

Filing a consolidated return. For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To File

To file a separate return, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

Late filing. An issuer may be granted an extension of time to file Form 8038-GC under Section 3 of Rev. Proc. 88-10, 1988-1 C.B. 625, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "This Statement Is Submitted in Accordance with Rev. Proc. 88-10." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See **Where To File** below.

Where To File

File Form 8038-GC, and any attachments, with the Internal Revenue Service Center, Ogden, UT 84201.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal government, use Form 8038-T, Arbitrage Rebate and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

Definitions

Obligations. This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

Tax-exempt obligation. This is a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 105.

Tax-exempt governmental obligation. A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and



SKAGIT COUNTY DISTRICT COURT PROBATION

Court Bldg. Room 301
CITY COUNCIL AGENDA 205 W Kincaid Street
REGULAR MEETING Mount Vernon WA 98273
MAR 12 2008 (360) 336-9372
Fax: (360) 336-9373

7:00 PM. COUNCIL CHAMBERS
AGENDA NO. _____

Warren M. Gilbert, Judge
Department I
David A. Svaren, Judge
Department II

Linford C. Smith
Commissioner

Linda Eiford, Director

March 5, 2008

Sedro-Woolley Municipal Court
Attn: Patsy Nelson
220-A Woodworth Street
Sedro-Woolley WA 98284

Re: Probation Contract for 2008

Dear Ms. Nelson:

Attached is a copy of the proposed contract for probation services between the City of Sedro-Woolley and Skagit County District Court Probation. There are only two changes from the prior contract which ended on December 31, 2007.

One change reflects the suggestion of the County's civil attorney that we write the contract for more than one year at a time. The attached contract covers the period from January 1, 2008 through December 31, 2010. The second change is in regard to restitution and is found in Section 4. MANNER OF FINANCING: If the Probation Department determines restitution, the maximum that would be charged is \$150.00.

Please let me know if you have any questions regarding the contracts or the changes that were made. We look forward to supplying probation services to the City of Sedro-Woolley.

Sincerely,

Linda Eiford
Director

Attachment

After Recording Return to:

SKAGIT COUNTY BOARD OF COMMISSIONERS
1800 CONTINENTAL PLACE, SUITE 100
MOUNT VERNON, WA 98273

INTERLOCAL COOPERATIVE AGREEMENT

BETWEEN

SKAGIT COUNTY

AND

CITY OF SEDRO-WOOLLEY

THIS AGREEMENT is made and entered into by and between the City of Sedro-Woolley ("City") and Skagit County, Washington ("County") pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT.

1. PURPOSE: The purpose of this interlocal agreement is to formalize the relationship of the City and the County regarding the provision of probation services to the City. Skagit County has a Probation Department capable of serving both the Skagit County District Court and, with some use restrictions, the cities within Skagit County. The Skagit County District Court Probation Department has provided probation services to the City in past years based on their participation in the consolidated district/municipal court judicial services plan. It is in the best interest of Skagit County and the City to formalize this relationship in an agreement detailing the extent and costs of probation services.

2. RESPONSIBILITIES: The County shall provide the following probation services for the City in consideration of time and effort as follows:

Active/full probation services, pre-trial monitoring, monitoring of treatment and/or antabuse and 12-step community based support group attendance, deferred prosecution requirements, pre-post sentence investigations, restitution determination only, and collection of restitution and/or monitoring of prohibitions.

The County shall provide such services upon referral from the City and according to the direction of the City's Municipal Court.

3. **TERM OF AGREEMENT:** The term of this Agreement shall be from January 1, 2008 through December 31, 2010.

If the agreement is not renewed, the County will provide the City with the following transition services:

(a) For previously initiated probation services that can be completed by April 1, 2008, the County will complete the service.

(b) For previously initiated probation services that cannot be completed by April 1, 2008, the County will provide the City a complete copy of the probation file and a summary of actions taken to-date, upcoming hearings, and other information that would assist the new service provider in quickly completing the transition cycle.

4. **MANNER OF FINANCING:** The County will bill the City quarterly. Payment by the City will be made within thirty days from date of billing notice. The City shall compensate the County as follows:

Fifty dollars (\$50.00) a month for each defendant placed on probation supervision for each month said defendant is on active supervision (meaning the supervision has not been terminated by order of the court) to a maximum of \$1200 per defendant/case. In cases involving pre-sentence supervision, supervision of mandatory community service or determination of restitution, the maximum per defendant/case shall be \$150.00.

5. **ADMINISTRATION:** The following individuals are designated as representatives of the respective parties. The representatives shall be responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. In the event such representatives are changed, the party making the change shall notify the other party.

5.1 The County's representative shall be District Court Probation Director, Linda Eiford.

5.2 The City's representative shall be City Attorney, Eron Berg.

6. **TREATMENT OF ASSETS AND PROPERTY:** No fixed assets or personal or real property will be jointly or cooperatively, acquired, held, used, or disposed of pursuant to this Agreement.

7. INDEMNIFICATION: It is understood and agreed that this Agreement is solely for the benefit of the parties hereto and gives no right to any other party. No joint venture or partnership is formed as a result of the Agreement. Each party hereto agrees to be responsible and assumes liability for its own negligent acts or omissions, or those of its officers, agents, elected officials, volunteers or employees to the fullest extent required by the law, and agrees to save, indemnify, defend, and hold the other party harmless from any such liability. In the case of negligence of both the City and Skagit County, damages allowed shall be levied in proportion to the percentage of negligence attributable to each party, and each party shall have the right to seek contribution from the other party in proportion to the percentage of negligence attributable to the other party. This indemnification clause shall also apply to any and all causes of action arising out of the performance of work activities under this Agreement.

8. TERMINATION: Any party hereto may terminate this Agreement upon thirty (30) days notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the party's last known address for the purposes of giving notice under this paragraph. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

9. CHANGES, MODIFICATIONS, AMENDMENTS AND WAIVERS: The Agreement may be changed, modified, amended or waived only by written agreement executed by the parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

10. SEVERABILITY: In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.

11. ENTIRE AGREEMENT: This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

FOR CITY OF SEDRO-WOOLLEY:

Mike Anderson, Mayor
(Date _____)

Patsy K. Nelson, City Clerk

Mailing Address:
City of Sedro-Woolley
720 Murdock Street
Sedro-Woolley WA 98284

IN WITNESS WHEREOF, the parties have executed this Agreement this ____ day of _____, 200 ____.

APPROVED:

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

DON MUNKS, Chairman

KENNETH A. DAHLSTEDT, Commissioner

SHARON D. DILLON, Commissioner

For contracts under \$5000:

County Administrator
(Authorization per Resolution #R20030146)

Recommended:

By: _____
DAVID A. SVAREN, PRESIDING JUDGE
Skagit County District Court

By: _____
TRISHA LOGUE, BUDGET & FINANCE DIRECTOR

Approved as to Indemnification:

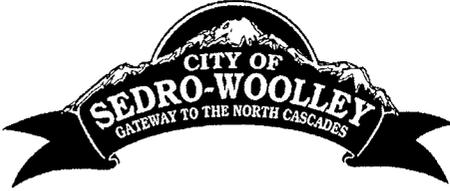
By: _____
BILLIE KADRMAS, RISK MANAGER

Approved as to Form:

By: _____
MELINDA MILLER, DEPUTY PROSECUTING ATTORNEY

Attest:

JOANNE GIESBRECHT, CLERK OF THE BOARD



CITY COUNCIL AGENDA
REGULAR MEETING

MAR 12 2008

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. _____

CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
720 Murdock Street
Sedro-Woolley, WA 98284
Phone (360) 855-0771
Fax (360) 855-0733

Mark A. Freiberger, PE
Director of Public Works/City Engineer

MEMO TO: City Council and Mayor Mike Anderson
FROM: Mark A. Freiberger, PE
RE: **Interlocal Agreement with Skagit County
Maintenance of USGS Gage Stations**
DATE: March 5, 2008 (for Council review March 12, 2008)

ISSUE

Should Council authorize Mayor Anderson to execute the attached Interlocal Agreement with Skagit County for cost sharing of the maintenance of the USGS Skagit River Gage Stations?

BACKGROUND/DISCUSSION

For many years the USGS has maintained a river gage on the Sauk River and four gages on the Skagit River, along with reporting facilities, to provide river level and flow information for flood warning purposes, among other things. USGS no longer has the budget to maintain these gages, and has sought to cost share with benefiting local agencies. Skagit County has agreed to this arrangement, as shown on the attached Joint Funding Agreement. The total cost to Skagit County is \$32,050 for 2008. The county has requested that benefiting local agencies share in up to 50% of this cost, and has requested that each of the agencies provide \$2,000 for this purpose. To date, four Dike Districts, Burlington and Mount Vernon have agreed to this. We have suggested that Sedro-Woolley, due to budget constraints and our smaller population provide \$1,000.

Attached is a proposed Interlocal Agreement between Skagit County and the City. This Agreement is for 2008, and includes a provision for extension on an annual basis by mutual consent.

Staff proposes that the funds for this agreement be taken from the Engineering Department Account 001.000.020.532.20.41.00 Professional Services, which is budgeted at \$80,000. Sufficient funds are available for this expense. In subsequent years, a line item will be budgeted for this purpose.

RECOMMENDATION

It is Staff's recommendation that Council authorize Mayor Anderson to enter into the Interlocal Agreement with Skagit County for cost sharing for maintenance of the USGS stream gages for 2008 in the amount of \$1,000.

MOTION:

Move to authorize Mayor Anderson to enter into the Interlocal Agreement with Skagit County for cost sharing for maintenance of the USGS stream gages for 2008 in the amount of \$1,000.

After Recording Return to:

Skagit County Public Works Department
Attn: Ric Boge
1800 Continental Place
Mount Vernon, WA 98273-5625

DOCUMENT TITLE: INTERLOCAL AGREEMENT BETWEEN SKAGIT COUNTY AND THE CITY OF SEDRO-WOOLLEY

DATE SIGNED: _____, 2008

GRANTOR: SKAGIT COUNTY, a political subdivision of the State of Washington

GRANTEE: CITY OF SEDRO-WOOLLEY

INTERLOCAL COOPERATIVE AGREEMENT

BETWEEN

CITY OF SEDRO-WOOLLEY
AND
Skagit County

THIS AGREEMENT is made and entered into by and between the City of Sedro-Woolley, ("City") and Skagit County, Washington ("County") pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT. City of Sedro-Woolley and County may be individually referred to herein as "party" and may be collectively referred to herein as the "parties." In consideration of the following terms and conditions, the parties mutually agree as follows:

1. PURPOSE: to cost share amongst jurisdictions who benefit from the County's annual Joint Funding Agreement (JFA) with the US Geological Society (USGS) of the US Department of the Interior for water resources investigations of the Sauk and Skagit Rivers (attached as Exhibit A). The JFA provides for annual maintenance of one gauge on the Sauk River and four gauges on the Skagit River. The JFA also provides for the collection and publication of data from these gages.

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SK/2
Maintenance
Share\

2. RESPONSIBILITIES:

Skagit County is responsible for prompt annual payment to USGS pursuant to its obligations shown in the JFA. A copy of the JFA is attached hereto as Exhibit "A".

City of Sedro-Woolley is responsible for paying One Thousand Dollars (\$1,000) per year (annually) to reimburse the County for a portion of its costs.

3. TERM OF AGREEMENT: The term of this Agreement shall be from date of mutual execution by both parties through September 2008. If applicable, the term of this Agreement may be extended (on an annual basis) by subsequent written addenda, mutually executed by the parties hereto.

4. MANNER OF FINANCING: City of Sedro-Woolley shall make prompt payment on one (1) annual invoice from the County in the amount of One Thousand Dollars (\$1,000) pursuant to the terms of this Agreement. City of Sedro-Woolley agrees to pay said invoice submitted by the County (in the amount of One Thousand Dollars [\$1,000]) within thirty (30) days of receipt of such invoice(s) from the County. Neither party is obligated to otherwise pay, provide, or expend any funds, and/or provide and/or perform any other services or other duties, unless otherwise specified herein.

5. ADMINISTRATION: The following individuals are designated as representatives of the respective parties. The representatives shall be responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. In the event such representatives are changed, the party making the change shall notify the other party.

5.1 The County's representative shall be the Public Works Surface Water Manager.

5.2 City of Sedro-Woolley's representative shall be Public Works Director, Mark Freiberger.

6. TREATMENT OF ASSETS AND PROPERTY: No fixed assets or personal or real property will be jointly or cooperatively, acquired, held, used, or disposed of pursuant to this Agreement. No partnership or joint venture between the parties is created by this Agreement.

7. INDEMNIFICATION: Each party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other party harmless from any such liability. It is further provided that no liability shall attach to the County by reason of entering into this contract except as expressly provided herein.

8. TERMINATION: Any party hereto may terminate this Agreement upon thirty (30) days notice in writing either personally delivered or mailed postage-prepaid by certified

C:\Documents and Settings\mfreiberger\Local Settings\Temporary Internet Files\OLK14\SedroWoolley2.doc

mail, return receipt requested, to the party's last known address for the purposes of giving notice under this paragraph. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

9. **CHANGES, MODIFICATIONS, AMENDMENTS AND WAIVERS:** The Agreement may be changed, modified, amended or waived only by written agreement executed by the parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

10. **SEVERABILITY:** In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.

11. **ENTIRE AGREEMENT:** This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto. This Agreement is in addition to, and is not intended to replace, substitute, modify, or otherwise amend any other agreements by and between the parties. Any other agreements by and between the parties shall continue in full force and effect.

12. **NO THIRD PARTY BENEFICIARIES:** This Agreement is not intended to nor does it create any third party beneficiary or other rights in any third person or party, including, but not limited to, any agent, contractor, subcontractor, consultant, volunteer, or other representative of either party.

13 **COMPLIANCE WITH LAWS AND TERMS OF GRANTS:** The parties to this Agreement shall comply with all applicable federal, state, and local laws, rules, and regulations in carrying out the terms and conditions of this Agreement. If applicable, compliance with laws shall specifically include, but not be limited to, compliance with laws pertaining to the payment of prevailing wage on public works (including, but not necessarily limited to RCW 39.12). If applicable, compliance with laws shall also specifically include, but not be limited to, compliance with laws for the procurement of contracts for architectural and engineering services (including, but not necessarily limited to RCW 39.80). If necessary, the parties shall obtain and comply with all necessary permits and approvals from all applicable jurisdictions prior to commencing any work related to this Agreement. The parties to this Agreement shall also comply with all terms and conditions of all grant(s) referenced within and/or related to this Agreement.

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IN WITNESS WHEREOF, the parties have executed this Agreement this ____ day of _____, 2008.

APPROVED:

CITY OF SEDRO-WOOLLEY:

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

Mike Anderson, Mayor

DON MUNKS, Chairman

(Date _____)

KENNETH A. DAHLSTEDT, Commissioner

Mailing Address:

SHARON D. DILLON, Commissioner

City of Sedro-Woolley
720 Murdock
Sedro-Woolley, WA 98284

For Agreements under \$5000

County Administrator
(Authorization per Resolution #R20030146)

Recommended:

By: _____
Department Head

By: _____
Budget & Finance Director

Approved as to Indemnification:

By: _____
Risk Manager

Attest:

Approved as to Form:

Clerk of the Board

By: _____
Deputy Prosecuting Attorney

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Share

Exhibit 'A'

Form 9-1366
(Oct. 2005)

SKAGIT COUNTY
Contract # C20070642

Page 1 of 4

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement

Customer #: WA070
Agreement #: 08W4WA07000
Project #: 97229EU
TIN #: 916001361
Fixed Cost Agreement Yes No

FOR
WATER RESOURCES INVESTIGATIONS

THIS AGREEMENT is entered into as of the 1ST day of **OCTOBER, 2007**, by the U.S. GEOLOGICAL SURVEY, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the **County of Skagit**, party of the second part.

1. The parties hereto agree that subject to availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation a **fixed-price agreement for water resources investigation of the Sauk and Skagit Rivers**, herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50; and 43 USC 50b.
2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) includes In-Kind Services in the amount of \$ N/A.
 - (a) **\$10,770** by the party of the first part during the period **OCTOBER 1, 2007 to SEPTEMBER 30, 2008**
 - (b) **\$32,050** by the party of the second part during the period **OCTOBER 1, 2007 to SEPTEMBER 30, 2008**
 - (c) *Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.*
 - (d) *The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.*
3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.
4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.
5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.
6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.
7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records, or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records, or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program and, if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at costs, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records, or reports published by either party shall contain a statement of the cooperative relations between the parties.
9. USGS will issue billings utilizing Department of the Interior Bill for Collection (form DI-1040). Billing documents are to be rendered **QUARTERLY**. Payments of bills are due within 60 days after the billing date. If not paid by the due date, interest will be charged at the current Treasury rate for each 30 day period, or portion thereof, that the payment is delayed beyond the due date. (31 USC 3717; Comptroller General File B-212222, August 23, 1983).

**U.S. Geological Survey
United States
Department of the Interior**

**Name of Customer
Skagit County**

USGS Point of Contact

Customer Point of Contact

Name: Bob Kimbrough
Address: USGSWAWSC
934 Broadway, Suite 300
Tacoma, WA 98402
Telephone: 253-552-1608
Email: rakimbro@usgs.gov

Name:
Address:

Telephone:
Email:

Signatures

Signatures

By Cynthia Barton Date 10/2/07

See Attached

Name: **Cynthia Barton, Ph.D., L.G., L.H.G.**
Title: **Director, USGS Washington Water Science Center**

By _____
Date _____

Name:
Title:

By _____ Date _____

By _____
Date _____

Name:
Title:

Name:
Title:

By _____ Date _____

By _____
Date _____

Name:
Title:

Name:
Title:

SKAGIT COUNTY
Contract # C20070642

**Cooperative Program of Water-Resources Data Collection
Between the U.S. Geological Survey and the Skagit County Department of Public Works
Costs for Federal Fiscal Year 2008**

The hydrologic technician in charge of this project is Mr. Darrin Miller. Mr. Miller can be reached by telephone at (360) 856-5700, ext 264; or through the internet at: damiller@usgs.gov

	<u>Skagit Co.</u>	<u>USGS</u>	<u>Total</u>
<u>USGS Station No. 12184700</u>			
Skagit River near Rockport			
Gaging station (elevation only, unpublished)	\$2,020	\$0	\$2,020
GOES telemetry (basic service)	\$1,250	\$1,170	\$2,420 (a)
<u>USGS Station No. 12186000</u>			
Sauk River above Whitechuck River			
Gaging Station (discharge, published)	\$6,960	\$6,520	\$13,480
GOES telemetry (basic and priority service)	\$1,640	\$1,540	\$3,180 (b)
<u>USGS Station No. 12194000</u>			
Skagit River near Concrete			
Gaging Station (discharge, published)	\$6,740	\$0	\$6,740 (c)
GOES telemetry (priority service)	\$380	\$0	\$380 (b,c)
Telephone telemetry	\$600	\$0	\$600 (d)
<u>USGS Station No. 12199000</u>			
Skagit River near Sedro Woolley			
Gaging Station (elevation only, published)	\$4,050	\$0	\$4,050
Telephone telemetry	\$600	\$0	\$600 (d)
GOES telemetry (basic and priority service)	\$1,640	\$1,540	\$3,180
<u>USGS Station No. 12200100</u>			
Nookachamps Cr near Clear Lake			
Gaging Station (stage only, published)	\$4,050	\$0	\$4,050
Skagit River between river miles 38 and 39			
ADCP measurement of cross sections	<u>\$2,120</u>	<u>\$0</u>	<u>\$2,120</u>
TOTALS	\$32,050	\$10,770	\$42,820

- (a) DCP is programmed to transmit on random channel if an alert stage/parameter is surpassed.
- (b) Alert Service; 72-hour maximum turnaround for field repairs.
- (c) Costs shared with other agencies.
- (d) Skagit County maintains telephone service to gage on bridge. USGS maintains modem and electronic cards. Annual charge is for periodic replacement of electronic modem circuit boards.

SKAGIT COUNTY
Contract # C20070642

Page 3 of 4

DATED THIS 19 day of November, 2007.

APPROVED:

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

Sharon D. Dillon
Sharon D. Dillon, Chair

Don Munks
Don Munks, Commissioner

Kenneth A. Dahlstedt
Kenneth A. Dahlstedt, Commissioner

For Contracts under \$5000

County Administrator
(Authorization per Resolution #R20030146)

Approved as to Form:

M. M. O'Connell
Deputy Prosecuting Attorney

Attest:

Sinda Hammons, Assistant
Clerk of the Board

Recommended:

By: James E. Voetberg
James, E. Voetberg, P.E.
Director/County Engineer

By: Lisha Payne
Budget & Finance Administrator

Approved as to Indemnification:

By: Bruce Kadmas
Risk Manager

SKAGIT COUNTY
Contract # C20070642

Page 4 of 4

Joint Funding Agreement
4 of 4



City of Sedro-Woolley Fire Department

Dean Klinger, Chief
220 Munro St.
Sedro-Woolley, WA 98284

(360) 855-2252 • Fax (360) 855-0196

CITY COUNCIL AGENDA
REGULAR MEETING

DATE: March 5, 2008

MAR 13 2008

TO: Mayor Anderson and City Council

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. _____

FROM: Dean Klinger, Chief *DKL*

RE: Interlocal with WSP for State Mobilization Reimbursement

Situation:

In order to request reimbursement for State fire mobilization the City will need to have an interlocal signed and on file with the Washington State Patrol.

The Fire Department has not participated in a State wide mobilization for the past two years but, if we do this year we will need this agreement in order to be reimbursed.

This is a standard agreement that we need to every so often with the State.

Recommended Action:

Staff recommends that the City Council authorize the Mayor to sign the WSP agreement No. C081247GSC with the Washington State Patrol for State Fire Mobilization Reimbursement.

CHRISTINE O. GREGOIRE
Governor



JOHN R. BATISTE
Chief

STATE OF WASHINGTON
WASHINGTON STATE PATROL

General Administration Building • PO Box 42600 • Olympia, WA 98504-2600 • (360) 753-6540 • www.wsp.wa.gov

February 22, 2008

Chief Dean Klinger
Sedro Wooley Fire Department
720 Murdock Street
Sedro-Woolley WA 98284

Dear Chief Klinger:

Subject: WSP Agreement No. C081247GSC, State Fire Mobilization Reimbursement

Enclosed are two originals of an interagency agreement between the Washington State Patrol and your organization to allow reimbursement of fire mobilization costs per the Washington State Fire Services Resource Mobilization Plan. If you anticipate providing career firefighters and/or equipment under the plan, please have an approved representative of your organization sign these originals and return them to the following:

Budget and Fiscal Services
Washington State Patrol
PO Box 42602
Olympia WA 98504-2602

An IRS Form W-9, Request for Taxpayer Identification Number and Certification, is also enclosed with this letter. Please complete this form for your organization and return it with the signed original agreement documents.

A fully signed original will be returned to you for your records. Please contact me at (360) 753-0602 or via e-mail at jeff.hugdahl@wsp.wa.gov if you have any questions or concerns regarding this agreement.

Sincerely,

CHIEF JOHN R. BATISTE

A handwritten signature in cursive script that reads "Patricia Hill".

for:
Mr. Jeffrey R. Hugdahl
Budget and Fiscal Services

jh
Enclosures



INTERAGENCY AGREEMENT
BETWEEN
STATE OF WASHINGTON
WASHINGTON STATE PATROL
AND
SEDRO WOOLEY FIRE DEPARTMENT

This Interagency Agreement (Agreement), pursuant to RCW 43.43.960 through RCW 43.43.964 (State Fire Service Mobilization) and Chapter 39.34 RCW (Interlocal Cooperation Act), is made and entered into by and between the Washington State Patrol, hereinafter referred to as "WSP," and the Sedro Wooley Fire Department, a statutorily authorized fire agency within the State of Washington, hereinafter referred to as "Fire Agency."

The purpose of this Agreement is to provide for the reimbursement of allowable Fire Agency costs incurred while its assets are mobilized in accordance with RCW 43.43.960 through RCW 43.43.964 and the Washington State Fire Services Resource Mobilization Plan (Mobilization Plan). The Mobilization Plan and any subsequent versions adopted pursuant to RCW 43.43.962 are incorporated herein by this reference.

Therefore, it is mutually agreed that:

- 1. Mobilization Plan.** The Mobilization Plan provides a process to quickly notify, assemble and deploy fire service personnel and equipment to any local fire jurisdiction in Washington State that has expended all local and mutual aid resources in attempting to manage, mitigate and control an emergency incident or situation for the protection of life and property. If the Fire Agency responds with its available assets to an incident mobilization, both parties shall comply with the procedures detailed in the Mobilization Plan.
- 2. Period of Performance.** The period of performance of this Agreement begins on January 1, 2008 and ends on December 31, 2013 unless terminated sooner as provided herein.
- 3. Billing Procedures.** WSP shall reimburse the Fire Agency upon the receipt of properly executed claim forms submitted by the Fire Agency according to the Mobilization Plan. Claims for payment submitted by the Fire Agency to WSP for costs due and payable under this Agreement shall be paid by WSP if received by WSP within 45 days from the end of each respective fire mobilization.
- 4. Compliance with Civil Rights Laws.** During the period of performance for this Agreement, both parties shall comply with all federal and state nondiscrimination laws.
- 5. Records Maintenance.** Both parties shall maintain books, records, documents and other evidence which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the services described herein. These records shall be subject to inspection, review or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so authorized by law. Both parties shall retain all books, records, documents, and other material relevant to this Agreement for six (6) years after expiration, and the Office of the State Auditor, federal auditors, and any persons duly authorized by the parties shall have full access and the right to examine any of these materials during this period.

6. **Agreement Management.** The work described herein shall be performed under the coordination of Chief Dean Klinger of the Fire Agency, and Assistant State Fire Marshal Paul Perz of WSP, or their successors. They shall provide assistance and guidance to the other party necessary for the performance of this Agreement.
7. **Hold Harmless.** Each party shall defend, protect and hold harmless the other party from and against all claims, suits and/or actions arising from any negligent or intentional act or omission of that party's employees, agents, and/or authorized subcontractor(s) while performing under this Agreement.
8. **Agreement Alterations and Amendments.** This Agreement may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.
9. **Termination.** Either party may terminate this Agreement upon thirty (30) calendar days' written notification to the other party. If this Agreement is so terminated, the terminating party shall be liable only for performance in accordance with the terms of this Agreement for performance prior to the effective date of termination.
10. **Appeals of Denied Claims.** In the event that WSP denies payment of claim(s) submitted by the Fire Agency under this Agreement, the Fire Agency may appeal the denial according to the Mobilization Plan. The process contained in the Mobilization Plan is the sole administrative recourse available to the Fire Agency for the appeal of denied claims.
11. **Order of Precedence.** In the event of any inconsistency in the terms of this Agreement, the inconsistency shall be resolved by giving precedence in the following order:
 1. Applicable federal and state statutes and regulations;
 2. Terms and Conditions contained in this Agreement
 3. Any other provisions of the Agreement, whether incorporated by reference or otherwise.
12. **All Writings Contained Herein.** This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement.

For the Washington State Patrol:

For the Sedro Wooley Fire Department:

FOR: John R. Batiste, Chief

Signature

Date

Date

APPROVED AS TO FORM BY THE OFFICE OF THE ATTORNEY GENERAL 2/5/2008



STAUBACH

A World of Real Estate Knowledge

CITY COUNCIL AGENDA
REGULAR MEETING

Tracking# 07-35368

February 29, 2008

MAR 13 2008

Mr. Jim Hobbs
City of Sedro-Woolley
813 Metcalf St
Sedro-Woolley, WA 98284

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. _____

Dear Mr. Hobbs:

Enclosed please find duplicate counterparts of the requested contract for execution by an official authorized to execute contract agreements on behalf of **City of Sedro-Woolley**. Please execute and return both copies with original signatures for completion on part of BNSF Railway Company ("BNSF") to this office, along with the following requirements:

- A check in the amount of \$2500.00 payable to BNSF Railway Company which covers the contract fee(s).

City of Sedro-Woolley should have been or will be contacted by IDS, the BNSF's Insurance Tracking Company. If you have not, and you have any questions regarding any of the insurance requirements, please contact Aimee Austin, via fax, at 951-766-2299. If you have not done so, please fax the following insurance documents to Ms. Austin:

1. A Certificate of Insurance as required in the agreement.
2. A **separate policy** for Railroad Protective Liability Insurance as required in the agreement (**ORIGINAL POLICY MUST BE PROVIDED**). BNSF Railway Company will be the only insured party; OR;

In lieu of providing a separate policy for Railroad Protective Liability Insurance, you may participate in the BNSF's Railroad Protective Policy by checking the appropriate box in the contract and including an additional \$1000.00 with your check.

Acceptance and deposit of any check by BNSF does not constitute an agreement between BNSF and Licensee for the requested license. BNSF shall not be obligated to hold the check in a separate fund, but may commingle the funds with other funds of BNSF, and in no event shall BNSF be responsible for interest on said funds.

The enclosed permit is not a binding agreement and shall become binding only when, and if, it is executed by **City of Sedro-Woolley** and fully approved and executed by BNSF Railway Company. Upon completion on behalf of BNSF, one fully executed counterpart will be returned for your records.

The specifications/plans you provided may differ from BNSF's minimum specification requirements. Therefore, prior to your installation, please review the Exhibit A to determine the specifications necessary for your installation.

Please be informed that if contracts, fees, and insurance are not returned within sixty (60) days, an additional processing fee of \$350.00 will be accessed.

Sincerely,

Tanita Thomas
Contract Specialist
Enclosures

3017 Lou Menk Drive, Suite 100
Fort Worth, Texas 76131-2800
(817) 230-2600 Fax (817) 306-8265
www.staubach.com

The Staubach Company
provides global coverage through
DTZ Staubach Tie Leung.

PIPELINE LICENSE

THIS LICENSE ("License"), made as of the ___ day of March, 2008 ("Effective Date") by and between **BNSF RAILWAY COMPANY**, a Delaware corporation ("Licensor") and **CITY OF SEDRO-WOOLLEY**, a Washington corporation ("Licensee").

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree to the following:

GENERAL

1. Licensor hereby grants Licensee a non-exclusive license, subject to all rights, interests, and estates of third parties, including, without limitation, any leases, use rights, easements, liens, or other encumbrances, and upon the terms and conditions set forth below, to construct and maintain, in strict accordance with the drawings and specifications approved by Licensor as part of Licensee's application process (the "Drawings and Specifications"), One (1) Pipeline(s), 30" inches in diameter inside a 36" inch STEEL casing ("PIPELINE"), across or along the rail corridor of Licensor at or near the station of Sedro-Woolley, County of Skagit, State of WA, Line Segment 0409, Mile Post 21.89, as shown on the attached Drawing No. 1-42836, dated December 21, 2007, attached hereto as Exhibit "A" and made a part hereof ("Premises").
2. Licensee shall not disturb any improvements of Licensor or Licensor's existing lessees, Licensees, easement beneficiaries or lien holders, if any, or interfere with the use of such improvements.
3. Licensee shall use the Premises solely for construction and maintenance of a PIPELINE in accordance with the Drawings and Specifications carrying **RAW SEWAGE**. Licensee shall not use the PIPELINE to carry any other commodity or use the Premises for any other purpose.

Licensee covenants that it will not handle or transport "hazardous waste" or "hazardous substances", as "hazardous waste" and "hazardous substances" may now or in the future be defined by any federal, state, or local governmental agency or body through the PIPELINE on Licensor's property. Licensee agrees periodically to furnish Licensor with proof, satisfactory to Licensor that Licensee is in such compliance. Should Licensee not comply fully with the above-stated obligations of this Section, notwithstanding anything contained in any other provision hereof, Licensor may, at its option, terminate this License by serving five (5) days' notice of termination upon Licensee. Upon termination, Licensee shall remove the PIPELINE and restore Licensor's property as herein elsewhere provided.

4. In case of the eviction of Licensee by anyone owning or claiming title to or any interest in the Premises, or by the abandonment by Licensor of the affected rail corridor, Licensor shall not be liable to refund Licensee any compensation paid hereunder, except for the pro-rata part of any recurring charge paid in advance, or for any damage Licensee sustains in connection therewith.
5. Any contractors or subcontractors performing work on the PIPELINE or entering the Premises on behalf of Licensee shall be deemed servants and agents of Licensee for purposes of this License.

TERM

6. This License shall commence on the Effective Date and shall continue for a period of twenty-five (25) years, subject to prior termination as hereinafter described.

COMPENSATION

7. (a) Licensee shall pay Licensor, prior to the Effective Date, the sum of Two Thousand Five Hundred and No/100 Dollars (\$2500) as compensation for the use of the Premises.
- (b) Licensee agrees to reimburse Licensor (within thirty (30) days after receipt of bills therefor) for all costs and expenses incurred by Licensor in connection with Licensee's use of the Premises or the presence, construction and maintenance of the PIPELINE, including but not limited to the furnishing of Licensor's Flagman and any vehicle rental costs incurred. The cost of flagger services provided by the Railway, when deemed necessary by the Railway's representative, will be borne by the Licensee. The estimated cost for one (1) flagger is \$600.00 for an eight (8) hour basic day with time and one-half or double time for overtime, rest days and holidays. The estimated cost for each flagger includes vacation allowance, paid holidays, Railway and unemployment insurance, public liability and property damage insurance, health and welfare benefits, transportation, meals, lodging and supervision. Negotiations for Railway labor or collective bargaining agreements and rate changes authorized by appropriate Federal authorities may increase actual or estimated flagging rates. The flagging rate in effect at the time of performance by the Contractor hereunder will be used to calculate the actual costs of flagging pursuant to this paragraph.
- (c) All invoices are due thirty (30) days after the date of invoice. In the event that Licensee shall fail to pay any monies due to Licensor within thirty (30) days after the invoice date, then Licensee shall pay interest on such unpaid sum from thirty (30) days after its invoice date to the date of payment by Licensee at an annual rate equal to (i) the greater of (a) for the period January 1 through June 30, the prime rate last published in *The Wall Street Journal* in the preceding December plus two and one-half percent (2 1/2%), and for the period July 1 through December 31, the prime rate last published in *The Wall Street Journal* in the preceding June plus two and one-half percent (2 1/2%), or (b) twelve percent (12%), or (ii) the maximum rate permitted by law, whichever is less.

COMPLIANCE WITH LAWS

8. (a) Licensee shall observe and comply with any and all laws, statutes, regulations, ordinances, orders, covenants, restrictions, or decisions of any court of competent jurisdiction ("Legal Requirements") relating to the construction, maintenance, and use of the PIPELINE and the use of the Premises.
- (b) Prior to entering the Premises, Licensee shall and shall cause its contractor to comply with all Licensor's applicable safety rules and regulations. Prior to commencing any work on the Premises, Licensee shall complete and shall require its contractor to complete the safety-training program at the following

Internet Website "<http://www.contractororientation.com>". This training must be completed no more than one year in advance of Licensee's entry on the Premises.

DEFINITION OF COST AND EXPENSE

9. For the purpose of this License, "cost" or "costs" "expense" or "expenses" includes, but is not limited to, actual labor and material costs including all assignable additives, and material and supply costs at current value where used.

RIGHT OF LICENSOR TO USE

10. Licensor excepts and reserves the right, to be exercised by Licensor and any other parties who may obtain written permission or authority from Licensor:
- (a) to maintain, renew, use, operate, change, modify and relocate any existing pipe, power, communication lines and appurtenances and other facilities or structures of like character upon, over, under or across the Premises;
 - (b) to construct, maintain, renew, use, operate, change, modify and relocate any tracks or additional facilities or structures upon, over, under or across the Premises; or
 - (c) to use the Premises in any manner as the Licensor in its sole discretion deems appropriate, provided Licensor uses all commercially reasonable efforts to avoid material interference with the use of the Premises by Licensee for the purpose specified in Section 3 above.

LICENSEE'S OPERATIONS

11. (a) Licensee shall notify Licensor's Roadmaster at 1200 " D" Street Bellingham, WA 98225, telephone (360) 922-1401, at least five (5) business days prior to installation of the PIPELINE and prior to entering the Premises for any subsequent maintenance thereon.
- (b) In performing the work described in Section 3, Licensee shall use only public roadways to cross from one side of Licensor's tracks to the other.
12. (a) Under no conditions shall Licensee be permitted to conduct any tests, investigations or any other activity using mechanized equipment and/or machinery, or place or store any mechanized equipment, tools or other materials, within twenty-five (25) feet of the centerline of any railroad track on the Premises unless Licensee has obtained prior written approval from Licensor. Licensee shall, at its sole cost and expense, perform all activities on and about the Premises in such a manner as not at any time to be a source of danger to or interference with the existence or use of present or future tracks, roadbed or property of Licensor, or the safe operation and activities of Licensor. If ordered to cease using the Premises at any time by Licensor's personnel due to any hazardous condition, Licensee shall immediately do so. Notwithstanding the foregoing right of Licensor, the parties agree that Licensor has no duty or obligation to monitor Licensee's use of the Premises to determine the safe nature

thereof, it being solely Licensee's responsibility to ensure that Licensee's use of the Premises is safe. Neither the exercise nor the failure by Licensor to exercise any rights granted in this Section will alter the liability allocation provided by this License.

- (b) Licensee shall, at its sole cost and expense, construct and maintain the PIPELINE in such a manner and of such material that it will not at any time be a source of danger to or interference with the existence or use of present or future tracks, roadbed or property of Licensor, or the safe operation and activities of Licensor. Licensor may direct one of its field engineers to observe or inspect the construction and/or maintenance of the PIPELINE at any time for compliance with the Drawings and Specifications. If ordered at any time to halt construction or maintenance of the PIPELINE by Licensor's personnel due to non-compliance with the same or any other hazardous condition, Licensee shall immediately do so. Notwithstanding the foregoing right of Licensor, the parties agree that Licensor has no duty or obligation to observe or inspect, or to halt work on, the PIPELINE, it being solely Licensee's responsibility to ensure that the PIPELINE is constructed in strict accordance with the Drawings and Specifications and in a safe and workmanlike manner in compliance with all terms hereof. Neither the exercise nor the failure by Licensor to exercise any right granted by this Section will alter in any way the liability allocation provided by this License. If at any time Licensee shall, in the sole judgment of Licensor, fail to properly perform its obligations under this Section, Licensor may, at its option and at Licensee's sole expense, arrange for the performance of such work as it deems necessary for the safety of its operations and activities. Licensee shall promptly reimburse Licensor for all costs and expenses of such work, upon receipt of an invoice for the same. Licensor's failure to perform any obligations of Licensee shall not alter the liability allocation hereunder.
13. During the construction and any subsequent maintenance performed on the PIPELINE, Licensee shall perform such work in a manner to preclude damage to the property of Licensor, and preclude interference with the operation of its railroad. The construction of the PIPELINE shall be completed within one (1) year of the Effective Date. Upon completion of the construction of the PIPELINE and after performing any subsequent maintenance thereon, Licensee shall, at Licensee's own cost and expense, restore Licensor's Premises to their former state as of the Effective Date of this License.
14. If at any time during the term of this License, Licensor shall desire the use of its rail corridor in such a manner as would, in Licensor's reasonable opinion, be interfered with by the PIPELINE, Licensee shall, at its sole expense, within thirty (30) days after receiving written notice from Licensor to such effect, make such changes in the PIPELINE as in the sole discretion of Licensor may be necessary to avoid interference with the proposed use of Licensor's rail corridor, including, without limitation, the relocation of the existing or the construction of a new PIPELINE(s).
15. (a) Prior to Licensee conducting any boring work on or about any portion of the Premises, Licensee shall explore the proposed location for such work with hand tools to a depth of at least three (3) feet below the surface of the ground to determine whether pipelines or other structures exist below the surface, provided, however, that in lieu of the foregoing, the Licensee shall have the right to use suitable detection equipment or other generally accepted industry practice

(e.g., consulting with the Underground Services Association) to determine the existence or location of pipelines and other subsurface structures prior to drilling or excavating with mechanized equipment. Upon Licensee's written request, which shall be made thirty (30) business days in advance of Licensee's requested construction of the PIPELINE, Licensor will provide Licensee any information that Licensor has in the possession of its Engineering Department concerning the existence and approximate location of Licensor's underground utilities and pipelines at or near the vicinity of the proposed PIPELINE. Prior to conducting any such boring work, the Licensee will review all such material. Licensor does not warrant the accuracy or completeness of information relating to subsurface conditions and Licensee's operations will be subject at all times to the liability provisions herein.

- (b) For all bores greater than 26-inch diameter and at a depth less than 10.0 feet below bottom of rail, a soil investigation will need to be performed by the Licensee and reviewed by Licensor prior to construction. This study is to determine if granular material is present, and to prevent subsidence during the installation process. If the investigation determines in Licensor's reasonable opinion that granular material is present, Licensor may select a new location for Licensee's use, or may require Licensee to furnish for Licensor's review and approval, in its sole discretion a remedial plan to deal with the granular material. Once Licensor has approved any such remedial plan in writing, Licensee shall, at its sole cost and expense, carry out the approved plan in accordance with all terms thereof and hereof.
16. Any open hole, boring or well constructed on the Premises by Licensee shall be safely covered and secured at all times when Licensee is not working in the actual vicinity thereof. Following completion of that portion of the work, all holes or borings constructed on the Premises by Licensee shall be:
- (a) filled in to surrounding ground level with compacted bentonite grout; or
 - (b) otherwise secured or retired in accordance with any applicable Legal Requirement. No excavated materials may remain on Licensor's property for more than ten (10) days, but must be properly disposed of by Licensee in accordance with applicable Legal Requirements.
17. Upon termination of this License, Licensee shall, at its sole cost and expense:
- (a) remove the PIPELINE and all appurtenances thereto, or, at the sole discretion of the Licensor, fill and cap or otherwise appropriately decommission the PIPELINE with a method satisfactory to Licensor;
 - (b) report and restore any damage to the Premises arising from, growing out of, or connected with Licensee's use of the Premises;
 - (c) remedy any unsafe conditions on the Premises created or aggravated by Licensee; and
 - (d) leave the Premises in the condition which existed as of the Effective Date of this License.

18. Licensee's on-site supervisions shall retain/maintain a fully executed copy of this License at all times while on the Premises.

LIABILITY

19. (a) TO THE FULLEST EXTENT PERMITTED BY LAW, LICENSEE SHALL, AND SHALL CAUSE ITS CONTRACTOR TO, RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS LICENSOR AND LICENSOR'S AFFILIATED COMPANIES, PARTNERS, SUCCESSORS, ASSIGNS, LEGAL REPRESENTATIVES, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES AND AGENTS (COLLECTIVELY, "INDEMNITEES") FOR, FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, FINES, PENALTIES, COSTS, DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, DEMANDS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION AND GOVERNMENTAL OVERSIGHT COSTS) ENVIRONMENTAL OR OTHERWISE (COLLECTIVELY "LIABILITIES") OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO (IN WHOLE OR IN PART):

(i) THIS LICENSE, INCLUDING, WITHOUT LIMITATION, ITS ENVIRONMENTAL PROVISIONS,

(ii) ANY RIGHTS OR INTERESTS GRANTED PURSUANT TO THIS LICENSE,

(iii) LICENSEE'S OCCUPATION AND USE OF THE PREMISES,

(iv) THE ENVIRONMENTAL CONDITION AND STATUS OF THE PREMISES CAUSED BY OR CONTRIBUTED BY LICENSEE, OR

(v) ANY ACT OR OMISSION OF LICENSEE OR LICENSEE'S OFFICERS, AGENTS, INVITEES, EMPLOYEES, OR CONTRACTORS, OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY ANY OF THEM, OR ANYONE THEY CONTROL OR EXERCISE CONTROL OVER,

EVEN IF SUCH LIABILITIES ARISE FROM OR ARE ATTRIBUTED TO, IN WHOLE OR IN PART, ANY NEGLIGENCE OF ANY INDEMNITEE. THE ONLY LIABILITIES WITH RESPECT TO WHICH LICENSEE'S OBLIGATION TO INDEMNIFY THE INDEMNITEES DOES NOT APPLY ARE LIABILITIES TO THE EXTENT PROXIMATELY CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNITEE.

- (b) FURTHER, TO THE FULLEST EXTENT PERMITTED BY LAW, NOTWITHSTANDING THE LIMITATION IN SECTION 19(a), LICENSEE SHALL, AND SHALL CAUSE ITS CONTRACTOR TO, NOW AND FOREVER WAIVE ANY AND ALL CLAIMS, REGARDLESS WHETHER BASED ON THE STRICT LIABILITY, NEGLIGENCE OR OTHERWISE, THAT RAILROAD IS AN

“OWNER”, “OPERATOR”, “ARRANGER”, OR “TRANSPORTER” WITH RESPECT TO THE PIPELINE FOR THE PURPOSES OF CERCLA OR OTHER ENVIRONMENTAL LAWS. LICENSEE WILL INDEMNIFY, DEFEND AND HOLD THE INDEMNITEES HARMLESS FROM ANY AND ALL SUCH CLAIMS REGARDLESS OF THE NEGLIGENCE OF THE INDEMNITEES. LICENSEE FURTHER AGREES THAT THE USE OF THE PREMISES AS CONTEMPLATED BY THIS LICENSE SHALL NOT IN ANY WAY SUBJECT LICENSOR TO CLAIMS THAT LICENSOR IS OTHER THAN A COMMON CARRIER FOR PURPOSES OF ENVIRONMENTAL LAWS AND EXPRESSLY AGREES TO INDEMNIFY, DEFEND, AND HOLD THE INDEMNITEES HARMLESS FOR ANY AND ALL SUCH CLAIMS. IN NO EVENT SHALL LICENSOR BE RESPONSIBLE FOR THE ENVIRONMENTAL CONDITION OF THE PREMISES.

- (c) **TO THE FULLEST EXTENT PERMITTED BY LAW, LICENSEE FURTHER AGREES, AND SHALL CAUSE ITS CONTRACTOR TO AGREE, REGARDLESS OF ANY NEGLIGENCE OR ALLEGED NEGLIGENCE OF ANY INDEMNITEE, TO INDEMNIFY, AND HOLD HARMLESS THE INDEMNITEES AGAINST AND ASSUME THE DEFENSE OF ANY LIABILITIES ASSERTED AGAINST OR SUFFERED BY ANY INDEMNITEE UNDER OR RELATED TO THE FEDERAL EMPLOYERS' LIABILITY ACT ("FELA") WHENEVER EMPLOYEES OF LICENSEE OR ANY OF ITS AGENTS, INVITEES, OR CONTRACTORS CLAIM OR ALLEGE THAT THEY ARE EMPLOYEES OF ANY INDEMNITEE OR OTHERWISE. THIS INDEMNITY SHALL ALSO EXTEND, ON THE SAME BASIS, TO FELA CLAIMS BASED ON ACTUAL OR ALLEGED VIOLATIONS OF ANY FEDERAL, STATE OR LOCAL LAWS OR REGULATIONS, INCLUDING BUT NOT LIMITED TO THE SAFETY APPLIANCE ACT, THE BOILER INSPECTION ACT, THE OCCUPATIONAL HEALTH AND SAFETY ACT, THE RESOURCE CONSERVATION AND RECOVERY ACT, AND ANY SIMILAR STATE OR FEDERAL STATUTE.**
- (d) Upon written notice from Licensor, Licensee agrees to assume the defense of any lawsuit or other proceeding brought against any Indemnitee by any entity, relating to any matter covered by this License for which Licensee has an obligation to assume liability for and/or save and hold harmless any Indemnitee. Licensee shall pay all costs incident to such defense, including, but not limited to, attorneys' fees, investigators' fees, litigation and appeal expenses, settlement payments, and amounts paid in satisfaction of judgments.

PERSONAL PROPERTY WAIVER

20. **ALL PERSONAL PROPERTY, INCLUDING, BUT NOT LIMITED TO, FIXTURES, EQUIPMENT, OR RELATED MATERIALS UPON THE PREMISES WILL BE AT THE RISK OF LICENSEE ONLY, AND NO INDEMNITEE WILL BE LIABLE FOR ANY DAMAGE THERETO OR THEFT THEREOF, WHETHER OR NOT DUE IN WHOLE OR IN PART TO THE NEGLIGENCE OF ANY INDEMNITEE.**

INSURANCE

21. Licensee shall, at its sole cost and expense, procure and maintain during the life of this Agreement the following insurance coverage:

- A. Commercial General Liability Insurance. This insurance shall contain broad form contractual liability with a combined single limit of a minimum of \$5,000,000 each occurrence and an aggregate limit of at least \$10,000,000. Coverage must be purchased on a post 1998 ISO occurrence or equivalent and include coverage for, but not limited to, the following:
- ◆ Bodily Injury and Property Damage
 - ◆ Personal Injury and Advertising Injury
 - ◆ Fire legal liability
 - ◆ Products and completed operations

This policy shall also contain the following endorsements, which shall be indicated on the certificate of insurance:

- ◆ The employee and workers compensation related exclusions in the above policy shall not apply with respect to claims related to railroad employees.
- ◆ The definition of insured contract shall be amended to remove any exclusion or other limitation for any work being done within 50 feet of railroad property.
- ◆ Any exclusions related to the explosion, collapse and underground hazards shall be removed.

No other endorsements limiting coverage may be included on the policy.

- B. Business Automobile Insurance. This insurance shall contain a combined single limit of at least \$1,000,000 per occurrence, and include coverage for, but not limited to the following:
- ◆ Bodily injury and property damage
 - ◆ Any and all vehicles owned, used or hired
- C. Workers Compensation and Employers Liability Insurance. This insurance shall include coverage for, but not limited to:
- ◆ Licensee's statutory liability under the worker's compensation laws of the state(s) in which the work is to be performed. If optional under State law, the insurance must cover all employees anyway.
 - ◆ Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 by disease policy limit, \$500,000 by disease each employee.
- D. Railroad Protective Liability Insurance. This insurance shall name only the Licensor as the Insured with coverage of at least \$5,000,000 per occurrence and \$10,000,000 in the aggregate. The coverage obtained under this policy shall only be effective during the initial installation and/or construction of the PIPELINE. **THE CONSTRUCTION OF THE PIPELINE SHALL BE COMPLETED WITHIN ONE (1) YEAR OF THE EFFECTIVE DATE.** If further maintenance of the PIPELINE is needed at a later date, an additional Railroad Protective Liability Insurance Policy shall be required. The policy shall be issued on a standard ISO form CG 00 35 10 93 and include the following:
- ◆ Endorsed to include the Pollution Exclusion Amendment (ISO form CG 28 31 10 93)
 - ◆ Endorsed to include the Limited Seepage and Pollution Endorsement.
 - ◆ Endorsed to include Evacuation Expense Coverage Endorsement.
 - ◆ No other endorsements restricting coverage may be added.

- ◆ The original policy must be provided to the Licensor prior to performing any work or services under this Agreement.

In lieu of providing a Railroad Protective Liability Policy, Licensee may participate in Licensor's Blanket Railroad Protective Liability Insurance Policy available to Licensee or its contractor. The limits of coverage are the same as above. The cost is \$1000.

- I **elect** to participate in Licensor's Blanket Policy;
- I **elect not** to participate in Licensor's Blanket Policy.

Other Requirements:

Where allowable by law, all policies (applying to coverage listed above) shall contain no exclusion for punitive damages and certificates of insurance shall reflect that no exclusion exists.

Licensee agrees to waive its right of recovery against Licensor for all claims and suits against Licensor. In addition, its insurers, through policy endorsement, waive their right of subrogation against Licensor for all claims and suits. The certificate of insurance must reflect waiver of subrogation endorsement. Licensee further waives its right of recovery, and its insurers also waive their right of subrogation against Licensor for loss of its owned or leased property or property under its care, custody, or control.

Licensee's insurance policies through policy endorsement must include wording which states that the policy shall be primary and non-contributing with respect to any insurance carried by Licensor. The certificate of insurance must reflect that the above wording is included in evidenced policies.

All policy(ies) required above (excluding Workers Compensation, Contractor's Pollution Legal Liability and if applicable, Railroad Protective) shall include a severability of interest endorsement and shall name Licensor and Staubach Global Services - RR, Inc. as an additional insured with respect to work performed under this agreement. Severability of interest and naming Licensor and Staubach Global Services - RR, Inc. as additional insureds shall be indicated on the certificate of insurance.

Licensee is not allowed to self-insure without the prior written consent of Licensor. If granted by Licensor, any deductible, self-insured retention or other financial responsibility for claims shall be covered directly by Licensee in lieu of insurance. Any and all Licensor liabilities that would otherwise, in accordance with the provisions of this Agreement, be covered by Licensee's insurance will be covered as if Licensee elected not to include a deductible, self-insured retention, or other financial responsibility for claims.

Prior to commencing the Work, Licensee shall furnish to Licensor an acceptable certificate(s) of insurance including an original signature of the authorized representative evidencing the required coverage, endorsements, and amendments. The policy(ies) shall contain a provision that obligates the insurance company(ies) issuing such policy(ies) to notify Licensor in writing at least 30 days prior to any cancellation, non-renewal, substitution or material alteration. This cancellation provision shall be indicated on the certificate of insurance. In the event of a claim or lawsuit involving Railroad

arising out of this agreement, Licensee will make available any required policy covering such claim or lawsuit.

Any insurance policy shall be written by a reputable insurance company acceptable to Licensor or with a current Best's Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which the service is to be provided.

Licensee represents that this License has been thoroughly reviewed by Licensee's insurance agent(s)/broker(s), who have been instructed by Licensee to procure the insurance coverage required by this Agreement. Allocated Loss Expense shall be in addition to all policy limits for coverages referenced above.

Not more frequently than once every five years, Licensor may reasonably modify the required insurance coverage to reflect then-current risk management practices in the railroad industry and underwriting practices in the insurance industry.

If any portion of the operation is to be subcontracted by Licensee, Licensee shall require that the subcontractor shall provide and maintain insurance coverages as set forth herein, naming Licensor as an additional insured, and shall require that the subcontractor shall release, defend and indemnify Licensor to the same extent and under the same terms and conditions as Licensee is required to release, defend and indemnify Licensor herein.

Failure to provide evidence as required by this section shall entitle, but not require, Licensor to terminate this License immediately. Acceptance of a certificate that does not comply with this section shall not operate as a waiver of Licensee's obligations hereunder.

The fact that insurance (including, without limitation, self-insurance) is obtained by Licensee shall not be deemed to release or diminish the liability of Licensee including, without limitation, liability under the indemnity provisions of this License. Damages recoverable by Licensor shall not be limited by the amount of the required insurance coverage.

For purposes of this section, Licensor shall mean "Burlington Northern Santa Fe Corporation", "BNSF Railway Company" and the subsidiaries, successors, assigns and affiliates of each.

ENVIRONMENTAL

22. (a) Licensee shall strictly comply with all federal, state and local environmental laws and regulations in its use of the Premises, including, but not limited to, the Resource Conservation and Recovery Act, as amended (RCRA), the Clean Water Act, the Oil Pollution Act, the Hazardous Materials Transportation Act, CERCLA (collectively referred to as the "Environmental Laws"). Licensee shall not maintain a treatment, storage, transfer or disposal facility, or underground storage tank, as defined by Environmental Laws on the Premises. Licensee shall not release or suffer the release of oil or hazardous substances, as defined by Environmental Laws on or about the Premises.

- (b) Licensee shall give Licensor immediate notice to Licensor's Resource Operations Center at (800) 832-5452 of any release of hazardous substances on or from the Premises, violation of Environmental Laws, or inspection or inquiry by governmental authorities charged with enforcing Environmental Laws with respect to Licensee's use of the Premises. Licensee shall use the best efforts to promptly respond to any release on or from the Premises. Licensee also shall give Licensor immediate notice of all measures undertaken on behalf of Licensee to investigate, remediate, respond to or otherwise cure such release or violation.
- (c) In the event that Licensor has notice from Licensee or otherwise of a release or violation of Environmental Laws arising in any way with respect to the PIPELINE which occurred or may occur during the term of this License, Licensor may require Licensee, at Licensee's sole risk and expense, to take timely measures to investigate, remediate, respond to or otherwise cure such release or violation affecting the Premises or Licensor's right-of-way.
- (d) Licensee shall promptly report to Licensor in writing any conditions or activities upon the Premises known to Licensee which create a risk of harm to persons, property or the environment and shall take whatever action is necessary to prevent injury to persons or property arising out of such conditions or activities; provided, however, that Licensee's reporting to Licensor shall not relieve Licensee of any obligation whatsoever imposed on it by this License. Licensee shall promptly respond to Licensor's request for information regarding said conditions or activities.

ALTERATIONS

- 23. Licensee may not make any alterations to the Premises or permanently affix anything to the Premises or any buildings or other structures adjacent to the Premises without Licensor's prior written consent.

NO WARRANTIES

- 24. **LICENSOR'S DUTIES AND WARRANTIES ARE LIMITED TO THOSE EXPRESSLY STATED IN THIS LICENSE AND SHALL NOT INCLUDE ANY IMPLIED DUTIES OR IMPLIED WARRANTIES, NOW OR IN THE FUTURE. NO REPRESENTATIONS OR WARRANTIES HAVE BEEN MADE BY LICENSOR OTHER THAN THOSE CONTAINED IN THIS LICENSE. LICENSEE HEREBY WAIVES ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PREMISES OR WHICH MAY EXIST BY OPERATION OF LAW OR IN EQUITY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, HABITABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

QUIET ENJOYMENT

- 25. **LICENSOR DOES NOT WARRANT ITS TITLE TO THE PROPERTY NOR UNDERTAKE TO DEFEND LICENSEE IN THE PEACEABLE POSSESSION OR USE THEREOF. NO COVENANT OF QUIET ENJOYMENT IS MADE.**

DEFAULT

26. If default shall be made in any of the covenants or agreements of Licensee contained in this document, or in case of any assignment or transfer of this License by operation of law, Licensor may, at its option, terminate this License by serving five (5) days' notice in writing upon Licensee. Any waiver by Licensor of any default or defaults shall not constitute a waiver of the right to terminate this License for any subsequent default or defaults, nor shall any such waiver in any way affect Licensor's ability to enforce any Section of this License. The remedy set forth in this Section 26 shall be in addition to, and not in limitation of, any other remedies that Licensor may have at law or in equity.

LIENS AND CHARGES

27. Licensee shall promptly pay and discharge any and all liens arising out of any construction, alterations or repairs done, suffered or permitted to be done by Licensee on Premises. Licensor is hereby authorized to post any notices or take any other action upon or with respect to Premises that is or may be permitted by law to prevent the attachment of any such liens to Premises; provided, however, that failure of Licensor to take any such action shall not relieve Licensee of any obligation or liability under this Section 27 or any other Section of this License. Licensee shall pay when due any taxes, assessments or other charges (collectively, "Taxes") levied or assessed upon the Improvements by any governmental or quasi-governmental body or any Taxes levied or assessed against Licensor or the Premises that are attributable to the Improvements.

TERMINATION

28. This License may be terminated by Licensor, at any time, by serving thirty (30) days' written notice of termination upon Licensee. This License may be terminated by Licensee upon execution of Licensor's Mutual Termination Letter Agreement then in effect. Upon expiration of the time specified in such notice, this License and all rights of Licensee shall absolutely cease.
29. If Licensee fails to surrender to Licensor the Premises, upon any termination of this License, all liabilities and obligations of Licensee hereunder shall continue in effect until the Premises are surrendered. Termination shall not release Licensee from any liability or obligation, whether of indemnity or otherwise, resulting from any events happening prior to the date of termination.

ASSIGNMENT

30. Neither Licensee, nor the heirs, legal representatives, successors, or assigns of Licensee, nor any subsequent assignee, shall assign or transfer this License or any interest herein, without the prior written consent and approval of Licensor, which may be withheld in Licensor's sole discretion.

NOTICES

31. Any notice required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given and shall be deemed to have been served and given if (i) placed in the United States mail, certified, return receipt requested, or (ii) deposited into the custody of a nationally recognized overnight delivery service,

addressed to the party to be notified at the address for such party specified below, or to such other address as the party to be notified may designate by giving the other party no less than thirty (30) days' advance written notice of such change in address.

If to Licensor: Staubach Global Services - RR, Inc.
3017 Lou Menk Drive, Suite 100
Fort Worth, TX 76131-2800
Attn: Licenses/Permits

with a copy to: BNSF Railway Company
2500 Lou Menk Dr. – AOB3
Fort Worth, TX 76131
Attn: Manager – Land Revenue Management

If to Licensee: City of Sedro-Woolley
813 Metcalf St
Sedro-Woolley, WA 98284

SURVIVAL

32. Neither termination nor expiration will release either party from any liability or obligation under this License, whether of indemnity or otherwise, resulting from any acts, omissions or events happening prior to the date of termination or expiration, or, if later, the date when the PIPELINE and improvements are removed and the Premises are restored to its condition as of the Effective Date.

RECORDATION

33. It is understood and agreed that this License shall not be placed on public record.

APPLICABLE LAW

34. All questions concerning the interpretation or application of provisions of this License shall be decided according to the substantive laws of the State of Texas without regard to conflicts of law provisions.

SEVERABILITY

35. To the maximum extent possible, each provision of this License shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this License shall be prohibited by, or held to be invalid under, applicable law, such provision shall be ineffective solely to the extent of such prohibition or invalidity, and this shall not invalidate the remainder of such provision or any other provision of this License.

INTEGRATION

36. This License is the full and complete agreement between Licensor and Licensee with respect to all matters relating to Licensee's use of the Premises, and supersedes any and all other agreements between the parties hereto relating to Licensee's use of the Premises as described herein. However, nothing herein is intended to terminate any

surviving obligation of Licensee or Licensee's obligation to defend and hold Licensor harmless in any prior written agreement between the parties.

MISCELLANEOUS

- 37. In the event that Licensee consists of two or more parties, all the covenants and agreements of Licensee herein contained shall be the joint and several covenants and agreements of such parties.
- 38. The waiver by Licensor of the breach of any provision herein by Licensee shall in no way impair the right of Licensor to enforce that provision for any subsequent breach thereof.

Staubach Global Services – RR, Inc. is acting as representative for BNSF Railway Company.

IN WITNESS WHEREOF, this License has been duly executed, in duplicate, by the parties hereto as of the day and year first above written.

BNSF RAILWAY COMPANY

Staubach Global Services - RR, Inc., its Attorney in Fact
3017 Lou Menk Drive, Suite 100
Fort Worth, TX 76131-2800

By: _____
Ed Darter
Title: Vice President - National Accounts _____

CITY OF SEDRO-WOOLLEY

813 Metcalf St
Sedro-Woolley, WA 98284

By: _____
Title: _____

EXHIBIT "A"

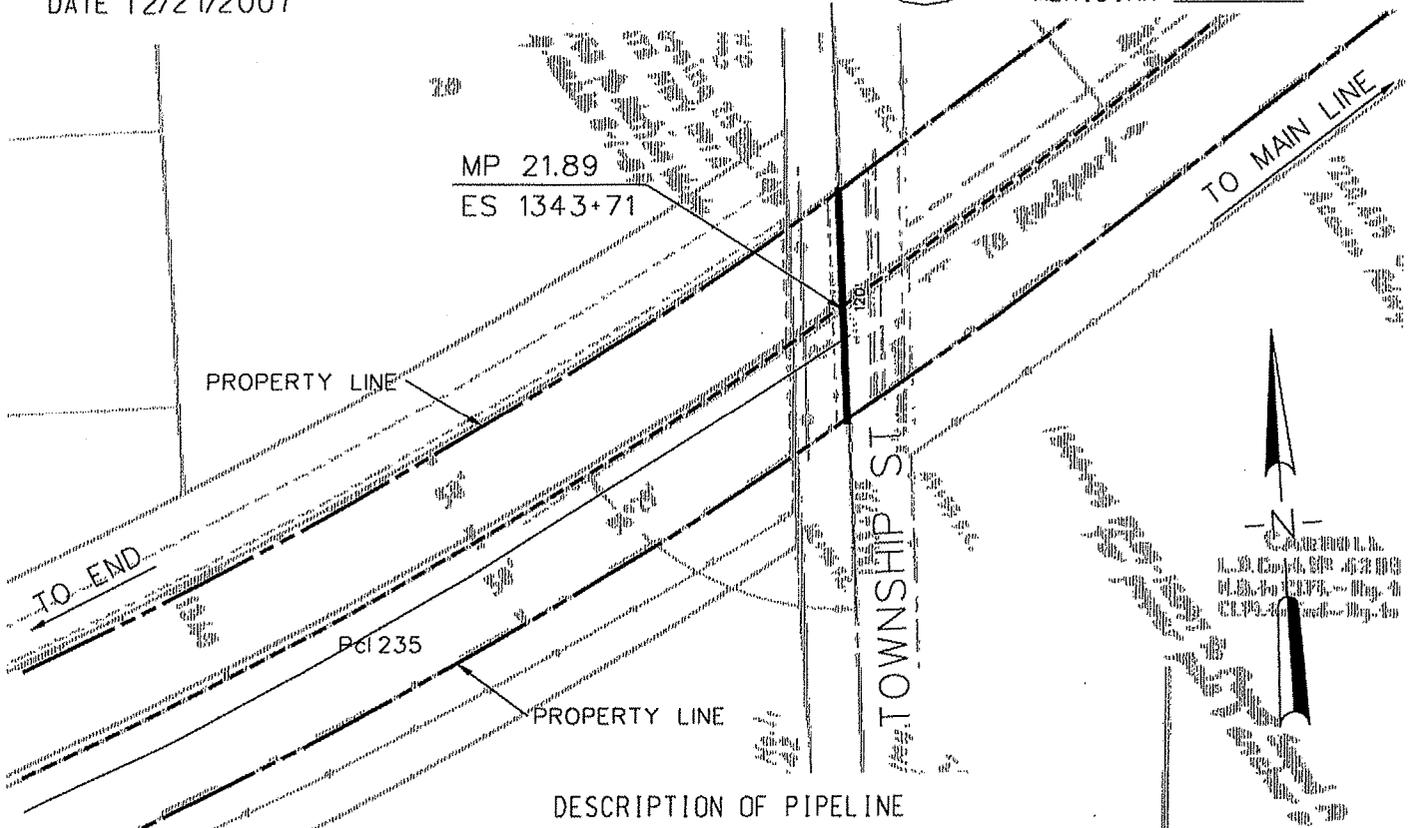
ATTACHED TO CONTRACT BETWEEN
BNSF RAILWAY COMPANY
 AND

CITY OF SEDRO-WOOLLEY

SCALE: 1 IN. = 100 FT.
 NORTHWEST DIV.
 BELLINGHAM SUBDIV. L.S. 0409
 DATE 12/21/2007



SECTION: 24
 TOWNSHIP: 35N
 RANGE: 4E
 MERIDIAN: WILLM



DESCRIPTION OF PIPELINE
 PIPELINE SHOWN BOLD

	CARRIER PIPE	CASING PIPE		CARRIER PIPE	CASING PIPE
SIZE:	30"	36"	LENGTH ON R/W:	120'	120'
CONTENTS:	RAW SEWER		WORKING PRESSURE:	GRAVITY	
PIPE MATERIAL:	PVC	STEEL	BURY: BASE/RAIL TO TOP OF CASING		11.7'
SPECIFICATION / GRADE:	DR-26	GR-B	BURY: NATURAL GROUND		11.6'
WALL THICKNESS:	1.231"	0.531"	BURY: ROADWAY DITCHES		11.6'
COATING:	N/A	-	CATHODIC PROTECTION		N/A

VENTS: NUMBER N/A SIZE - HEIGHT OF VENT ABOVE GROUND -

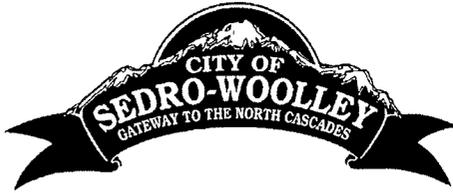
NOTE: CASING TO BE JACKED OR DRY BORED ONLY

AT SEDRO-WOOLLEY
 COUNTY OF SKAGIT

STATE OF WA

AFV

MAP REF. S62093



CITY OF SEDRO-WOOLLEY
CITY COUNCIL AGENDA Sedro-Woolley Municipal Building
REGULAR MEETING 720 Murdock Street

Sedro-Woolley, WA 98284
Phone (360) 855-0771
Fax (360) 855-0733

MAR 13 2008

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. _____

Mark A. Freiberger, PE
Director of Public Works/City Engineer

MEMO TO: City Council and Mayor Mike Anderson

FROM: Mark A. Freiberger, PE

RE: **Final Acceptance – Sterling Street & Township Street Sewer Project**
Ram Construction.

DATE: March 5, 2008 (for Council review March 12, 2008)

ISSUE

Should Council approve final acceptance of the Sterling Street & Township Street Sewer Project as constructed by Ram Construction of Bellingham, WA?

BACKGROUND/DISCUSSION

Attached is the Engineer's Notice of Acceptance of the Sterling Street & Township Street Sewer Project as constructed by Ram Construction of Bellingham, WA.

Reichhardt & Ebe Engineering, Inc. was the design engineer, and also performed construction management services for the project.

The construction contract for the Sterling Street & Township Street Sewer Project with Ram Construction was executed on June 2, 2006. The work was started on July 10, 2006 and all contract work was completed and physical completion occurred on December 6, 2007. Work was accepted as complete on January 18, 2008.

A total of 4 change orders were issued for the contract, totaling \$286,086.22. Unit quantity changes resulted in an increase of \$175,449.51. Overall, the contract came in \$461,535.73 or 13.5% over the Engineer's Estimate.

The retention for this project was bonded as allowed by the specifications and state law. Final release of the bond will be pending clearance from the Department of Labor & Industries and the Department of Revenue confirming correct wage payments and sales tax payments. The Notice of Completion of Public Works Contract has been sent to the Dept. of Revenue.

FINANCIAL

FUNDING AVAILABLE

Account No. 332.000.000.382.90.00.00 PWTF CN Loan (85%)	\$ 3,193,514.29
Account No. 332.000.000.382.80.00.00 Transfer from 410 (15%)	\$ 563,561.34
Account 104 Arterial Street	\$ 24,315.00
Account 110 Sidewalks from REET	\$ 45,000.00
Account 401 Sewer Fund (alley runs)	\$ 126,108.58

Account 501 ERR Fund	\$ 59,713.73
TOTAL AVAILABLE FUNDING	\$ 4,012,212.96

ESTIMATED COST

Ram Construction contract incl. WSST	\$4,012,212.96
TOTAL ESTIMATED CONSTRUCTION COST	\$4,012,212.96

REMAINING BUDGET	\$ 0
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ANALYSIS

The 2006 P WTF Construction Loan covered 85% of the project cost for the sewer main. The local match of 15% was mainly from the Account 410 Sewer Cumulative Reserve Fund. Other revenue sources were for sidewalk improvements from the 110 account, street improvements from 104 Arterial Street, alley sewer improvements from 401 and ERR expenses from 501 that were associated with the sewer project.

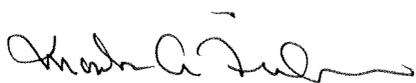
RECOMMENDATION

It is Staff's recommendation that Council move for final acceptance of the Sterling Street & Township Street Sewer Project as constructed by Ram Construction of Bellingham, WA.

MOTION:

Move final acceptance of the Sterling Street & Township Street Sewer Project as constructed by Ram Construction of Bellingham, WA in the amount of \$4,012,212.96.

Respectfully submitted,



Mark A. Freiburger, PE
Director of Public Works/City Engineer

Reichhardt & Ebe Engineering, Inc.
Consulting Engineers

813 Metcalf Street
Sedro-Woolley, WA 98284

Phone: (360) 855-1713
Fax: (360) 855-1164

February 27, 2008

City of Sedro-Woolley
Attn: Mr. Mark Freiberger, Director of Public Works/City Engineer
720 Murdock Street
Sedro-Woolley, WA 98284

Re: Sterling Street and Township Street Sewer Improvements
Notice of Acceptance

Dear Mr. Freiberger:

I hereby certify that the Sterling Street and Township Street Sanitary Sewer Improvements Project and all appurtenances were built in accordance with the plans and specifications and that all materials incorporated in the project meet the specifications. The final inspection was made on January 18, 2008. No outstanding items remain to complete the project.

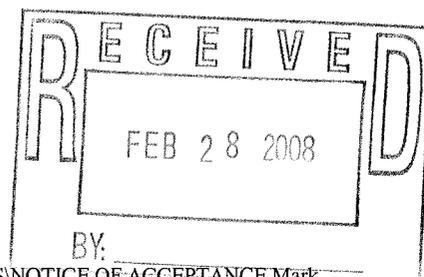
I have enclosed three copies of the Notice of Completion for your Disbursing Officer to Complete. The Disbursing Officer should sign and submit three copies to the Department of Revenue. Please forward a signed copy for my files. Release of retainage bond should not take place until the City receives the Department of Revenue certificate, Department of Labor and Industries Release and Washington State Employment Security Department release. Please coordinate with our office to ensure that all requirements have been fulfilled by the Contractor prior to release of Retainage Bond.

Sincerely,



James L. Hobbs, Jr., P.E.
Reichhardt & Ebe Engineering, Inc.

Encl.



REICHHARDT & EBE ENGINEERING, INC.
CONSULTING ENGINEERS

813 METCALF STREET, SEDRO-WOOLLEY, WA 98284 · 360-855-1713 FAX: 360 -855-1164

February 27, 2008

Ram Construction
709 W Orchard Dr. Ste #4
Bellingham, WA 98225

Attn: Barry Dikeman

Re: City of Sedro-Woolley Sterling Street and Township Sanitary Sewer Improvements Project

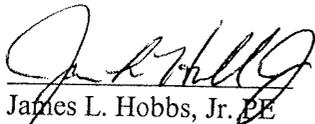
Dear Mr. Dikeman:

I hereby certify that the City of Sedro-Woolley Sterling Street and Township Sanitary Sewer Improvements Project and all appurtenances were built in accordance with the plans and specifications and that all materials incorporated in the project meet the specifications. An inspection was made on January 18, 2008 to verify that the punch list items had been completed. No outstanding items remain. The project therefore is "Physically Complete". The project is subject to final inspection by the City, audit and acceptance by the City of Sedro-Woolley.

After processing the final progress payment, you will need to supply the following paper work:

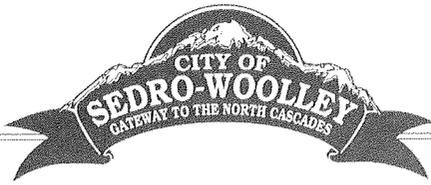
- a. Affidavit of Wages Paid
- b. Labor and industries Request for Release
- c. Project Tax Reconciliation

Sincerely,
Reichhardt & Ebe Engineering, Inc.



James L. Hobbs, Jr. PE
Project Engineer

cc: Mark Freiberger, PE, City of Sedro-Woolley Director of Public Works/City Engineer



SUBJECT: PUBLIC COMMENT

Name :
Address :
Narrative :

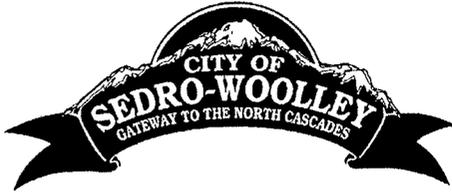
Name :
Address
Narrative :

Name :
Address :
Narrative :

Name :
Address :
Narrative :

Name :
Address :
Narrative :

**UNFINISHED
BUSINESS**



CITY COUNCIL AGENDA CITY OF SEDRO-WOOLLEY
REGULAR MEETING Sedro-Woolley Municipal Building

MAR 12 2008

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 6

720 Murdock Street
Sedro-Woolley, WA 98284
Phone (360) 855-1661
Fax (360) 855-0707

Eron M. Berg
City Supervisor/City Attorney

MEMO TO: City Council
FROM: Eron Berg
RE: City Hall Update
DATE: March 12, 2008

PROJECT STATUS: Elevator has passed inspection; as of writing this memo we have not accepted the project as substantially complete, but plan to move in beginning Friday the 14th.

ISSUES: None at this time.

PENDING ISSUES:

1. Generators. Status unchanged.

MODIFICATION PROPOSAL REQUESTS:

Preliminarily Approved Under Resolution/Pending Approval by Change Order:

12-27-2007	17R	Flagpole/lights/steps on Metcalf	\$ 2,165.14
11-15-2007	20R	Addition of built-in desk/casework for offices	\$12,364.23
12-27-2007	22	Addition of cash drawers for clerks counters	\$ 1,585.50
11-15-2007	23RR	Power pole relocation site work/electrical	\$19,284.84
		(also approved by Council on November 14, 2007)	
12-27-2007	27R	Metal siding at courtyard	\$ 4,875.44
		(also approved by Council on November 14, 2007)	
12-27-2007	31	Added audio boxes at Bailiff area is approved.	\$ 1,409.94
1-10-2008	32	Added curbing on south side landscape areas is in process.	\$ 6,213.36
12-27-2007	34R	Electric roll up door @ police reception.	\$ 2,034.29
12-27-2007	35	A/V switch/controller in courtroom is approved.	\$ 2,452.12

2-7-2008	37	Light switch/outlet relocations/ plug mold rm#117,123,136 per owner is in process.	\$ 1,076.94
2-7-2008	38	Fill issues for PSE relocate at room #139 is in process.	\$ 3,363.41
1-24-2008	40	Additional building signage	\$ 745.40
1-2008	41	A/V changes	no cost
2-21-2008	42	Bailiff Box modifications	\$ 651.95
2-21-2008	43	Additional tile in lobby	\$ 1,207.42
2-21-2008	44	Delays resulting from MPR 23RR (31 days)	no cost

Under Council action on June 13, 2007:

6-13-2007	n/a	Addition to Carletti contract	up to \$30,000.00
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Under Council action on August 8, 2007 (CHANGE ORDER 1):

5-29-2007	1R	Cascade Gas delays	\$ 9,270.37
5-29-2007	2	Costs related to electrical conflict under the elevator	\$ 1,660.19
5-29-2007	3	Re-routing conduit as a result of site conditions	\$ 615.79
6-28-2007	4	Additional work required following response to RFI 8 (AR's 8 & 12): additional beam	\$ 1,104.69
7-25-2007	5R	Authorization to revise floor plan to redesign building, planning and engineering (also approved by Council on May 23, 2007)	\$18,968.51
7-25-2007	6R	Addition of operable windows	\$10,597.78
8-23-2007	9	Electrical revision following MPR 5R (also approved by Council on May 23, 2007)	\$ 2,532.34

Under Council action on September 27, 2007 (CHANGE ORDER 2):

8-23-2007	7	Electric door strikes	\$ 1,494.77
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8-23-2007	8	Electric keypad entrance	\$ 841.01
9-12-2007	10	Re-roofing existing structure	\$18,761.85
		(also approved by Council on September 12, 2007)	
9-19-2007	11R	Addition of wires/boxes to Room 202	\$ 3,789.06
8-23-2007	12	Deletion of guard rail on staircase	(\$1173.74)
8-8-2007	13	Modification of tile trim	\$ 371.31

Under Council action on November 14, 2007 (CHANGE ORDER 3):

9-19-2007	14	Wiring for three flat panel monitors (EOC)	\$ 1,203.00
10-2-207	15R	Munro/Murdock drain line	\$ 5,057.19
11-1-2007	16RR	Prep. work for two decorative lights in sidewalk on Metcalf	\$ 3,703.69
9-26-2007	21	Added cost for City engineer's plan revisions (04-07) (also approved by Council on September 26, 2007)	\$ 6,643.13
10-18-2007	24	Additional telecom cabling in finance office	\$ 460.40
11-1-2007	25R	Conduit and switching gear for future generator	\$ 4,579.76
11-1-2007	26	Relocation of existing bullet proof glass to court clerk	\$ 233.14

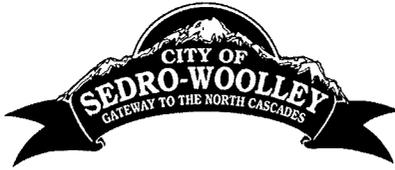
Pending consideration of the City & pricing from Contractor:

n/a	39	Door hardware/keying changes	pending
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REQUEST FOR ACTION:

None at this time.

FUTURE: Save the date of May 28th for our dedication/open house. We are looking at hosting an open house between 4:00 P.M. and 7:00 P.M. with the Council meeting at 7:00 P.M.



CITY COUNCIL AGENDA
REGULAR MEETING

MAR 12 2008

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 7

Planning Department
Sedro-Woolley Municipal Building
720 Murdock Street
Sedro Woolley, WA 98284
Phone (360) 855-0771
Fax (360) 855-0733

MEMO:

To: City Council
Mayor Anderson

From: Jack Moore
Planning Director & Building Official

Date: March 12, 2008

Subject: Hearing Examiner Fee Resolution

ISSUE

Should the Council approve the attached resolution to establish fees for a hearing examiner decision?

PROJECT DESCRIPTION / HISTORY

The Council adopted ordinance #1607-08 establishing hearing examiner. To assist in recommending an appropriate fee for hearings, I looked at what other jurisdictions were charging for projects and actions. The following fees cover the staff time and hearing examiner's charge.

City of Mount Vernon

Binding Site Plan Approval	\$1,000
Plus: Construction Drawing Review	\$150 per lot
Plus: Construction Inspection (Signed Mylars)	\$150 per lot
Conditional Use Permit: Hearing Examiner Review	\$1,000
Rezone	\$700
Short Plat	\$800
Plus: Construction Drawing Review	\$150 per lot
Plus: Construction Inspection (Signed Mylars)	\$150 per lot
Preliminary Plat	\$2500
Plus: Construction Drawing Review	\$150 per lot
Plus: Construction Inspection (Signed Mylars)	\$150 per lot
Special Use- Hearing Examiner	\$1,000
Variance- Hearing Examiner	\$500
Appeal of Hearing Examiners Decision, Administrative Decision or Environmental Decision	\$100

Skagit County

Appeal to Hearing Examiner	\$1,000
Rezone	\$1,000
Variance- Hearing Examiner	\$4,000
Special Use- Residential	\$3,000
Special Use- Commercial	\$6,000*
*County staff time in excess of 80 hours will be billed at a rate of \$120.00/hr	
Binding Site Plan base fee	\$7,500
Binding Site Plan fee per acre	\$250
Urban Reserve Development (1-4 lots)	\$5,000
Urban Reserve Development (≥ 5 lots)	\$8,500
Long Plat (≥ 9 lots)	\$7,000
Planned Unit Development	\$7,000*
Short Plat	\$3,500
Admin. Long Plat (5-8 lots)	\$5,000
Fee per lot (LP, BSP PUD)	\$200

City of Marysville

Conditional Use Permit (public hearing)	Administrative fee + \$1,500
Rezone	\$2,500
PRD and mixed use overlay	\$2,500
(plus site plan or subdivision charges)	
Site/Subdivision Plan Review	\$500-\$5000
Preliminary BSP or Subdivision	\$5,000 + \$100/lot or unit
Preliminary Short Plat	\$3,000 + \$100/lot or unit
Variance	\$500

With passage of this resolution, the fees for our city would be:

Project type	Project fee	hearing examiner fee	Total fee
Long plat-preliminary	\$350 + \$35/lot	\$1,500	\$1,850
Binding Site Plan (BSP)	\$400 + \$150/lot	\$1,500	\$1,900
Variance	\$200	\$800	\$1,000
Conditional Use-residential	\$300	\$800	\$1,100
Conditional Use-commercial	\$500	\$800	\$1,100
Appeal	\$30 - \$200	\$800	\$830 - \$1,000
Rezone	\$500	\$800	\$1,300

RECOMMENDED ACTION

Motion to approve attached resolution number _____ establishing fees for a hearing examiner decision.

RESOLUTION NO. _____

A RESOLUTION adopting fees for projects or actions which require a hearing examiner decision.

WHEREAS, the City adopted ordinance number _____ establishing a hearing examiner; and

WHEREAS, the ordinance passed requires that the fees relating to the hearing examiner be established by resolution; and

WHEREAS, the city fee schedule must be updated to reflect those fees; Now Therefore;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEDRO-WOOLLEY AS FOLLOWS:

Section 1. The fee schedule for the City of Sedro-Woolley is hereby updated to reflect the following:

Hearing Examiner Fees.

- A. All fees shall be payable at the time of submittal of an application that requires a hearing examiner decision.
- B. Unless specifically stated otherwise, all application fees are in addition to other city fees that may be applicable.
- C. Unless specifically exempted, the fees described in this resolution are required for government agency projects, as well as projects sponsored by non-government entities.

Amount.

Applicants for permits or other approvals and services pursuant to this title shall pay to the City of Sedro-Woolley the applicable fees identified below.

All hourly fees in excess of the minimum charge assessed and billed to the city by the hearing examiner are to be paid by the applicant and will be billed after receipt of the hearing examiner's invoice.

Type II Procedures - \$800 min.

- SEPA (mitigated) determination of non-significance, if administrative decision is appealed;
- Impact fees, if contested;
- Shoreline permit;
- Variations and de novo hearings under SWMC Chapter 17.66;
- Conditional Uses;

Type III Procedures - \$1,500 min.

- Preliminary Subdivision (Long Plat) approval;
- Planned Residential Development;
- Binding Site Plan;
- Site specific rezone.

PASSED by majority vote of the members of the Sedro-Woolley City Council this ____ day of March, 2008 and signed in authentication of its passage this ____ day of March, 2008.

Mike Anderson, Mayor

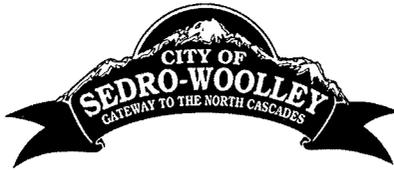
Attest:

Patsy Nelson, Clerk/Treasurer

Approved as to form:

Eron Berg, City Attorney

**NEW
BUSINESS**



Planning Department
Sedro-Woolley Municipal Building
720 Murdock Street
Sedro Woolley, WA 98284
Phone (360) 855-0771
Fax (360) 855-0733

CITY COUNCIL AGENDA
REGULAR MEETING

MAR 12 2008

MEMO:

CITY COUNCIL CHAMBERS
MARCH 12 2008

To: City Council
Mayor Anderson

From: Jack Moore *JM*
Planning Director & Building Official

Date: March 12, 2008

Subject: Sign ordinance revision (1st read)

ISSUE

Should the Council approve the attached revisions to the city's sign ordinance to allow white backlit signs?

PROJECT DESCRIPTION / HISTORY

The Mayor requested the Planning Commission and City Council consider removing the requirement that only the letters of signs may be internally illuminated. This would allow for clear or white sign faces with internal illumination.

Both the Planning Department and the Planning Commission recommend denial of this proposed revision.

EXHIBITS

Planning Commission's *Findings of Fact, Conclusions and Decision*

RECOMMENDED ACTION

Motion to accept the Planning Commission's recommendation for denial of the proposed sign ordinance amendment.

**CITY OF SEDRO-WOOLLEY PLANNING COMMISSION
STATE OF WASHINGTON**

<p>In the Matter of:</p> <p>Revisions to Chapter 17.40 SWMC – Signs</p>	<p>FINDINGS OF FACT, CONCLUSIONS AND DECISION PROPOSED AMENDMENT TO CH. 17.40 SWMC – SIGNS</p>
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This matter having come regularly before the City of Sedro-Woolley Planning Commission for a public hearing on **Tuesday, February 19, 2008** under a request by the Mayor of Sedro-Woolley for a public hearing and recommendation from the Planning Commission pursuant to SWMC 2.90.010(D)3 and as described by Planning Department Staff Report hereby attached and made a part of this recommendation.

Recommendation:	The Planning Commission recommends DENIAL of the request to modify Chapter 17.40 SWMC – Signs as shown in Exhibit A of these Findings of Fact, Conclusions and Decision
Hearing Date:	Tuesday, February 19, 2008
Proponent:	City of Sedro-Woolley

Description of proposal

The Mayor of Sedro-Woolley requested that the Planning Commission and City Council consider amending Section 17.40.010 of the Sedro-Woolley Municipal Code (SWMC) to remove the requirement that only the letters of internally illuminated signs may be illuminated. The proposed amendment would enable the use of “reader boards” and other internally illuminated signs with white backgrounds that have the potential to contribute to light pollution.

- Exhibit A: Proposed code language to SWMC 17.40.010
- Exhibit B: Staff Report

FINDINGS OF FACT

1. Mike Anderson, the Mayor of Sedro-Woolley requested that the Planning Department process a proposed amendment to the Sedro-Woolley Sign Ordinance Chapter 17.40 SWMC that would remove the requirement that **only the letters** of signage be internally illuminated.
2. The proposed change would make reader boards and other signs with bright white backgrounds acceptable within city limits.
3. Changes to the development regulations are processed as a Type V process.
4. SWMC 2.90.010(C)5 describes the type of actions that are subject to the Type V legislative review process. SWMC 2.90.010(D)6 describes the legislative review process, requires an open record public hearing and describes the required procedures for Planning Commission review.
5. The proposed change is inconsistent with the *Sedro-Woolley Design Standards and Guidelines* standards for all signage (not only the Central Business District) which reads: “Internally illuminated signs with changeable letters and numbers (with the exception of gas price signs at service stations) and portable trailer signs with changeable text panels shall not be allowed.”
6. The *Sedro-Woolley Design Standards and Guidelines* for signage in the Central Business District (CBD) specifically disallows internally illuminated signs, so the proposed amendment to the Sign Ordinance will not affect signage in the CBD. The manual reads: “Flashing, animated, rotating, or changing message signs or signs with internal illumination are specifically prohibited. Exposed neon illumination or shielded external illumination are accepted alternatives.”
7. A Notice of Public Hearing for the proposed code amendment was published on February 6, 2008 in the Courier-Times. In the notice, a written comment deadline of February 19 at 4:30 PM was set. No written comments were received by the Planning Department.
8. On February 19, 2008 the Planning Commission held an open record public hearing to receive background information from City Staff and testimony from the public. Mayor Mike Anderson commented in favor of the proposed amendment during the public hearing.
9. At the hearing, the Planning Department recommended that the Planning Commission make a motion to recommend that the City Council DENY of the proposed code language, as shown in Exhibit A.
10. The Planning Commission made a motion to recommend that the City Council DENY an amendment to Chapter 17.40 SWMC. The motion carried unanimously.

11. Exhibit A includes the proposed code language for Chapter 17.40 SWMC which was not recommended by the Planning Commission.

CONCLUSIONS

The Planning Commission, having reviewed the Planning Department Staff Report and public testimony, makes the following conclusions:

1. Public notice was property conducted pursuant to Chapter 2.90 SWMC.
2. The Planning Commission reviewed the proposed modification to the Sign Ordinance as outlined in the Staff Report and concludes that the existing regulations concerning internally illuminated signs best serves the interest of the citizens of the City of Sedro-Woolley by requiring more thoughtfully designed signage that does not contribute to light pollution.
3. The Planning Commission further concluded that the current sign ordinance is consistent with the *Sedro-Woolley Design Standards and Guidelines* standards for all signage and changing the sign ordinance would also require changes to the *Sedro-Woolley Design Standards and Guidelines*.
4. The proposed amendment will not better serve the interest of the community.

DECISION

Based upon the foregoing, the Planning Commission recommends DENIAL of the suggested changes to SWMC 17.40.010, an amendment that would remove the requirement that only the letters of internally illuminated signs may be illuminated, found herein as Exhibit A.

CERTIFICATION

The City of Sedro-Woolley Planning Commission hereby recommends to the City Council **DENIAL** of suggested changes to SWMC 17.40.010, at a **REGULAR** meeting of the City of Sedro-Woolley Planning Commission held on **Tuesday, February 19, 2008**, at which time a quorum was present. The Planning Commission made a motion to **DENY** the proposed amendment by a vote of **5 FOR, 0 AGAINST, and 0 ABSTENTIONS**.


Dan Lefeber, Planning Commission Chair

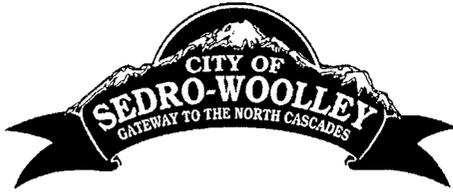
2-21-08
Date

EXHIBIT A –
REQUESTED CODE LANGUAGE CHANGES TO CHAPTER 17.40 SWMC

17.40.010 General Provisions.

The intent of the sign regulations is to provide businesses and organizations an opportunity to advertise while minimizing sign clutter along the city’s roadways. Signs along the two state highways shall be designed in a manner that is consistent with the guidelines for state scenic highways, either existing or as subsequently developed.

- A. No sign shall be erected or employed that:
 - 1. Impairs scenic views or the appearance of the surrounding area;
 - 2. Creates traffic hazards by blocking vision or causing excessive diversion of attention;
 - 3. Is structurally incapable of withstanding stresses to which it is likely to be subjected;
 - 4. Contains flashing or uncomfortably intense light;
 - 5. Is designed to attract attention through mechanical or wind-generated movement; or
 - 6. Is employed without consent of the property owner;
 - 7. Is a festoon, banner, or pennant type sign.
- B. Obsolete signs must be removed within ninety days of the change in business or offering. An “obsolete sign” is defined as any sign that advertises a business, product, or service that is no longer available or, for on-premises signs, no longer located on the same site on which the sign is posted.
- C. Size of signs includes the surface area, spaces and voids within a perimeter that connects the outermost points of the signs lettering or devices, measured on the plane(s) to which the sign is oriented. Both sides of double-faced signs, such as projecting, freestanding or sandwich board signs with information on both sides, shall be counted. Frames or supports containing information or constituting integral design elements shall also be included.
- D. Except in residential areas, where only external illumination is allowed, signage may be either externally illuminated or ~~have only letters internally illuminated~~. All lighting shall be directed so as not to shine onto adjacent residential properties or into the night sky.
- E. Exceptions. The following shall not be regulated by this chapter:
 - 1. Signage at public athletic fields;
 - 2. Any vehicle or trailer that is road-ready, currently licensed and complies with all other ordinances and laws.



CITY COUNCIL AGENDA
REGULAR MEETING

MAR 12 2008

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 9

CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
720 Murdock Street
Sedro-Woolley, WA 98284
Phone (360) 855-0771
Fax (360) 855-0733

Mark A. Freiberger, PE
Director of Public Works/City Engineer

MEMO TO: City Council and Mayor Mike Anderson
FROM: Mark A. Freiberger, PE
RE: **Sewer Utility Rates & Capital Facilities Charge**
DATE: March 5, 2008 (for Council review March 12, 2008)

ISSUE – FIRST READING, NO ACTION REQUIRED

Should Council approve an increase in the Sewer Base Rate per Alternate D as recommended by Katy Isaksen & Associates?

Should Council approve an increase in the Sewer Connection Fee as recommended by Katy Isaksen & Associates?

BACKGROUND/DISCUSSION

Debt service to pay back the Public Works Trust Fund loans for design and construction of the Critical Sewer Interceptor Project will impact the sewer utility system costs. Three loans are involved, including the previously approved 2005 Pre-Construction Loan and the 2006 Construction Loan, and the proposed 2008 Construction Loan that is the subject of another agenda item at the 3/12/08 council session.

The projects involved in the loans and updated estimated costs are shown on the attached spreadsheet titled **PWTF LOANS**. The spreadsheet includes actual costs for completed projects and estimated costs for pending projects, based on the most recent engineer's estimates or bid results.

Utilizing this data and the final 2008 Budget, Katy Isaksen has updated the **Sewer Financial Outlook** (copy attached) calculations that were previously presented to council at the December 4, 2007 Work Session devoted to this topic. The previous version utilized project cost estimates dating back to the 2005 Sewer Comprehensive Plan that were updated for inflation and completed work in the attached version.

The first section of the Outlook includes a chart titled **Est. Sewer Debt Service** showing the cumulative impact of existing and new debt over the period 2006 to 2028. The maximum debt service year is 2011.

Various scenarios are then explored to determine rate and connection fee increase needs and impacts.

The Outlook scenarios include variations on the following assumptions:

1. The 2005 PWTF Pre-Con Loan, 2006 Construction Loan and 2008 Construction Loan close out at the contract amounts (i.e. core Critical Interceptor Sewer Projects are completed as planned).

2. The 2008 Construction Loan is approved and closed out at the estimated contract amounts (i.e. remaining Critical Interceptor Sewer Projects are completed as planned, plus Clarifier replacement).
3. New Facilities Reserve Fund 402 of \$225,000 per year from rate revenue (for Wastewater Treatment Facility Machinery & Equipment Replacement).
4. Rate funded Capital Outlay of \$490,000 in 2008 (per budget) and \$300,000 per year from 2009 on for collection system replacement projects.
5. Bond refunding results in average annual savings of \$25,000.
6. Capital Facilities Charge increased from \$7,266 to \$8,926.
7. Anticipated growth of least 50 connections per year are added to the system
8. Connection Fee revenue programmed for PWTF debt of \$150,000 per year (assumes CFC is increased per #6 and minimum 50 connections per year per #7).

ANALYSIS

The **Outlook – Scenarios** focuses on the years 2008 to 2011. Peak debt service occurs in 2011, decreasing slightly in subsequent years until 2019, when the existing Bond debt is paid off. It should be noted that the Wastewater Treatment Facility (last upgraded in 1998) will be at its 20 year design life at that time, so it is likely that new debt will be incurred to replace the expiring debt.

The **Base Alternative** assumes no new 2008 PWTF Loan, existing Connection Fees, and no Connection Fee revenue is used for debt payment. This analysis requires an increase in the existing base sewer rate of \$8.50/ERU/month in 2008, \$1.00 in 2009, \$0.50 in 2010 and \$1.00 in 2011, for a total of \$11.00 over four years. Minor increases for inflation can be expected after 2011. **These increases are required to meet existing debt obligations and budget assumptions.**

Alternative A is the same as the Base Alternative plus the 2008 PWTF Loan. This alternative calls for the same rate increase as the Base Alternative in 2008, but adds \$5.00/ERU/month to the Base Alternative rates by 2011.

Alternative D is the same as Alternative A with the assumption that \$150,000 from Connection Fees is used towards Debt, and Connection Fees increase from \$7,266 to \$8,926. This alternative lowers reduces the Base Alternative increase for 2008 by \$3.00/ERU/month, and results in an overall rate decrease of \$2.50/ERU/month from Alternative A by 2011.

Alternative D is more fully described in the sheets titled **Sedro-Woolley Six-Year Financial Plan Rev Exp Detail Alt D**. These sheets state assumptions and estimated costs for this alternative. Similar analysis was completed for the other alternatives.

Reduction of the 2008 PWTF project scope by approx. \$1.1 million may be possible if the planned Clarifier No. 1 replacement can be deferred to the next plant upgrade. Engineering analysis will be required to make this call. This would impact the rates by approximately \$1.00/ERU/month after 2010.

Other Critical Interceptor Sewer Project elements are required to remove the moratoriums currently in place. The Township Sewer Project is required to lift the moratorium for areas in the northeast quarter of the city. The Metcalf Sewer Project is required to lift the moratorium for the area north of East Jones and west of Sapp Road. Should these projects not be completed, it would also result in failure to complete the performance measures for the PWTF loan.

The figures are based on current estimates, and reflect significant price inflation since the 2005 Sewer Comprehensive Plan was completed. Staff believes that the current estimates are conservative and should result in completion of all the projects. Should the projects come in

under budget, council has the opportunity to reflect any savings during subsequent year rate increase reviews.

Also included in the package is a spreadsheet showing **Comparisons of Single Family Sewer Rates and Connection Fees** for other communities in our area. The proposed rate would rank fifth on this list. The proposed connection fee would rank second.

RECOMMENDATION

It is Staff's recommendation that Council act to raise the base sewer rates in accordance with Alternative D, with the 2008 rate increase of \$5.50/ERU/Month, with subsequent year rate increase recommendations to be verified and adopted annually.

It is also staff's recommendation that Council act to raise the Capital Facilities Charge to \$8,926.

MOTION:

No motion required at this meeting. An Ordinance will be required to affect the proposed raises.

CITY OF SEDRO-WOOLLEY
 PUBLIC WORKS DEPARTMENT
CRITICAL SEWER INTERCEPTOR PROJECT

PWTF LOANS

BY PROJECT

PRE-CONSTRUCTION LOAN

	EST TOTAL COST	LOCAL 15%	PWTF 85%
3-1 TO 3-4 SR20 SEWER	545,449		
2-1 METCALF, STATE TO SR20	70,534		
1-1 TOWNSHIP	169,913		
1-2, 1-3 TOWNSHIP	246,246		
2-2 METCALF, STATE TO SR20	32,652		
4 MCGARIGLE	25,000		
5 CLARIFIER 1	124,800		
TOTAL DESIGN	1,214,594	182,189	1,032,405
TOTAL PRE AVAILABLE	831,176	124,676	706,500

2006 LOAN

	EST TOTAL COST	LOCAL	PWTF
1-1 TOWNSHIP STREET INTERCEPTOR, BENNETT TO SR20	3,977,998	596,700	3,381,298
2-1 WEST MOORE ST, BNSF TO F&S GRADE ROAD	452,726	67,909	384,817
2-2 METCALF TRENCHLESS, STATE TO SR20	875,000	131,250	743,750
3-1 SR20 HODGIN RD TO HOLT CAMP ROAD	2,607,545	391,132	2,216,414
3-2 SR20 HOLT CAMP RD PS			
3-3 SR20 HOLT CAMP TO STERLING, GRAVITY & FORCE MAIN			
TOTAL 2006 LOAN NEEDED	7,913,269	1,186,990	6,726,278
TOTAL 2006 LOAN AVAILABLE	8,235,294	1,235,294	7,000,000

2008 LOAN

	EST TOTAL COST	LOCAL	PWTF
1-2 TOWNSHIP, SR20 TO MCGARIGLE	3,538,000	530,700	3,007,300
1-3 TOWNSHIP, MCGARIGLE TO SHORELINE			
4 MCGARIGLE, TOWNSHIP TO FRUITDALE (4870') & STATE FAC (3276')	829,000	124,350	704,650
5 CLARIFIER 1 REPLACEMENT PE & CN (\$1,300,000)	1,279,000	191,850	1,087,150
REMAINING DESIGN WORK	421,000	63,150	357,850
TOTAL 2008 LOAN	6,067,000	910,050	5,156,950
TOTAL ALL	15,133,470.00	2,270,020.00	12,863,450.00

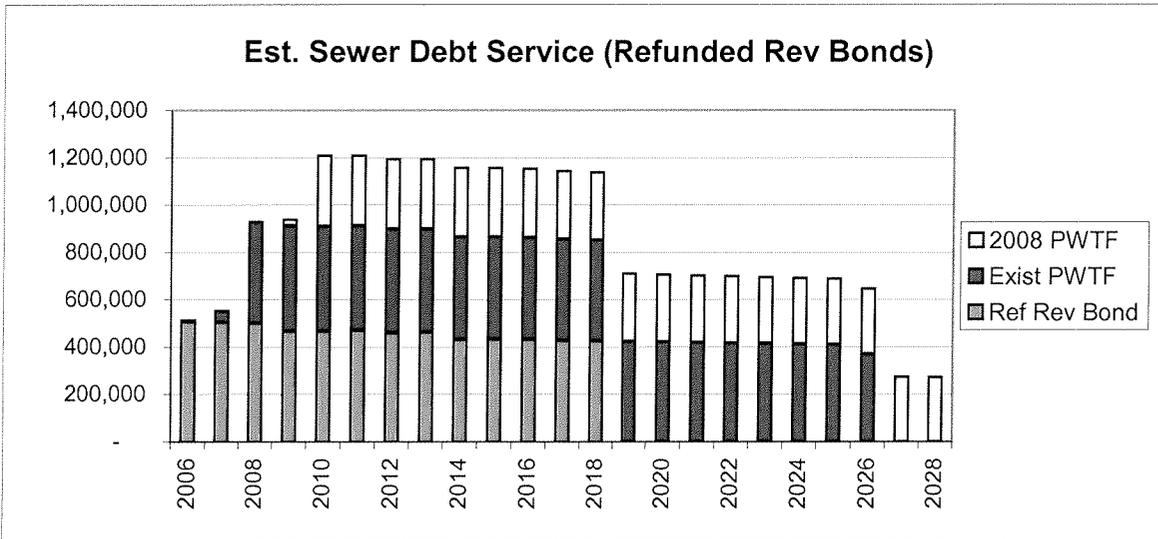
**CITY OF SEDRO-WOOLLEY
SEWER FINANCIAL OUTLOOK**

Prepared by: Katy Isaksen & Associates
Revised Draft - March 6, 2008

KEY VARIABLES IN THE SEWER RATE OUTLOOK

1. Estimated Debt Service with Refunded Bonds

Estimated average annual debt savings of \$25,000 has been included in the rate model beg. 2009. While \$25,000 may feel like a good savings, it is small compared to \$1.2 million, every bit helps! The following chart on the debt payments illustrates the step impacts on rates. The first principal payment on the 2006 PWTF loan is due July, 2008.



2. Updating Capital Facilities Charge (CFC) - Connection Fee

New sewer connections pay a Capital Facilities Charge, commonly known as a connection fee, as a one-time charge related to growth's share of the capital improvements. With the project costs higher than the 2005 plan anticipated, the Capital Facilities Charge could be adjusted to reflect the higher costs. The additional fees collected would be used to make the debt payments on the larger than anticipated loans.

Existing CFC	\$7,266	Fee and methodology adopted for 2006
Potential CFC	\$8,926	Same methodology with updated costs

3. Anticipated Growth

The rate model estimates the connection fee revenue and future sewer service charges based on the number of new ERU's per year. The following schedule is currently in the model:

SIX-YEAR FINANCIAL PLAN	2006	2007	2008	2009	2010	2011
ASSUMPTIONS:						
New Connections (ERU's)	157	89	100	100	53	50
Conn. Fee Revenue @ \$7,266	1,140,762	646,674	726,600	726,600	385,098	363,300
Conn. Fee Revenue @ \$8,926	-	-	892,600	892,600	473,078	446,300
<i>Additional Conn. Fee Revenue</i>			166,000	166,000	87,980	83,000

RATE OUTLOOK - SCENARIOS

The following scenarios adjust a number of variables to show the monthly rates necessary to fund the sewer program, including whether to accept the 2008 PWTF loan with or without the Clarifier project, whether to adjust the connection fee, whether to program connection fee revenue toward PWTF debt repayment. The goal of the scenarios is to smooth the rate impacts where possible.

BASE ALT. - NO 2008 PWTF LOAN; EXISTING CONN FEE \$7,266

	2008	2009	2010	2011
Monthly Rate Increase - by year	\$8.50	\$1.00	\$0.50	\$1.00
Single Family Monthly Rate = \$45.75	\$54.25	\$55.25	\$55.75	\$56.75
Subtotal Operating Revenue	3,027,402	3,138,732	3,222,697	3,310,662
Subtotal Operating & Rate-funded Capital	2,352,375	2,459,821	2,538,423	2,620,510
Subtotal Debt Service	677,737	671,804	669,580	667,356
Net Available for Other Capital	(2,710)	7,106	14,694	22,797

This scenario includes rate-funded capital outlay: \$52,000 portable equip/mach, \$225,000 transfer to sewer facilities fund and \$400,000 other improvements/professional svcs (\$382,500 for 2008).

ALT. A - 2008 PWTF LOAN \$5,157,000 (with Clarifier); EXISTING CONN FEE \$7,266

	2008	2009	2010	2011
Monthly Rate Increase - by year	\$8.50	\$2.00	\$4.50	\$1.00
Single Family Monthly Rate = \$45.75	\$54.25	\$56.25	\$60.75	\$61.75
Subtotal Operating Revenue	3,027,402	3,195,261	3,511,145	3,598,711
Subtotal Operating & Rate-funded Capital	2,352,375	2,459,821	2,538,423	2,620,510
Subtotal Debt Service	677,737	696,300	966,786	963,205
Net Available for Other Capital	(2,710)	39,140	5,936	14,996

This scenario adds the 2008 PWTF Loan for \$5,157,000 with the Clarifier to the Base Scenario. Note that this does not affect the rate necessary for 2008.

ALT D - Focus on smoothing 2008 rate impact by increasing CONN FEE to \$8,925 & programming \$150,000 in connection fees toward PWTF DEBT each year.

	2008	2009	2010	2011
Monthly Rate Increase - by year	\$5.50	\$2.50	\$4.50	\$1.00
Single Family Monthly Rate = \$45.75	\$51.25	\$53.75	\$58.25	\$59.25
Sewer Charges & Misc. Rev.	2,861,413	3,057,037	3,373,221	3,461,286
Conn. Fees toward PWTF Debt	150,000	150,000	150,000	150,000
Subtotal Operating Revenue	3,011,413	3,207,037	3,523,221	3,611,286
Subtotal Operating & Rate-funded Capital	2,352,375	2,459,821	2,538,423	2,620,510
Subtotal Debt Service	677,737	696,300	966,786	963,205
Net Available for Other Capital	(18,699)	50,916	18,012	27,572

This scenario lessens the impact on rates for 2008 by increasing the connection fee to \$8,926 and assigns \$150,000 per year from connection fees toward PWTF debt. If new connections were to drop below 50 in a year, the reserves would have to make up a portion of the \$150,000. However, if new connections are above 50 in a year, additional funds are available for future improvements.

OTHER DETAILS TO SUPPORT SCENARIOS & POTENTIAL FOR REDUCING IMPACT

Rate-Funded Capital Outlay

The following rate-funded capital outlay is included in the projections:

Rate-Funded Capital Outlay	2008 Budget	2009 Model thru 2011
Other Improvements	490,000	300,000
Professional Services	267,000	100,000
Xfer from Cum. Reserve Fund 410	(375,000)	-
Subtotal Other Improv/Prof Svcs	382,000	400,000
Portable Equip/Machinery	52,000	52,000
Transfer to Sewer Facilities Reserve	225,000	225,000
Total Rate-Funded Capital Outlay	659,000	677,000

Program Conn. Fee Revenue toward PWTF Debt

A method of reducing impact on the monthly rates would be to program a certain amount of connection fee revenue toward PWTF debt repayment. Currently, the first \$250,000 in connection fees is programmed toward the existing revenue bond repayment. The study period anticipates 2011 connections to be the lowest with the equivalent of 50 residential connections. The table below demonstrates how much revenue would be available for other capital improvements. Additional connections would provide funding for other improvements.

Conn. Fee Revenue for 50 ERU's	7,266	7,266	8,926
Est. Annual Conn. Fee Revenue	363,300	363,300	446,300
Less: Programmed for Rev Bond Debt	(250,000)	(250,000)	(250,000)
Less: Programmed for PWTF Debt	-	(100,000)	(150,000)
Available for Capital Improv. - Annual	113,300	13,300	46,300

SEDRO-WOOLLEY SIX-YEAR FINANCIAL PLAN	Actual 2006	Actual 2007	Projected 2008	Projected 2009	Projected 2010	Projected 2011	PRELIM DRAFT-3/5/08 Comments
ASSUMPTIONS:							
New Connections (ERU's)	157	89	100	100	53	50	549
Ratepaying ERU's	4,433	4,522	4,611	4,711	4,811	4,864	06 rev/41.75,'07rev/45.75
Monthly Rate Increase - by year	\$0.00	\$4.00	\$5.50	\$2.50	\$4.50	\$1.00	was \$2 in 09
Growth Percentage	3.9%	2.0%	2.0%	2.0%	1.0%	1.0%	89/4500=2%
Connection Fee	\$7,266	\$7,266	\$8,926	\$8,926	\$8,926	\$8,926	
Annual Cost Escalation		3.5%	3.5%	3.5%	3.5%	3.5%	
Investment Interest		1.0%	3.0%	3.0%	3.0%	3.0%	
Single Family Monthly Rate = \$45.75	\$41.75	\$45.75	\$51.25	\$53.75	\$58.25	\$59.25	
SEWER FUND 401							
Operating Revenue							
Sewer Service Charges	2,220,887	2,482,471	2,531,300	2,586,200	2,641,100	2,670,200	new cust=12 mos next yr.
Add'l from Rate Increase			304,313	445,637	705,421	763,786	
Investment Interest	75,150	76,530	11,400	10,800	12,300	12,900	calc on end bal
Fertilizer Sales	-	1,695	800	800	800	800	flat
Xfer Conn. Fees for PWTF Debt			150,000	150,000	150,000	150,000	from Cum Res. Fund 410
Misc.	35,353	14,088	8,600	8,600	8,600	8,600	flat
Late Penalties & Interest	7,521	6,993	5,000	5,000	5,000	5,000	flat
Subtotal Oper. Revenue	2,338,911	2,581,777	3,011,413	3,207,037	3,523,221	3,611,286	
Operating Expenditures							
Maintenance	200,197	170,230	180,500	190,554	199,195	208,229	gro + cost
General Operations	924,196	1,068,768	1,221,375	1,289,406	1,347,880	1,409,006	gro + cost
Admin Charge - Xfer to 001	124,000	125,000	210,000	217,350	224,957	232,831	cost
Equip Replacement Fund - Xfer to	45,500	81,000	81,000	85,512	89,390	93,443	gro + cost
Capital Outlay from Rates			(375,000)				
Xfer in from Fund 410 for Cap Outlay							
Land Acquisition		387,952					
Buildings & Structures	13,559	13,765					
Other Improvements	374,344	289,205	490,000	300,000	300,000	300,000	
Portable Equipment/Machinery	71,109	36,649	52,000	52,000	52,000	52,000	
Professional Services	63,297	75,977	267,500	100,000	100,000	100,000	
WWTP Mach/Equip - Sewer Facilities	34,165	29,890	225,000	225,000	225,000	225,000	xfer to new fund 2008
Subtotal Oper. Expen. & Cap. Outlay	1,850,367	2,278,436	2,352,375	2,459,821	2,538,423	2,620,510	
Net Available for Debt & Capital	488,544	303,341	659,038	747,216	984,798	990,777	
Debt Service							
1998 Revenue Bond - Xfer to 407	250,000	250,000	250,000	225,000	225,000	225,000	50% from rates
Xfer to 410 for PWTF payment		442,176					
PWTF 2005 PreConstr Loan-Xfer to 410			44,487	44,110	43,733	43,356	ki est. based on draws
PWTF 2006 Constr Loan-Xfer to 410			383,250	402,694	400,847	399,000	ki est. based on draws
Est. New 2008 Loan Pymt for CIP-Xfer to				24,496	297,206	295,849	ki est. based on draws
Subtotal Debt Service	250,000	692,176	677,737	696,300	966,786	963,205	
Annual Surplus (Deficit)	238,544	(388,835)	(18,699)	50,916	18,012	27,572	Net Available for Capital
% Impact on Rates		17.5%	0.8%	-2.0%	-0.7%	-1.0%	

SEDRO-WOOLLEY SIX-YEAR FINANCIAL PLAN	Actual 2006	Actual 2007	Projected 2008	Projected 2009	Projected 2010	Projected 2011	PRELIM DRAFT-3/5/08 Comments
Beginning Fund Balance	692,389	768,118	379,283	360,584	411,501	429,513	
Annual Surplus (Deficit)	238,544	(388,835)	(18,699)	50,916	18,012	27,572	
Designated for Swr Plant Equip	(162,815)						
Ending Fund Balance	768,118	379,283	360,584	411,501	429,513	457,085	
Target Ending Balance	242,504	267,992	523,399	574,316	592,328	619,900	
	ok	warning	warning	ok	ok	ok	8% x (Beg. Cash Bal + Rev.)
CUM RES/SWR FACIL FUND 410							
Revenue							
Investment Interest	133,852	170,819	106,800	69,300	86,200	90,900	calc on end bal
Special Sewer Connections	119,910	146,605	3,426				
Sewer Connection Fee	1,144,011	631,603	892,600	892,600	473,078	446,300	
Loan Pmt fr Public Lands		8,000					
Loan Pmt fr Stormwater		273,837					
Xfer fr 401 for PWTF Loan Pmts		442,176	427,737	471,300	741,786	738,205	read fr. debt in 401
Subtotal Revenue	1,397,773	1,673,040	1,438,563	1,433,200	1,301,064	1,275,405	
Expenditures							
Loan to Storm	37,961	408,016					
Loan to Library			35,000				
PWTF Loan Pmts	5,917	50,745	427,737	471,300	741,786	738,205	read fr. debt in 401
Xfer to Sewer Fund 401 - Capital Proj.			375,000				read by 401
Xfer to Sewer Fund 401 - PWTF Debt			150,000	150,000	150,000	150,000	read by 401
Xfer to PWTF Project Fund 332	447,829	304,169	1,450,113				ki/mf est. local match
Xfer to Fund 407 for Rev Bond Debt	250,000	250,000	250,000	250,000	250,000	250,000	
Subtotal Expenditures	741,707	1,012,930	2,687,850	871,300	1,141,786	1,138,205	
Annual Surplus (Deficit)	656,066	660,110	(1,249,287)	561,900	159,278	137,200	
Beginning Fund Balance	2,243,214	2,899,280	3,559,390	2,310,103	2,872,003	3,031,281	
Ending Fund Balance	2,899,280	3,559,390	2,310,103	2,872,003	3,031,281	3,168,481	
Target Minimum Fund Balance	800,000	1,242,176	1,227,737	1,246,300	1,516,786	1,513,205	=1 yr debt + \$300,000
	ok	ok	ok	ok	ok	ok	

SEDRO-WOOLLEY SIX-YEAR FINANCIAL PLAN	Actual 2006	Actual 2007	Projected 2008	Projected 2009	Projected 2010	Projected 2011	PRELIM DRAFT-3/5/08 Comments
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CALCULATED COVERAGE FACTOR - w/capital facil charge PRELIM DRAFT-3/5/08

Operating Revenue (Exist Rates)	2,338,911	2,581,777	3,011,413	3,207,037	3,523,221	3,611,286	
Capital Revenue (Exist Charge)	1,397,773	1,673,040	1,438,563	1,433,200	1,301,064	1,275,405	
Less: Maint/Oper/Admin	(1,248,393)	(1,363,998)	(1,611,875)	(1,697,309)	(1,772,033)	(1,850,066)	
Add: Assmnt Due	22,237	21,299	20,674	20,049	19,424	18,799	
Net Rev + Assmnt	2,510,528	2,912,118	2,858,775	2,962,977	3,071,676	3,055,424	
Revenue Bond Annual Debt Svcs	507,335	504,283	500,643	466,513	466,691	470,905	potential refunded d.s.
Coverage Factor on Rev Bonds	4.95	5.77	5.71	6.35	6.58	6.49	
Rev. Bond + Jr. PWTF Debt Svcs	513,252	553,219	928,379	937,812	1,208,477	1,209,110	
Coverage Factor Rev Bonds+Jr Lien	4.89	5.26	3.08	3.16	2.54	2.53	
Target minimum for market	1.80						

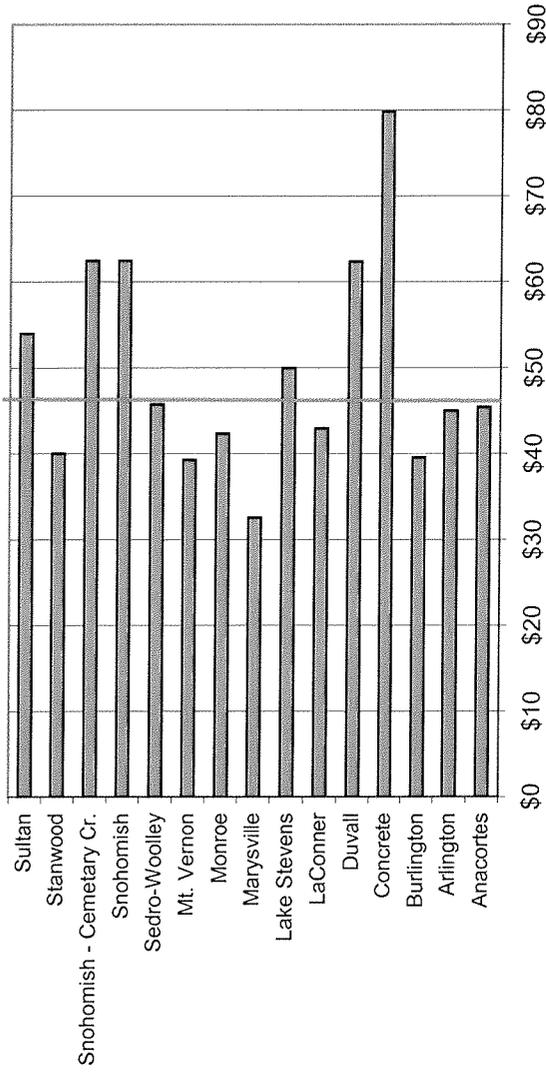
CALCULATED COVERAGE FACTOR - w/out capital facil charge

Operating Revenue (Exist Rates)	2,338,911	2,581,777	3,011,413	3,207,037	3,523,221	3,611,286	
Capital Revenue (Exist Charge)							
Less: Maint/Oper/Admin	(1,248,393)	(1,363,998)	(1,611,875)	(1,697,309)	(1,772,033)	(1,850,066)	
Add: Assmnt Due	22,237	21,299	20,674	20,049	19,424	18,799	
Net Rev + Assmnt	1,112,755	1,239,078	1,420,212	1,529,777	1,770,612	1,780,019	
Revenue Bond Annual Debt Svcs	507,335	504,283	500,643	466,513	466,691	470,905	potential refunded d.s.
Coverage Factor Calculated	2.19	2.46	2.84	3.28	3.79	3.78	
Rev. Bond + Jr. PWTF Debt Svcs	513,252	553,219	928,379	937,812	1,208,477	1,209,110	
Coverage Factor Calculated	2.17	2.24	1.53	1.63	1.47	1.47	
Target minimum for market	1.80						
Legal minimum	1.25						

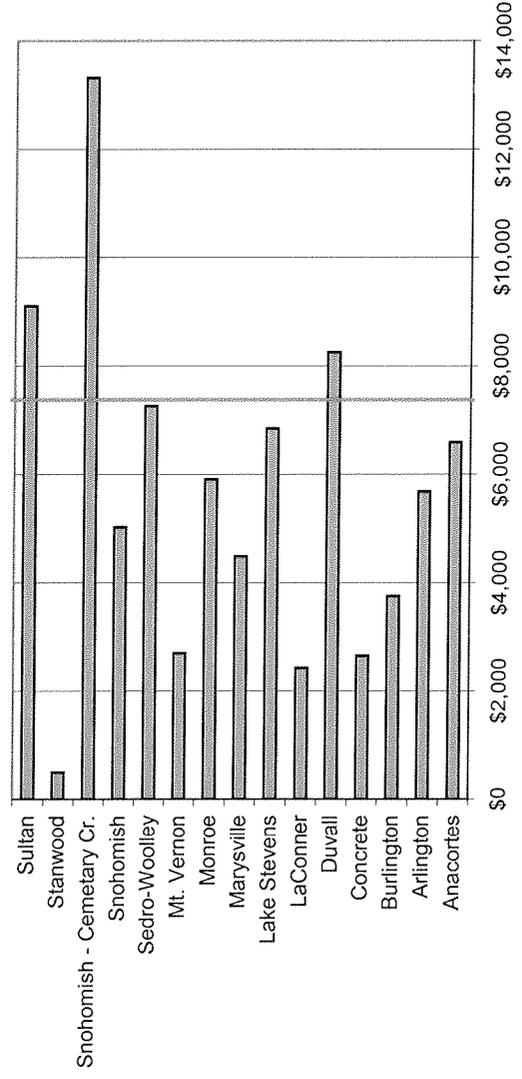
Single Family Res. @ 800 cf	Sewer Rate	Sewer Connection
Anacortes	\$45.43	\$6,592
Arlington	\$45.00	\$5,690
Burlington	\$39.55	\$3,754
Concrete	\$79.87	\$2,655
Duvall	\$62.35	\$8,254
LaConner	\$42.95	\$2,432
Lake Stevens	\$50.00	\$6,850
Marysville	\$32.55	\$4,490
Monroe	\$42.38	\$5,915
Mt. Vernon	\$39.30	\$2,700
Sedro-Woolley	\$45.75	\$7,266
Snohomish	\$62.47	\$5,029
Snohomish - Cemetary Cr.	\$62.47	\$13,317
Stanwood	\$40.05	\$500
Sultan	\$54.00	\$9,106

Assumptions:
All monthly rates and connection fees are jurisdiction per month, inside jurisdiction.

Comparison: Single Family Monthly Sewer Rate (800cf)

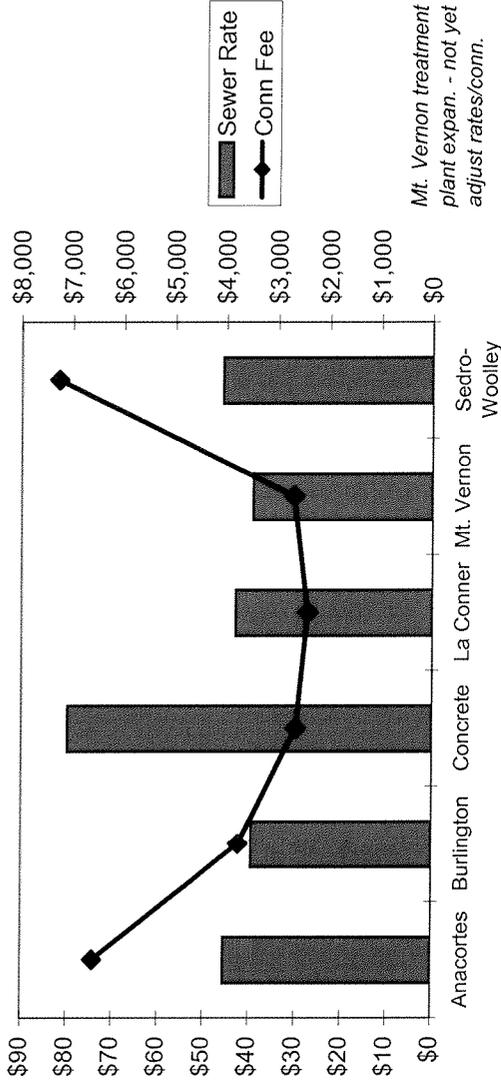


Single Family Sewer Connection (Capital Facilities Charge)

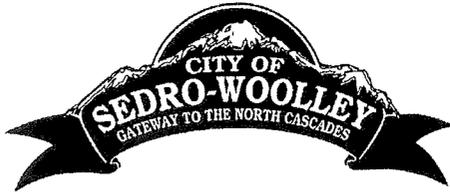


Single Family Res. @ 800 cf	Sewer Rate	Sewer Connection
Anacortes	\$45.43	\$6,592
Burlington	\$39.55	\$3,754
Concrete	\$79.87	\$2,655
La Conner	\$42.95	\$2,432
Mt. Vernon	\$39.30	\$2,700
Sedro-Woolley	\$45.75	\$7,266

Comparison: Single Family Monthly Sewer Rate (800cf) and Connection Fee



Prepared by: Katy Isaksen & Associates, (206) 706-8893, March 2008



CITY OF SEDRO-WOOLLEY
CITY COUNCIL AGENDA Sedro-Woolley Municipal Building
REGULAR MEETING 720 Murdock Street

MAR 12 2008

Sedro-Woolley, WA 98284
Phone (360) 855-0771
Fax (360) 855-0733

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 60

Mark A. Freiberger, PE
Director of Public Works/City Engineer

MEMO TO: City Council and Mayor Mike Anderson

FROM: Mark A. Freiberger, PE

RE: **Public Works Trust Fund
Construction Loan Agreement**

DATE: March 3, 2008 (for Council review March 12, 2008)

ISSUE

Should Mayor Anderson execute the attached PWTF Construction Loan Agreement for completing the Critical Sewer Interceptor Replacement Project?

BACKGROUND/DISCUSSION

As council is aware, the 2005 Sewer Comprehensive Plan identified a number of critical projects that both have existing condition and capacity issues and also limit growth. The ongoing sewer connection moratoriums reflect the limitations imposed by these capacity issues.

The Critical Sewer Interceptor Project was conceived to deal with the most pressing of these projects. Several of these projects have been completed with city funding, including the Garden of Eden project in 2004 and the West Moore Street project in 2005.

The 2005 PWTF Pre-Construction Loan funded design of the remaining identified projects. The 2006 PWTF Construction Loan application included all of the remaining identified projects in its scope of work, and an estimated project cost of \$10,411,000. Due to funding limitations at the state level, the final award was lowered to \$8,235,000 which funded only a portion of the identified projects. These included the Phase 2 SR20 Sewer Project currently under construction, and the 2006/7 Township Street Interceptor Project. Approximately \$1,000,000 remains from the 2006 loan for completion of the remaining projects.

Remaining projects include the Metcalf Street, State to SR20 Project, the McGarigle CIPP Project, the Township Street, SR20 to Bennett Street Project and the Wastewater Treatment Plant Clarifier 1 Replacement Project (the clarifier project was actually added to the original scope in the 2007 application.)

In order to complete the overall project, a second PWTF construction loan application was submitted in 2007 to fund remaining projects. Originally submitted at \$7,086,460, this application has been re-estimated and finalized at \$6,067,000 based on current

anticipated scopes of work and engineering estimates. The attached PWTF Construction Loan Agreements reflect the lower total.

FINANCIAL

The estimated cost and proposed funding for the above projects are shown on the attached excel spreadsheet titled **PWTF Loans**.

The PWTF loan is offered with the same terms as the 2006 loan, which are 0.5% interest and a twenty year term. The loan amount totals \$5,156,950. Annual payments will vary somewhat, but peak at \$297,000 in 2010, declining slightly during subsequent years.

The required 15% match, totaling \$910,050 is available from the Cumulative Reserve Fund 410.

ANALYSIS

The rate impact of these loans is not the subject of this memorandum, but will be discussed separately at the March 12, 2008 council meeting.

Execution of the loan does not commit the city to completion of the projects. For instance, the Clarifier portion at \$1,300,000 may be deferred to a later date and funded separately if the rate impact is not acceptable at this time. The loan however has been approved by Legislature and is scheduled for signing by the Governor in mid-March.

RECOMMENDATION

It is Staff's recommendation that Council authorize Mayor Anderson to execute the attached Public Works Trust Fund Construction Loan Agreement Number PC08-951-039.

MOTION:

Move to authorize Mayor Anderson to execute the attached Public Works Trust Fund Construction Loan Agreement Number PC08-951-039 in the amount of \$5,156,950.

Respectfully submitted,



Mark A. Freiburger, PE
Director of Public Works/City Engineer

CITY OF SEDRO-WOOLLEY
 PUBLIC WORKS DEPARTMENT
CRITICAL SEWER INTERCEPTOR PROJECT
PWTF LOANS

BY PROJECT

PRE-CONSTRUCTION LOAN

	TO DATE	REMAINING	EST TOTAL COST	LOCAL 15%	PWTF 85%
3-1 TO 3-4 SR20 SEWER	535,449.05	10,000	545,449		
2-1 METCALF, STATE TO SR20	70,533.88	-	70,534		
1-1 TOWNSHIP	169,913.28	-	169,913		
1-2, 1-3 TOWNSHIP	4,435.00	241,811	246,246		
2-2 METCALF, STATE TO SR20	11,154.00	21,498	32,652		
4 MCGARIGLE	-	25,000	25,000		
5 CLARIFIER 1	-	124,800	124,800		
TOTAL DESIGN	791,485.21	423,109	1,214,594	182,189	1,032,405
TOTAL PRE AVAILABLE			831,176	124,676	706,500
NET NEEDED FROM 2008 LOAN			383,418	57,513	325,905
LOCAL ALREADY EXCEEDS MATCH REQMT				186,845	

2006 LOAN

	TO DATE	REMAINING	EST TOTAL COST	LOCAL	PWTF
1-1 TOWNSHIP STREET INTERCEPTOR, BENNETT TO SR20	3,967,997.56	10,000	3,977,998	596,700	3,381,298
2-1 WEST MOORE ST, BNSF TO F&S GRADE ROAD	452,725.63	-	452,726	67,909	384,817
2-2 METCALF TRENCHLESS, STATE TO SR20	-	875,000	875,000	131,250	743,750
3-1 SR20 HODGIN RD TO HOLT CAMP ROAD	59,093.38	2,548,452	2,607,545	391,132	2,216,414
3-2 SR20 HOLT CAMP RD PS	INC				
3-3 SR20 HOLT CAMP TO STERLING, GRAVITY & FORCE MAIN	INC				
TOTAL 2006 LOAN NEEDED	4,479,816.57	3,433,452	7,913,269	1,186,990	6,726,278
TOTAL 2006 LOAN AVAILABLE			8,235,294	1,235,294	7,000,000
NET POTENTIAL SURPLUS			322,025	48,304	273,722

2008 LOAN

	TO DATE	REMAINING	EST TOTAL COST	LOCAL	PWTF
1-2 TOWNSHIP, SR20 TO MCGARIGLE	-	3,538,000	3,538,000	530,700	3,007,300
1-3 TOWNSHIP, MCGARIGLE TO SHORELINE	-	-	-	-	-
4 MCGARIGLE, TOWNSHIP TO FRUITDALE (4870') & STATE FAC (3276')	-	829,000	829,000	124,350	704,650
5 CLARIFIER 1 REPLACEMENT PE & CN (\$1,300,000)	-	1,279,000	1,279,000	191,850	1,087,150
REMAINING DESIGN WORK	-	421,000	421,000	63,150	357,850
TOTAL 2008 LOAN	-	6,067,000	6,067,000	910,050	5,156,950
TOTAL ALL	5,271,301.78	9,923,561.00	15,133,470.00	2,270,020.00	12,863,450.00

**PUBLIC WORKS TRUST FUND
CONSTRUCTION LOAN AGREEMENT**

**NUMBER PC08-951-039
City of Sedro Woolley**

PART I: ENTIRE AGREEMENT

This agreement, and incorporated attachments contains all terms and conditions agreed to by the WASHINGTON STATE PUBLIC WORKS BOARD (referred to as the "BOARD") and the City of Sedro Woolley (referred to as the "BORROWER") and no other statements or representations, written or oral, shall be deemed a part thereof. This contract includes ATTACHMENT I: SCOPE OF WORK, which consists of a description of local project activities, certification of the project's useful life, estimated project costs and fund sources; and ATTACHMENT II: ATTORNEY'S CERTIFICATION. These attachments are, by this reference, incorporated into this agreement as though set forth fully herein.

The PUBLIC WORKS BOARD and the BORROWER have executed this agreement as of the date and year last written below.

PUBLIC WORKS BOARD

BORROWER

Kelly Snyder, Assistant Director

Signature

Date

Print Name

Title

APPROVED AS TO FORM ONLY
This 6th Day of March, 2007

Date

Rob McKenna
Attorney General

Federal Taxpayer Identification Number

By: Signature on File

Andrew Scott
Assistant Attorney General

PART II: INTRODUCTION

This loan agreement is made and entered into by and between the BOARD, or its successor, and the BORROWER.

Acting under the authority of Chapter 43.155 RCW, the BOARD has awarded the BORROWER a Public Works Trust Fund loan for an approved public works project.

PART III: PURPOSE

The BOARD and the BORROWER have entered into this agreement to undertake a local public works project that furthers the goals and objectives of the Washington State Public Works Trust Fund Program. The project will be undertaken by the BORROWER and will include the activities described in ATTACHMENT I: SCOPE OF WORK. The project must be undertaken in accordance with PART IV: TERMS AND CONDITIONS, and all applicable state and local laws and ordinances, which by this reference are incorporated into this agreement as though set forth fully herein.

PART IV: TERMS AND CONDITIONS

The parties to this agreement agree as follows:

4.01 Rate and Term of Loan

The BOARD, using funds appropriated from the Public Works Assistance Account, shall loan the BORROWER a sum not to exceed \$ 5,156,950.00. The interest rate shall be 0.50% per annum on the outstanding principal balance. The term of the loan shall not exceed 20 years, with the final payment due July 1, 2028.

4.02 Eligible Project Costs and Local Project Share

The BORROWER pledges to use an amount of local funds as local project share of not less than 15.0% of the total eligible portion of the project cost not funded by federal or state grants as identified in ATTACHMENT I: SCOPE OF WORK. The amount of the local funds will be verified at project closeout. Any increase in the percentage of local funds may require an adjustment in the loan amount or interest rate charged, or both. The interest rate adjustment will apply to the remaining payments beginning the fiscal year of closeout. The BORROWER agrees to execute the Certified Closeout Amendment as an amendment to this agreement adjusting the loan amount or interest rate, as appropriate.

Eligible project costs must consist of expenditures eligible under WAC 399-30-030 and be related only to project activities described in ATTACHMENT I: SCOPE OF WORK. Only those costs incurred after execution of this loan agreement can be reimbursed with Public Works Trust Fund monies. Expenditures made up to twelve (12) months prior to the execution of the loan agreement and verified at the time of project close out may be used as match for local project share.

4.03 Disbursement of Loan Proceeds

The availability of funds in the Public Works Assistance Account is a function of tax collection, loan repayment, and legislative appropriation. If funding or appropriation is not available at the time the invoice is submitted, or when the agreement is executed, the issuance of warrants will be delayed or suspended until such time as funds become available. Therefore, subject to the availability of funds, warrants shall be issued to the BORROWER for payment of allowable expenses incurred by the BORROWER while undertaking and administering approved project activities in accordance with ATTACHMENT I: SCOPE OF WORK. In no event shall the total Public Works Trust Fund loan exceed 85.00% of the eligible actual project costs. The BORROWER shall initiate a loan disbursement using a Washington State Invoice Voucher form. The loan funds will be disbursed to the BORROWER as follows:

Upon formal execution of this agreement, a sum not to exceed 20% of the approved Public Works Trust Fund loan may be disbursed to the BORROWER. Monies shall not be used for any construction costs incurred prior to compliance with Executive Order 05-05 Archaeological and Cultural Resources as referenced in Section 4.22 or Section 106 of the National Historic Preservation Act, whichever applies to this project.

Upon execution of a Public Works Trust Fund Notice to Proceed, which follows the formal award of a construction contract, and documented compliance with Executive Order 05-05 Archaeological and Cultural Resources as referenced in Section 4.22 or Section 106 of the National Historic Preservation Act, whichever applies to this project, a sum not to exceed 25% of the approved Public Works Trust Fund loan may be disbursed to the BORROWER.

When the BORROWER certifies that 35% of the Public Works Trust Fund loan amount has been spent, a sum not to exceed 25% of the approved Public Works Trust Fund loan may be disbursed to the BORROWER.

When the BORROWER certifies that 60% of the Public Works Trust Fund loan amount has been spent, a sum not to exceed 25% of the approved Public Works Trust Fund loan may be disbursed to the BORROWER.

At the time of project completion, the BORROWER shall submit, to the BOARD, a Certified Closeout Amendment certifying the total actual project costs and local share.

The final Public Works Trust Fund loan disbursement shall bring the total loan to the lesser of 85.00% of the eligible project costs or the total of \$ 5,156,950.00. The Certified Closeout Amendment shall serve as a contract amendment determining the final loan amount, local share and interest rate.

In the event that the final costs identified in the Certified Closeout Amendment indicate that the BORROWER has received Public Works Trust Fund monies in excess of 85.00% of eligible costs, all funds in excess of 85.00% shall be repaid to the Public Works Assistance Account by payment to the Department of Community, Trade and Economic Development, or its successor, within 30 days of submission of the Certified Closeout Amendment.

4.04 Interest Earned on Public Works Trust Fund Monies

All interest earned on Public Works Trust Fund Monies held by the BORROWER shall accrue to the benefit of the BORROWER and be applied to the eligible costs of the approved project. Benefits shall accrue in one of two ways:

1. Reduce the amount of the Public Works Trust Fund loan, or
2. Pay any part of eligible project costs that are in excess of ATTACHMENT I: SCOPE OF WORK estimates, if there is an overrun of project costs.

The BORROWER shall establish procedures to ensure that all monies received from the Public Works Trust Fund loan can be readily identified and accounted for at any time during the life of this loan agreement. Such procedures shall consist of the establishment of a separate fund, account, sub-account or any other method meeting generally accepted accounting principles. In event of termination, all principal, interest earned on invested loan principal, and accrued interest payable shall be repaid in full within 30 days by the BORROWER.

4.05 Time of Performance

The BORROWER shall begin the activities identified within ATTACHMENT I: SCOPE OF WORK no later than three (3) months after loan agreement execution. No later than Twenty-four (24) months after loan agreement execution, the BORROWER must issue a Public Works Trust Fund Notice to Proceed, which follows the formal award of a construction contract. No later than forty-eight (48) months after the date of agreement execution the BORROWER must reach project completion.

Failure to meet Time of Performance shall constitute default of this agreement. In the event of extenuating circumstances, the BORROWER may request, in writing, that the BOARD extend the deadline for project completion. The BOARD may, by a two-thirds vote, extend the deadline.

The term of this agreement shall be for the entire term of the loan, regardless of actual project completion, unless terminated sooner as provided herein.

4.06 Repayment

Loan repayment installments are due on July 1st of each year during the 20-year fixed term of the loan. The first loan repayment is due July 1, 2009. Interest only will be charged for this payment if a draw is made prior to this date. All subsequent payments shall consist of principal and accrued interest due on July 1st of each year during the remaining term of the loan.

Repayment of the loan under this agreement shall include an interest rate of 0.50% per annum based on a 360 day year of twelve 30 day months. Interest will begin to accrue from the date each warrant is issued to the BORROWER. The final payment shall be on or before July 1, 2028, of an amount sufficient to bring the loan balance to zero.

The BORROWER has the right to repay the unpaid balance of the loan in full at any time or make accelerated payments without penalty.

The BORROWER will repay the loan in accordance with the preceding conditions through the use of a check, money order, or equivalent means made payable to the Washington State Department of Community, Trade and Economic Development, or its successor.

4.07 Default in Repayment

Loan repayments shall be made on the loan in accordance with Section 4.06 of this agreement. A payment not received within thirty (30) days of the due date shall be declared delinquent. Delinquent payments shall be assessed a monthly penalty beginning on the first (1st) day past the due date. The penalty will be assessed on the entire payment amount. The penalty will be one percent (1%) per month or twelve percent (12%) per annum. The same penalty terms shall apply at project closeout if the repayment of loan funds in excess of eligible costs are not repaid within 30 days as provided for in Section 4.03.

The BORROWER acknowledges and agrees to the BOARD'S right, upon delinquency in the payment of any annual installment, to notify any other entity, creditors, or potential creditors of the BORROWER of such delinquency.

The BORROWER shall be responsible for all legal fees incurred by the BOARD in any action undertaken to enforce its rights under this section.

4.08 Loan Security

This loan is a revenue obligation of the BORROWER payable solely from the net revenue of the Sanitary Sewer Wastewater system. Payments shall be made from the net revenue of the utility after the payment of the principal and interest on any revenue bonds, notes, warrants or other obligations of the utility having a lien on that net revenue. As used here, "net revenue" means gross revenue minus expenses of maintenance and operations. The BOARD grants the BORROWER the right to issue future bonds and notes that constitute a lien and charge on net revenue superior to the lien and charge of this loan agreement. This option may be used only if the entire project is a domestic water, sanitary sewer, storm sewer or solid waste utility project.

Nothing in this section shall absolve the BORROWER of its obligation to make loan repayments when due, and to adjust rates, fees, or surcharges, if necessary, to meet its obligations under this agreement.

4.09 Recordkeeping and Access to Records

The BOARD, the BOARD's agents, and duly authorized officials of the State shall have full access and the right to examine, copy, excerpt, or transcribe any pertinent documents, papers, records, and books of the BORROWER and of persons, firms, or organizations with which the BORROWER may contract, involving transactions related to this project and this agreement.

The BORROWER agrees to retain all records pertaining to this project and this agreement for a period of six years from the date of project closeout. If any litigation, claim or audit is started before the expiration of the six-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

4.10 Reports

The BORROWER, shall furnish the BOARD with quarterly progress reports, a Certified Closeout Amendment and other periodic reports at such times and on such forms as the BOARD may require, pertaining to the activities undertaken pursuant to this agreement. Failure to file periodic reports as requested may result in termination of this agreement as per Section 4.13.

4.11 Indemnification

The BORROWER will defend, protect, indemnify, save, and hold harmless the BOARD, and the state of Washington from and against any and all claims, costs, damages, expenses, or liability for any or all injuries to persons or tangible property, arising from the acts or omissions of the BORROWER or any of its contractors or subcontractors, or any employees or agents in the performance of this agreement, however caused. In the case of negligence of both the BOARD and the BORROWER, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party.

4.12 Amendments, Modifications, Assignments, and Waivers

BORROWER may request an amendment to this agreement, which does not increase the amount of the loan, for the purpose of modifying the ATTACHMENT I: SCOPE OF WORK or for extending the time of performance as provided for in Section 4.05. Neither this agreement nor any claims arising under this agreement may be transferred or assigned by the BORROWER without prior written consent of the BOARD. No conditions or provisions of this agreement may be waived unless approved by the BOARD in writing. No amendment or modification shall take effect until approved in writing by both the BOARD and the BORROWER and attached hereto.

4.13 Termination for Cause

If the BORROWER fails to comply with the terms of this agreement, or fails to use the loan proceeds only for those activities identified in ATTACHMENT I: SCOPE OF WORK, the BOARD may terminate the agreement in whole or in part at any time. The BOARD shall notify the BORROWER in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Nothing in this section shall affect the BORROWER's obligation to repay the unpaid balance of the loan.

4.14 Termination For Convenience

The BOARD may terminate this agreement in the event that federal or state funds are no longer available to the BOARD, or are not appropriated for the purpose of meeting the BOARD'S obligations under this agreement. Termination will be effective when the BOARD sends written notice of termination to the BORROWER. Nothing in this section shall affect BORROWER obligations to repay the unpaid balance of the loan.

4.15 Governing Law and Venue

This agreement shall be construed and enforced in accordance with, and the validity and performance hereof shall be governed by, the laws of the state of Washington. Venue of any suit between the parties arising out of this agreement shall be the Superior Court of Thurston County, Washington. The prevailing party is entitled to recover costs in accordance with Washington State Law (Chapter 4.84 RCW).

4.16 Severability

If any provision under this agreement or its application to any person or circumstances is held invalid by any court of rightful jurisdiction, this invalidity does not affect other provisions of the agreement which can be given effect without the invalid provision.

4.17 Project Completion and Certified Closeout Amendment

The BORROWER shall initiate a Certified Closeout Amendment when activities identified in ATTACHMENT I: SCOPE OF WORK are complete. The BOARD will supply the BORROWER with the Certified Closeout Amendment documents upon request.

The BORROWER shall provide the following information to the BOARD:

1. A certified statement of the actual dollar amounts spent, from all fund sources, in completing the project as described.
2. A certified statement that the project, as described in the Loan Agreement's Scope of Work, is complete and has been designed/constructed to required standards.
3. Certification that all costs associated with the project have been incurred. Costs are incurred when goods and services are received and/or contract work is performed.
4. Provide status of performance measures identified in ATTACHMENT I: SCOPE OF WORK.
5. In accordance with Section 4.03 of this agreement, the BORROWER will submit, together with the Certified Closeout Amendment, a request for a sum not to exceed the loan amount or refund of any excess loan funds. Any final disbursement shall not occur prior to the completion of all project activities.
6. Repayment of excess loan funds disbursed to the BORROWER must be made within 30 days of completion of the Certified Closeout Amendment.

4.18 Contractor Requirement

The BORROWER shall be responsible to ensure that their contractor(s) are in compliance with the Department of Revenue and the Department of Labor & Industries requirements.

4.19 Audit

Audits of the BORROWER'S project activities may be conducted by the Municipal Division of the State Auditor's Office in accordance with state law and any guidelines the Department of Community, Trade and Economic Development, or its successor, may prescribe. Payment for the audit shall be made by the BORROWER.

4.20 Project Signs

If the BORROWER displays, during the period covered by this agreement, signs or markers identifying those agencies participating financially in the approved project, the sign or marker must identify the Washington State Public Works Trust Fund as a participant in the project.

4.21 Nondiscrimination Provision

During the performance of this contract, the BORROWER shall comply with all federal and state nondiscrimination laws, including, but not limited to Chapter 49.60 RCW, Washington's Law Against Discrimination, and 42 U.S.C. 12101 et seq, the Americans with Disabilities Act (ADA).

In the event of the BORROWER'S noncompliance or refusal to comply with any applicable nondiscrimination law, regulation, or policy, this contract may be rescinded, canceled, or terminated in whole or in part, and the BORROWER may be declared ineligible for further contracts with the BOARD. The BORROWER shall, however, be given a reasonable time in which to cure this noncompliance.

4.22 Historical and Cultural Artifacts

Borrower agrees that Borrower is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural artifacts and agrees to hold harmless the State of Washington in relation to any claim related to such historical or cultural artifacts discovered, disturbed, or damaged as a result of Borrower's public works project funded under this agreement.

The BORROWER agrees that, unless Borrower is proceeding under an approved historical and cultural artifacts monitoring plan or other memorandum of agreement, if historical or cultural artifacts are discovered during construction, the BORROWER shall immediately stop construction and notify the local historical preservation officer and the state's historical preservation officer at the Washington State Department of Archaeology and Historic Preservation (DAHP).

The BORROWER shall require this provision to be contained in all contracts for work or services related to ATTACHMENT I: SCOPE OF WORK.

In addition to the requirements set forth in this agreement Borrower agrees to comply with Revised Code of Washington (RCW) 27.44 regarding Indian Graves and Records; RCW 27.53 regarding Archaeological Sites and Resources; RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves; and, Washington Administrative Code (WAC) 25-48 regarding Archaeological Excavation and Removal Permits.

In addition to the requirements set forth in this agreement Borrower shall, in accordance with Executive Order 05-05, coordinate with DAHP, including any recommended consultation with any affected tribe(s), during project design and prior to construction to determine the existence of any tribal cultural resources affected by the proposed public works project. Borrower agrees to avoid, minimize, or mitigate impacts to the cultural resource as a continuing pre-requisite to receipt of funds under this agreement.

Borrower agrees to furnish to the Board copies of any monitoring plan or agreement arising from Borrower's coordination and consultation with DAHP or an affected tribe.

Failure by Borrower to fully comply with the requirements set forth in this provision to the satisfaction of the Board shall result in a suspension of loan disbursements or termination of this agreement if not timely cured.

PART V: SPECIAL CONDITION

None

PART VI: SPECIAL ASSURANCES

The BORROWER assures compliance with all applicable state and local laws, requirements, and ordinances as they pertain to the design, implementation, and administration of the approved project. Of particular importance are the following:

5.01 Competitive Bidding Requirements

The BORROWER shall comply with the provisions of RCW 43.155.060 regarding competitive bidding requirements for projects assisted in whole or in part with money from the Public Works Trust Fund program.

5.02 Eligible Project Costs

The BORROWER assures compliance with WAC 399-30-030 which identifies eligible costs for projects assisted with Public Works Trust Fund loans.

ATTACHMENT 1: SCOPE OF WORK

PUBLIC WORKS TRUST FUND

CONSTRUCTION LOAN PROGRAM

PC08-951-039

Sedro-Woolley

Critical Sewer Interceptor Replacement Project

Scope of Work:

This application will finance the remaining design and construction of original scope of work, including a total of approximately 12,700 linear feet of interceptor replacement with pipe sizes expected to range from 8 to 30 inches in diameter. Project Segment 1-1 and 1-2 is for construction activities related to upsizing of approximately 4,500 linear feet of 18- and 30-inch line. Project Segment 4 is for design and construction of approximately 6,100 linear feet of 12, 18, and 24-inch interceptor along McGarigle Road in the eastern portion of the City. Project Segment 5 includes rehabilitation or replacement of a clarifier at the sewage treatment plant that is damaged due to ground settling under the clarifier, does not operate properly, and is certain to fail in the future. All project segments include complete restoration of the project areas to pre-construction condition in accordance with bid document requirements.

SCOPE OF WORK
PC08-951-039

Revised Performance Measures:	
REVISED Performance Measure (For Construction and Emergency applicants only):	<i>Describe how the success of the project will be measured. Be sure to identify how the change will be measured, the standard against which the change will be noted, the amount of change that is expected, and when the change will have occurred.</i>
	<ol style="list-style-type: none"> 1. Reduction of Inflow and Infiltration (I/I) in Project Segments 1 and 4. 2. Building moratorium will be lifted at project completion. 3. For Project Segment 5, provision of an operating clarifier to replace existing Clarifier 1 in accordance with the design documents and specifications at certified project completion.

How is the Measure to be Measured: *Such as reduce outflow by 20% or Reduce accidents by 5%*
 1. The city will conduct inflow and infiltration measurements at two locations associated with project segments 1 and 4, to demonstrate reduction of I/I by at least 15%.

2. Moratorium enacted by Council Ordinance No. 1494-04(b1) on June 9, 2004. Moratorium to be lifted by council action on completion of the project.

3. Eliminate the risk of catastrophic clarifier failure and consequent untreated plant discharge by completion of the new clarifier.

When is the Measure going to be Measured: *Such as measurement will be accomplished after project completion or by the end of a particular year.*

1. Project beginning and project completion.

2. Final lifting of the moratorium is projected for the final project completion date of October 31, 2008.

3. At certified project completion.

Date Planned to Complete Performance Measure
 7/1/2009

SCOPE OF WORK

Estimated Project Costs:

PC08-951-039

COST CATEGORY	REVISED BUDGET
Engineering Report	\$ 0.00
Environmental Review	\$ 0.00
Historical Review (Section 106 or 05-05)	\$ 0.00
Land/ROW Acquisition	\$ 0.00
Permits	\$ 0.00
Public Involvement/Information	\$ 0.00
Bid Documents	\$383,000.00
Construction	\$4,153,000.00
Other Fees	\$461,000.00
Contingency	\$499,000.00
Other:	\$ 0.00
Other (Construction Inspection):	\$ 571,000.00
Other:	\$ 0.00
Other:	\$0.00
TOTAL ESTIMATED COSTS	\$6,067,000.00

SCOPE OF WORK
PC08-951-039

Anticipated Funding Sources:

Type of Funding	Source	Revised Budget Amount
<i>Grants</i>		
Grant #1		\$0.00
Grant #2		\$0.00
Grant #3		\$0.00
Other Grants (list sources)		\$0.00
<i>Total Grants</i>		<i>0.00</i>
<i>Loans</i>		
<i>This PWTF Loan Request</i>	<i>Public Works Board</i>	\$ 5,156,950.00
Other Loan #1		\$0.00
Other Loan #2		\$0.00
Other Loans (list sources)		\$0.00
<i>Total Loans</i>		<i>\$ 5,156,950.00</i>
<i>Local Revenue</i>		
Source #1	Existing Funds	\$910,050.00
Source #2		\$0.00
Source #3		\$0.00
Other Local Revenue (list sources)		\$0.00
<i>Total Local Revenue</i>		<i>\$ 910,050.00</i>
Other Funds		\$0.00
<i>Total Other Funds</i>		<i>\$0.00</i>
<i>Summary Totals</i>		
<i>Total Funding</i>		<i>\$ 6,067,000.00</i>

SCOPE OF WORK

PC08-951-039

Page 5

Calculating Local Percentage:

Note: Grant funds **cannot** be counted as local match.

Calculate as follows:

$$\frac{\text{Total Local Revenue}}{\text{PWTF Loan} + \text{Total Local Revenue}} = \text{Local Percentage } \underline{15.0\%}$$

The local contribution must be at least:

Five percent (5%)	for a loan interest rate of	2%
Ten percent (10%)	for a loan interest rate of	1%
Fifteen percent (15%)	for a loan interest rate of	0.5%

ATTACHMENT II: ATTORNEY'S CERTIFICATION

Public Works Trust Fund

I, _____, hereby certify:

I am an attorney at law admitted to practice in the State of Washington and the duly appointed attorney of the City of Sedro Woolley (the BORROWER); and

I have also examined any and all documents and records which are pertinent to the loan agreement, including the application requesting this financial assistance.

Based on the foregoing, it is my opinion that:

1. The BORROWER is a public body, properly constituted and operating under the laws of the State of Washington, empowered to receive and expend federal, state and local funds, to contract with the State of Washington, and to receive and expend the funds involved to accomplish the objectives set forth in their application.
2. The BORROWER is empowered to accept the Public Works Trust Fund financial assistance and to provide for repayment of the loan as set forth in the loan agreement.
3. There is currently no litigation in existence seeking to enjoin the commencement or completion of the above-described public facilities project or to enjoin the BORROWER from repaying the Public Works Trust Fund loan extended by the DEPARTMENT with respect to such project. The BORROWER is not a party to litigation which will materially affect its ability to repay such loan on the terms contained in the loan agreement.
4. Assumption of this obligation would not exceed statutory and administrative rule debt limitations applicable to the BORROWER.

Signature of Attorney

Date

Name

Address

COMMITTEE

REPORTS

AND

REPORTS

FROM

OFFICERS

EXECUTIVE
SESSION