

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 26, 2008

7:00 PM

Sedro-Woolley Municipal Building

Council Chambers

325 Metcalf 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 #62910 to #63017 for \$674,021.91
 - Payroll Warrants #42167 to #42262 for \$163,766.93

4. Special Presentation - Bus Jungquist
5. Public Comment (Please limit your comments to 3-5 minutes)

UNFINISHED BUSINESS

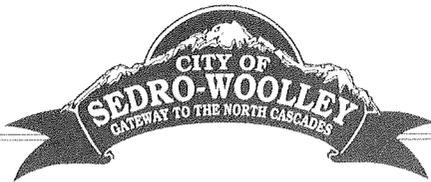
6. City Hall Update (*verbal report*)

NEW BUSINESS

7. Possible Bid Award - McGarigle CIPP Sewer Project
8. Possible Agreement for Construction Services - McGarigle CIPP Sewer Project
9. Metcalfe Nursery Lease - Request for Extension and Swedelius Nursery Lease - Renewal

COMMITTEE REPORTS AND REPORTS FROM OFFICERS

EXECUTIVE SESSION/YES



DATE: March 26, 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 26, 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 Requa
____ 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
March 12, 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, Louis Requa, Pat Colgan, Hugh Galbraith, Rick Lemley and Dennis London. Staff: Finance Director Nelson, City Attorney/Supervisor Berg, Engineer Frieberger, Planner Moore, Police Chief Wood and Fire Chief Klinger.

Consent Calendar

- Minutes from Previous Meeting
- Finance
 - Claim Vouchers #62789 to #62909 for \$563,501.70
 - Payroll Warrants #42071 to #42166 for \$249,085.77
- Agreement – Pitney Bowes for Postage Meter
- Interlocal Agreement – Skagit County District Court Probation 2008-2010
- Interlocal Agreement with Skagit County – Maintenance of USGS Gage Stations 2008
- Interlocal with WSP for State Mobilization Reimbursement 2008 – 2013
- Pipeline License – BNSR Railway Company & City of Sedro-Woolley
- Final Acceptance – Sterling Street & Township Street Sewer Project (Ram Construction)

Councilmember Meamber moved to approve the consent calendar. Councilmember Colgan seconded. Motion carried (7-0).

Special Presentation – Bob Blakely – 30 Year Employee Award

Mayor Anderson presented Bob Blakely of the Wastewater Treatment Plant a commemorative plaque for his 30 years of service to the City of Sedro-Woolley and a job well done.

Public Comment

Larry Willis – District Manager for Waste Management of Skagit County, introduced himself to the Mayor and Council and also introduced Steve Goldstein, Community Relations Director for Waste Management.

UNFINISHED BUSINESS

City Hall Update

City Attorney/Supervisor Berg noted the completion of the New City Hall is getting real close. City staff are busy packing in anticipation for the move. Berg noted City Hall will close at Noon on Friday, March 14, 2008 for the move and will reopen on Monday, March 17, 2008 at the new building; however, the phones will not be functional until Tuesday afternoon. An open house is scheduled for May 28, 2008 from 4-7 P.M. with a Council meeting following.

Resolution – Establishing Hearing Examiner Fees

Planner Moore reviewed the proposed fee schedule for the Hearing Examiner that was established under Ordinance No. 1607-08. He reported that he reviewed other jurisdictions fees and contacted a consultant to discuss average times and billings for different types of projects in order to determine fees. He also pointed out the resolution also allows for fees in excess of the minimum charge to be paid by the applicant.

Council discussion ensued to include fee range for appeals, procedures for an appeal of the Hearing Examiner's decision, hourly fee, current fees and the Hearing Examiner process.

Councilmember Requa moved to approve Resolution No. 765-08 A Resolution Adopting Fees for Projects or Actions Which Require a Hearing Examiner Decision with the removal of the word "hourly" in paragraph 2. Councilmember London seconded. Motion carried (7-0).

NEW BUSINESS

Sign Ordinance Revision (1st Reading)

Planner Moore reviewed the first reading of a proposed ordinance which would allow white backlit signs. Moore noted both the Planning Department and Planning Commission recommend denial of this proposed revision.

Council discussion ensued to include a grandfather clause for existing non-conforming signs, conflict with future signage plans and different standards within the Central Business District.

COMMITTEE REPORTS AND REPORTS FROM OFFICERS

Councilmember London – noted progress being made on the clean up of the railroad property.

Councilmember Lemley – stated he is looking forward to the new Council chambers but will unfortunately be out of town for the first meeting in the new facility.

Councilmember Galbraith – noted he investigated some junk cars behind the USPS building on Rita Street and questioned if action was being taken for clean up on the property.

Councilmember Colgan – reported a lot of cigarette butts and debris on the downtown sidewalks as he took a walk through town on Sunday.

Finance Director Nelson – noted staff’s excitement of moving into the new facility and thanked the Council for allowing it to happen. She also thanked all the staff members who have gone above and beyond the call of duty during the process.

City Attorney/Supervisor Berg – provided background information regarding Skagit County’s Solid Waste proposal. He also reported on a meeting attended today in which the County responded to the proposals presented at the previous meeting. All entities were in consensus to the revisions to the interlocal that would change the voting structure. The County’s position is still under review. Berg spoke on the proposed voting structure, budget authority and veto qualification.

Councilmember Colgan moved to authorize the Mayor to execute the interlocal with the County and other Cities and Towns regarding the governance of the Solid Waste system provided that the four Sedro-Woolley proposals are included in that draft. Seconded by Councilmember London.

Council discussion was held on the recent moratorium placed by Skagit County. Councilmember Requa stated the only way he is in favor of the motion is if the moratorium is lifted.

Motion carried (7-0)

City Attorney/Supervisor Berg – presented a status report on the Police Evidence/Storage and Parks building.

Engineer Frieberger – reported bids were opened today on the McGargile CIPP project and a recommendation will be forthcoming at the next Council meeting.

Fire Chief Klinger – reported on the completion of the hiring of the two vacant positions in the Fire Department. Chief Klinger announced Andrew VanderVeen and David DeVries were the successful candidates. He noted they will come before Council to take their Oath of Office at the next meeting and are coming on board through the volunteer ranks.

Planner Moore – reviewed a draft of a letter that will be circulated to businesses in the Central Business District regarding signs in an effort to clean up the adoption of the sign ordinance.

Police Chief Wood – reported Officer Mike Ellis has completed his field training and will be out on his own beginning Friday. He also reported the Police Department will be moving into their new offices beginning Thursday.

City Attorney/Supervisor Berg – reported on the County Commissioners confirmation of the Economic Development Facilities Committee Grant recommendation to award the City of Sedro-Woolley \$500,000 for the round-a-bout that will access the Skagit Plant, however, they did not confirm the committee recommendation for the Jameson and Highway 9 extension.

Mayor Anderson – presented a request from citizen Carol Schmidt requesting use of the Community Center for a fundraiser for her Relay for Life team supporting The American Cancer Society.

Councilmember Meamber moved to authorize the Mayor to waive fees, if allowable. Seconded by Councilmember Lemley. Motion carried (7-0).

WORKSESSION FORMAT

The meeting adjourned to worksession format after a five minute break at 8:11 P.M. for approximately 1 hour to discuss the following agenda items (*see Worksession minutes dated March 12, 2008*):

- Sewer Utility Rates & Capital Facilities Charge
- PWTF Construction Loan Agreement No. PC08-951-039

CITY OF SEDRO-WOOLLEY

Work Session of the City Council
March 12, 2008 – 7:00 P.M. – Community Center

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

ROLL CALL: Present: Mayor Mike Anderson, Councilmembers Ted Meamber, Tony Splane, Louis Requa, Pat Colgan, Hugh Galbraith, Rick Lemley and Dennis London.
Staff: City Attorney/Supervisor Berg, Finance Director Nelson, Engineer Frieberger
Consultant: Katy Isaksen

Sewer Utility Rates & Capital Facilities Charge

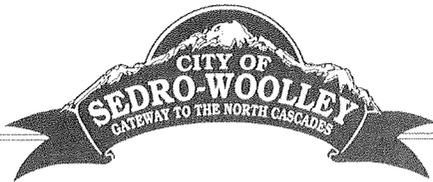
- Engineer Frieberger and Katy Isaksen lead a presentation and discussion on updating the sewer utility rates and capital facilities charge via memo and a power point presentation. A new alternative was presented as a result of the Council Utilities Committee recommendation: \$2.75 sewer rate increase and set connection fees at \$8,926. Council consensus was to proceed with alternative D3a.

PWTF Construction Loan Agreement No. PC08-951-039

- Councilmember Lemley moved to authorize the Mayor to execute the attached Public Works Trust Fund Loan Agreement No. PC08-951-039 in the amount of \$5,156,950. Seconded by Councilmember Splane. Motion carried (7-0).

Councilmember Colgan moved to adjourn. Seconded by Councilmember Galbraith.
Motion carried (7-0).

The Meeting adjourned at 9.13 P.M.



DATE: March 26, 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 26, 2008.

Motion to approve Claim Vouchers #62910 to #63017 in the amount of \$674,021.91.

Motion to approve Payroll Warrants #42167 to #42262 in the amount of \$163,766.93.

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
62910	SKAGIT COUNTY AUDITOR	MISC-FILING FEES/LIEN EXP	SWR	886.00
		MISC-FILING FEES/LIEN EXP	SAN	799.00
		WARRANT TOTAL		1,685.00
62911	SKAGIT COUNTY AUDITOR	MISC-FILING FEES/LIEN EXP	SWR	42.00
		MISC-FILING FEES/LIEN EXP	SAN	42.00
		WARRANT TOTAL		84.00
62912	ACTIONTRAINING	SUPPLIES & BOOKS	FD	5,967.57
		WARRANT TOTAL		5,967.57
62913	ADVANCE TRAVEL	TRAVEL	PD	88.00
		TRAVEL	PD	144.00
		TRAVEL	PD	126.00
		TRAVEL	PD	234.00
		WARRANT TOTAL		592.00
62914	ALLELUJAH BUSINESS SYSTEMS	ENGINEERING FRUITDALE LIGHT A		9.72
		WARRANT TOTAL		9.72
62915	ARAMARK UNIFORM SERVICES	LAUNDRY	CS	35.52
		MISC-LAUNDRY	CEM	21.20
		MISC-LAUNDRY	ST	21.22
		MISC-LAUNDRY	ST	24.81
		LAUNDRY	SWR	42.00
		WARRANT TOTAL		144.75
62916	ASSOCIATION OF WA CITIES	RETIRED MEDICAL	PD	8,394.80
		WARRANT TOTAL		8,394.80
62917	ASSOC PETROLEUM PRODUCTS	AUTO FUEL	PD	1,284.33
		AUTO FUEL/DIESEL	FD	251.06
		AUTO FUEL/DIESEL	PK	80.96
		AUTO FUEL/DIESEL	CEM	264.88
		AUTO FUEL/DIESEL	ST	684.45
		AUTO FUEL/DIESEL	SWR	245.54
		WARRANT TOTAL		2,811.22
62918	AT&T MOBILITY	TELEPHONE	PD	718.72
		WARRANT TOTAL		718.72
62919	BANK OF AMERICA	MACHINERY/EQUIPMENT	FIN	676.08
		SUPPLIES/BOOKS	PLN	8.63
		OFFICE EQUIPMENT	PLN	193.10
		OFFICE EQUIPMENT	PLN	142.56
		SUPPLIES	ENG	8.64
		OFFICE EQUIPMENT	ENG	193.31
		OFFICE EQUIPMENT	ENG	285.12
		OFFICE/OPERATING SUPPLIES	PD	66.45
		TRAVEL	PD	105.43
		TRAVEL	PD	64.27
		TRAVEL	PD	351.00

WARRANT	VENDOR NAME	DESCRIPTION	AMOUNT
		TRAVEL PD	132.00
		TRAVEL PD	477.00
		TRAVEL PD	120.66
		TRAVEL PD	313.15
		OFF/OPER SUPPS & BOOKS INSP	8.64
		OFFICE EQUIPMENT INSP	193.31
		OFFICE EQUIPMENT INSP	142.56
		WARRANT TOTAL	3,481.91
62920	BANK OF AMERICA	SUPPLIES JUD	8.63
		WARRANT TOTAL	8.63
62921	BANK OF AMERICA	OFFICE SUPPLIES SAN	56.14
		SMALL TOOLS & MINOR EQUIP SAN	265.45
		WARRANT TOTAL	321.59
62922	BANK OF AMERICA	EARLY LITERACY LIB	52.02
		EARLY LITERACY LIB	43.14
		BOOKS, PERIOD, RECORDS LIB	105.08
		WARRANT TOTAL	200.24
62923	BANK OF AMERICA	TRAVEL/MEALS FD	15.00
		TRAVEL/MEALS FD	140.38
		WARRANT TOTAL	155.38
62924	BANK OF AMERICA	COMPUTER NETWORK CS	278.99
		WARRANT TOTAL	278.99
62925	BAY CITY SUPPLY	OPERATING SUPPLIES CS	832.44
		OPERATING SUP - COMM CENTER PK	45.53
		OPERATING SUP - HAMMER SQ PK	111.53
		OPERATING SUPPLIES SWR	235.88
		WARRANT TOTAL	1,225.38
62926	BERG VAULT COMPANY	LINERS CEM	1,591.00
		WARRANT TOTAL	1,591.00
62927	BIGGAR, ROB	PROFESSIONAL SERVICES SWR	946.00
		WARRANT TOTAL	946.00
62928	BOARD FOR VOLUN. RESERVE	RESERVES/EXTRA HELP PD	185.00
		WARRANT TOTAL	185.00
62929	BOUWENS, JENNIFER A.	PROSECUTING ATTY JUD	2,500.00
		WARRANT TOTAL	2,500.00
62930	CDW GOVERNMENT, INC.	OFFICE EQUIPMENT FD	224.05
		WARRANT TOTAL	224.05
62931	CARSON INDUSTRIES, INC.	REPAIR/MAINT-COMPUTER LIB	179.90
		WARRANT TOTAL	179.90

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62932	CASCADE NATURAL GAS CORP.	PUBLIC UTILITIES	CS	2,612.99
		UTILITIES-COMMUNITY CTR	PK	320.13
		UTILITIES-SENIOR CENTER	PK	599.23
		UTILITIES-HAMMER SQUARE	PK	103.99
		UTILITIES - SHOP	PK	403.02
		PUBLIC UTILITIES	ST	105.04
		PUBLIC UTILITIES	LIB	236.19
		PUBLIC UTILITIES	SWR	140.93
		PUBLIC UTILITIES	SAN	348.46
		WARRANT TOTAL		4,869.98
62933	CENTRAL MOVING & STORAGE LLC	MISCELLANEOUS	CH	8,950.00
		WARRANT TOTAL		8,950.00
62934	CINTAS CORPORATION #460	UNIFORMS	FD	42.24
		WARRANT TOTAL		42.24
62935	COLLINS OFFICE SUPPLY, INC	SUPPLIES	JUD	57.08
		SUPPLIES	FIN	114.44
		SUPPLIES/BOOKS	PLN	37.24
		SUPPLIES	ENG	37.24
		OFF/OPER SUPPS & BOOKS	INSP	37.24
		WARRANT TOTAL		283.24
62936	COMCAST	COMPUTER NETWORK	CS	68.40
		TELEPHONE	PD	13.30
		TELEPHONE	FD	13.30
		WARRANT TOTAL		95.00
62937	HSBC BUSINESS SOLUTIONS	OFFICE/OPERATING SUPPLIES	PD	37.41
		WARRANT TOTAL		37.41
62938	COUNTRYSIDE CHEVROLET	REPAIR & MAINT - AUTO	PD	265.36
		REPAIR & MAINT - AUTO	PD	51.69
		WARRANT TOTAL		317.05
62939	CRYSTAL SPRINGS	SUPPLIES	LGS	31.96
		OPERATING SUPPLIES	CS	45.34
		OPERATING SUPPLIES	FD	18.07
		OPERATING SUP - PARKS SHOP	PK	18.07
		OPERATING SUP - GOLF	PK	16.08
		OPERATING SUPPLIES	CEM	10.08
		OPERATING SUPPLIES	ST	23.06
		OPERATING SUPPLIES	SWR	69.99
		WARRANT TOTAL		232.65
62940	DC'S PRINTING & AWARDS	EMPLOYEE RECOGNITION	EXE	32.40
		WARRANT TOTAL		32.40
62941	DAILY JOURNAL OF COMMERCE	ADVERTISING	ENG	264.00
		WARRANT TOTAL		264.00

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62942	DATA BASE RECORDS DESTRUCTION LLC	PROFESSIONAL SERVICES	JUD	76.00
		SUPPLIES	FIN	76.00
		OFFICE/OPERATING SUPPLIES	PD	114.00
		WARRANT TOTAL		266.00
62943	DAVID EVANS & ASSOC INC	ENGINEERING-SKAGIT LIGHT	AST	11,906.83
		WARRANT TOTAL		11,906.83
62944	DIMENSIONAL COMM, INC.	PROFESSIONAL SERVICES	PD	1,175.85
		SMALL TOOLS/MINOR EQUIP	PD	42.40
		EQUIPMENT	CH	61,637.76
		WARRANT TOTAL		62,856.01
62945	DIVERSINT	REPAIRS & MAINTENANCE	PD	75.58
		WARRANT TOTAL		75.58
62946	E & E LUMBER	REPAIR & MAINTENANCE	CS	85.34
		OPERATING SUP - CITY HALL	PK	58.32
		OPERATING SUP - CITY HALL	PK	20.93
		OPERATING SUP - LIBRARY	PK	12.96
		SMALL TOOLS & MINOR EQUIP	PK	25.36
		REPAIR/MT-BINGHAM PARK	PK	30.12
		OPERATING SUPPLIES	ST	28.08
		OPERATING SUPPLIES	ST	8.08
		OPERATING SUPPLIES	ST	9.14
		OPERATING SUPPLIES	ST	1.61
		OPERATING SUPPLIES	ST	6.48
		OPERATING SUPPLIES	ST	46.42
		OPERATING SUPPLIES	ST	19.57
		OPERATING SUPPLIES	ST	28.64
		OPERATING SUPPLIES	ST	10.82
		SMALL TOOLS/MINOR EQUIP	ST	145.80
		SAFETY EQUIPMENT	ST	37.80
		SAFETY EQUIPMENT	ST	7.55
		OPERATING SUPPLIES	ST	11.66
		OPERATING SUPPLIES	SWR	10.98
		OPERATING SUPPLIES	SWR	2.15
		OPERATING SUPPLIES	SWR	6.94
		OPERATING SUPPLIES	SWR	3.89
		OPERATING SUPPLIES	SWR	2.15
		OPERATING SUPPLIES	SWR	9.40
		OPERATING SUPPLIES	SWR	36.66
		WARRANT TOTAL		666.85
62947	EMERGENCY REPORTING	TUITION/REGISTRATION	FD	350.00
		WARRANT TOTAL		350.00
62948	FASTENAL COMPANY	SMALL TOOLS/MINOR EQUIP	CEM	121.81
		SMALL TOOLS/MINOR EQUIP	CEM	142.54
		WARRANT TOTAL		264.35
62949	FEDERAL EXPRESS CORP.	OTHER IMPROVEMENTS	SWR	22.34

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		WARRANT TOTAL		22.34
62950	FEI-SEATTLE WW #1539	CONSTRUCTION	CH	106.43
		WARRANT TOTAL		106.43
62951	GEOTEST SERVICES, INC.	ARCHITECT & ENGINEERING	CH	270.00
		CONSTRUCTION - SR20 LINE	PWT	400.00
		WARRANT TOTAL		670.00
62952	GARDNER ELECTRONICS	REPAIRS/MAINT-EQUIP	FD	281.61
		WARRANT TOTAL		281.61
62953	H.B. JAEGER CO. LLC	MAINTENANCE OF LINES	SWR	316.34
		WARRANT TOTAL		316.34
62954	HAYDEN, PATRICK	PROFESSIONAL SERVICES	LGL	100.00
		WARRANT TOTAL		100.00
62955	HEALTHFORCE	PROFESSIONAL SERVICES	SWR	35.00
		WARRANT TOTAL		35.00
62956	HEITMAN, CHARLES	RETIRED MEDICAL	PD	1,122.00
		WARRANT TOTAL		1,122.00
62957	HOLLAND HEALTH SERV. INC.	RETIRED MEDICAL	PD	127.47
		WARRANT TOTAL		127.47
62958	HONEY BUCKET	OPERATING SUP - PARKS SHOP	PK	93.76
		OPERATING SUP - BINGHAM PARK		111.20
		WARRANT TOTAL		204.96
62959	HORIZON BANK	CONSTRUCTION - SR20 LINE	PWT	22,244.86
		WARRANT TOTAL		22,244.86
62960	HUMANE SOCIETY OF SKAGIT	HUMANE SOCIETY	PD	830.00
		WARRANT TOTAL		830.00
62961	INTERNL CODE COUNCIL INC	MISC-DUES	INSP	100.00
		WARRANT TOTAL		100.00
62962	IKON FINANCIAL SERVICES	REPAIR/MAINTENANCE-EQUIP	LIB	55.29
		WARRANT TOTAL		55.29
62963	INGRAM LIBRARY SERVICES	BOOKS, PERIOD, RECORDS	LIB	36.31
		BOOKS, PERIOD, RECORDS	LIB	153.74
		BOOKS, PERIOD, RECORDS	LIB	26.59
		BOOKS, PERIOD, RECORDS	LIB	20.32
		BOOKS, PERIOD, RECORDS	LIB	11.41
		BOOKS, PERIOD, RECORDS	LIB	56.00
		BOOKS, PERIOD, RECORDS	LIB	20.09
		WARRANT TOTAL		324.46

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
62964	ISOMEDIA.COM	TELEPHONE	FIN	8.74
		TELEPHONE	FIN	8.74
		TELEPHONE	PLN	8.73
		TELEPHONE	ENG	8.74
		TELEPHONE	LIB	39.95
		WARRANT TOTAL		74.90
62965	KCDA PURCHASING COOPERATIVE	REPAIR & MAINTENANCE	CS	4,183.19
		WARRANT TOTAL		4,183.19
62966	KEN'S RADIATOR, INC	REPAIR/MAINTENANCE-EQUIP	ST	157.68
		WARRANT TOTAL		157.68
62967	KING CO. DEPT OF FINANCE	SOLIDS HANDLING	SWR	3,164.43
		WARRANT TOTAL		3,164.43
62968	KROESEN'S INC.	UNIFORMS	FD	209.20
		UNIFORMS	FD	23.03
		WARRANT TOTAL		232.23
62969	LANGUAGE EXCH. INC. (THE)	LANGUAGE INTERPRETER	JUD	275.00
		WARRANT TOTAL		275.00
62970	LOGGERS AND CONTRACTORS	OPERATING SUPPLIES	ST	47.41
		REPAIRS/MAINT-EQUIP	SAN	18.57
		WARRANT TOTAL		65.98
62971	MCCANN, WILLIAM R.	INDIGENT DEFEND CONTR	JUD	2,557.50
		WARRANT TOTAL		2,557.50
62972	MARTIN MARIETTA MATERIALS	REPAIR/MAINT-STREETS	ST	1,424.31
		WARRANT TOTAL		1,424.31
62973	N W REGIONAL COUNCIL	DUES/SUBSCRIPTIONS	PD	400.00
		WARRANT TOTAL		400.00
62974	OASYS	REPAIRS & MAINTENANCE	PD	128.73
		WARRANT TOTAL		128.73
62975	OFFICE DEPOT	SUPPLIES/BOOKS	PLN	35.03
		SUPPLIES/BOOKS	PLN	47.90
		SUPPLIES	ENG	35.03
		SUPPLIES	ENG	47.91
		OFFICE/OPERATING SUPPLIES	PD	22.53
		OFFICE/OPERATING SUPPLIES	PD	477.43
		OFF/OPER SUPPS & BOOKS	INSP	35.04
		OFF/OPER SUPPS & BOOKS	INSP	47.91
		MACHINERY/EQUIP-OFFICE	LIB	522.68
		WARRANT TOTAL		1,271.46
62976	OLIVER-HAMMER CLOTHES	CLOTHING	PK	81.00
		CLOTHING	CEM	151.18

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		WARRANT TOTAL		232.18
62977	PAT RIMMER TIRE CTR, INC	REPAIR & MAINT - AUTO	PD	42.12
		REPAIR & MAINT - AUTO	PD	210.55
		WARRANT TOTAL		252.67
62978	PETTY CASH-DEBRA PETERSON	EARLY LITERACY	LIB	82.18
		WARRANT TOTAL		82.18
62979	PITTMAN, HAROLD	RETIRED MEDICAL	PD	18.90
		WARRANT TOTAL		18.90
62980	PUBLIC UTILITY DIS. NO.1	PUB UTILITIES-MALL	CS	38.48
		UTILITIES-COMMUNITY CTR	PK	223.08
		UTILITIES-SENIOR CENTER	PK	174.32
		PUBLIC UTILITIES	SWR	32.80
		WARRANT TOTAL		468.68
62981	PUGET SOUND ENERGY	MISCELLANEOUS	CH	1,988.80
		WARRANT TOTAL		1,988.80
62982	RAM CONSTRUCTION	CONSTRUCTION-TOWNSHIP LINE	PWT	593.20
		WARRANT TOTAL		593.20
62983	REGION 3 FIRE COUNCIL	TUITION/REGISTRATION	FD	360.00
		WARRANT TOTAL		360.00
62984	REICHHARDT & EBE ENG, INC	PROFESSIONAL SERVICES	ENG	331.77
		CONSTRUCTION - SR20 LINE	PWT	14,972.84
		ENGINEERING - METCALF LINE	PWT	351.65
		ENGINEERING-TOWNSHIP LINE	PWT	3,702.97
		ENGINEERING-TOWNSHIP LINE	PWT	2,072.41
		PROF SVS-ENGINEERING	SWR	1,472.73
		PROF SVS-ENGINEERING	SWR	3,587.30
		WARRANT TOTAL		26,491.67
62985	SAFETY MEETING OUTLINES	SAFETY EQUIPMENT	PK	29.40
		MISC-DUES/SUBSCRIPTIONS	CEM	29.40
		MISC-DUES/SUBSCRIPTIONS	ST	29.40
		SAFETY EQUIPMENT	SWR	29.40
		MISC-DUES/SUBS & TUITN/REG	SAN	29.40
		WARRANT TOTAL		147.00
62986	SCIENTIFIC SUPPLY	OPERATING SUPPLIES	SWR	92.62
		WARRANT TOTAL		92.62
62987	SEAWESTERN FIRE FIGHTING EQUIP.	REPAIRS/MAINT-EQUIP	FD	242.01
		WARRANT TOTAL		242.01
62988	SEDRO-WOOLLEY AUTO PARTS	OPERATING SUPPLIES	CEM	8.73
		OPERATING SUPPLIES	ST	60.84
		OPERATING SUPPLIES	ST	9.49

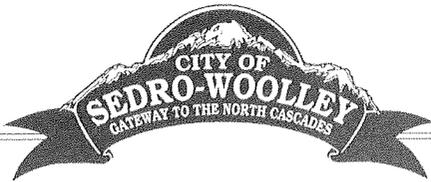
WARRANT	VENDOR NAME	DESCRIPTION	AMOUNT
		OPERATING SUPPLIES ST	15.30
		SMALL TOOLS/MINOR EQUIP ST	90.65
		OPERATING SUPPLIES ST	25.01
		MAINTENANCE OF VEHICLES SWR	38.78
		MAINTENANCE OF VEHICLES SWR	9.39
		OPERATING SUPPLIES SWR	52.92
		REPAIRS/MAINT-EQUIP SAN	48.78
		WARRANT TOTAL	359.89
62989	SK. CO. COM ACTION AGENCY	SK. COMM ACTION PUBL HLTH HLT	495.26
		WARRANT TOTAL	495.26
62990	SKAGIT CO. PUBLIC WORKS	SKAGIT CO SOLID WASTE SWR	393.83
		WARRANT TOTAL	393.83
62991	SKAGIT COUNTY SHERIFF	PRISONERS PD	6,044.25
		PRISONERS PD	325.68
		WARRANT TOTAL	6,369.93
62992	SKAGIT FARMERS SUPPLY	OPERATING SUPPLIES-PROPANE ST	17.72
		WARRANT TOTAL	17.72
62993	SKAGIT RIVER STEEL	CONSTRUCTION CH	504.34
		WARRANT TOTAL	504.34
62994	SKAGIT VALLEY HOSPITAL	PRISONERS PD	386.00
		PRISONERS PD	173.00
		WARRANT TOTAL	559.00
62995	SKAGIT VALLEY PUBLISHING	ADVERTISING/LEGAL PUBLIC PLN	44.35
		ADVERTISING/LEGAL PUBLIC PLN	133.04
		WARRANT TOTAL	177.39
62996	SPARKLE SHOP LAUNDRIES	UNIFORM CLEANING PD	29.54
		MISC-LAUNDRY FD	68.58
		WARRANT TOTAL	98.12
62997	STILES & STILES	MUNICIPAL COURT JUDGE JUD	2,728.00
		WARRANT TOTAL	2,728.00
62998	STORIE, WILLIAM	HEALTH CLUB PD	165.00
		WARRANT TOTAL	165.00
62999	STRIDER CONST. CO INC.	CONSTRUCTION - SR20 LINE PWT	458,244.01
		WARRANT TOTAL	458,244.01
63000	TALLY GENICOM LP	SUPPLIES FIN	349.92
		WARRANT TOTAL	349.92
63001	TRAIL ROAD EXPRESS LUBE	REPAIR/MT-SMALL TOOLS EQUIP PK	26.95
		WARRANT TOTAL	26.95

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
63002	TRUCK TOYS INC	REPAIRS & MAINTENANCE	PD	216.00
		WARRANT TOTAL		216.00
63003	TRUE VALUE	OPERATING SUPPLIES	CS	7.55
		OPERATING SUPPLIES	FD	5.28
		OPERATING SUP - RIVERFRONT	PK	10.79
		OPERATING SUP - SENIOR CTR	PK	2.91
		OPERATING SUP - CITY HALL	PK	10.25
		SMALL TOOLS & MINOR EQUIP	PK	19.18
		OPERATING SUPPLIES	ST	11.87
		OPERATING SUPPLIES	ST	8.63
		OPERATING SUPPLIES	ST	5.93
		SAFETY EQUIPMENT	ST	47.48
		OPERATING SUPPLIES	SWR	.73
		OPERATING SUPPLIES	SWR	10.66
		OPERATING SUPPLIES	SAN	30.40
		OPERATING SUPPLIES	SAN	7.01
		WARRANT TOTAL		178.67
63004	TUCKER, WILLIAM L.	TRAVEL	PD	126.86
		WARRANT TOTAL		126.86
63005	USA BLUE BOOK	OPERATING SUPPLIES	SWR	238.58
		WARRANT TOTAL		238.58
63006	UTIL UNDERGROUND LOC CTR	OPERATING SUPPLIES	SWR	76.80
		WARRANT TOTAL		76.80
63007	VALLEY AUTO SUPPLY	MAINT OF PUMPING EQUIP	SWR	13.86
		MAINT OF PUMPING EQUIP	SWR	33.29
		MAINTENANCE OF VEHICLES	SWR	6.17
		WARRANT TOTAL		53.32
63008	VERIZON NORTHWEST	TELEPHONE	JUD	190.86
		TELEPHONE	FIN	477.15
		TELEPHONE	FIN	56.79
		TELEPHONE	PLN	95.43
		TELEPHONE	ENG	95.43
		TELEPHONE	PD	1,017.01
		TELEPHONE	INSP	95.44
		TELEPHONE	SWR	44.42
		WARRANT TOTAL		2,072.53
63009	VISTEN, LESLIE	RETIRED MEDICAL	PD	98.00
		WARRANT TOTAL		98.00
63010	WA ASSOC OF BUILDING OFF	OFF/OPER SUPPS & BOOKS	INSP	208.67
		OFF/OPER SUPPS & BOOKS	INSP	157.18
		MISC-TUITION/REGISTRATION	INSP	625.00
		WARRANT TOTAL		990.85
63011	WASHINGTON STATE PATROL	INTERGOV SVC-GUN PERMITS	PD	57.75

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		PROFESSIONAL SERVICES	PK	10.00
		MISCELLANEOUS	CEM	10.00
		PROFESSIONAL SERVICES	LIB	10.00
		WARRANT TOTAL		87.75
63012	WASHINGTON STATE LIBRARY	REPAIR/MAINT-COMPUTER	LIB	334.80
		WARRANT TOTAL		334.80
63013	WEST PAYMENT CTR	WESTLAW SERVICES	LGL	271.68
		WARRANT TOTAL		271.68
63014	WESTERN PETERBILT, INC.	EQUIP & VEHICLES	SAN	3,148.40
		WARRANT TOTAL		3,148.40
63015	WILBUR-ELLIS	OPERATING SUP - GOLF	PK	512.95
		WARRANT TOTAL		512.95
63016	WOOD'S LOGGING SUPPLY INC	OPERATING SUPPLIES	CEM	31.84
		OPERATING SUPPLIES	CEM	2.35
		WARRANT TOTAL		34.19
63017	WHITE, MICHAEL	BUILDING REVIEW FEES		429.65
		WARRANT TOTAL		429.65
		RUN TOTAL		674,021.91

FUND	TITLE	AMOUNT
001	CURRENT EXPENSE FUND	58,224.91
101	PARK FUND	3,152.02
102	CEMETERY FUND	2,385.01
103	STREET FUND	3,171.95
104	ARTERIAL STREET FUND	11,916.55
105	LIBRARY FUND	1,985.69
331	CITY HALL CONST FUND	73,457.33
332	PWTF SEWER CONSTRUCTION FUND	502,581.94
401	SEWER FUND	12,352.90
412	SOLID WASTE FUND	1,645.21
501	EQUIPMENT REPLACEMENT FUND	3,148.40
TOTAL		674,021.91

DEPARTMENT	AMOUNT
001 000 000	429.65
001 000 011	31.96
001 000 012	8,393.07
001 000 013	32.40
001 000 014	1,767.86
001 000 015	371.68
001 000 018	8,188.24
001 000 019	746.01
001 000 020	1,307.19
001 000 021	26,599.22
001 000 022	8,211.38
001 000 024	1,650.99
001 000 062	495.26
FUND CURRENT EXPENSE FUND	58,224.91
101 000 076	3,152.02
FUND PARK FUND	3,152.02
102 000 036	2,385.01
FUND CEMETERY FUND	2,385.01
103 000 042	3,171.95
FUND STREET FUND	3,171.95
104 000 042	11,916.55
FUND ARTERIAL STREET FUND	11,916.55
105 000 072	1,985.69
FUND LIBRARY FUND	1,985.69
331 000 012	73,457.33
FUND CITY HALL CONST FUND	73,457.33
332 000 082	502,581.94
FUND PWTF SEWER CONSTRUCTION FUND	502,581.94
401 000 035	12,352.90
FUND SEWER FUND	12,352.90
412 000 037	1,645.21
FUND SOLID WASTE FUND	1,645.21
501 000 412	3,148.40
FUND EQUIPMENT REPLACEMENT FUND	3,148.40
TOTAL	674,021.91

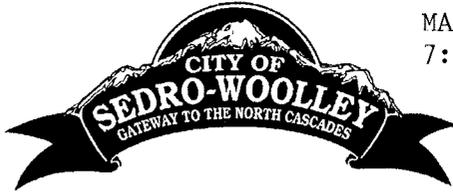


SUBJECT: PUBLIC COMMENT

Name:
Address:
Narrative:

UNFINISHED
BUSINESS

NEW
BUSINESS



CITY COUNCIL AGENDA
REGULAR MEETING
MAR. 26, 2008
7:00 PM COUNCIL
CHAMBERS
AGENDA NO. 7

CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
720 Murdock Street
Sedro-Woolley, WA 98284
Phone (360) 855-1661
Fax (360) 855-0707

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

MEMO TO: City Council and Mayor Anderson

FROM: Mark A. Freiberger, PE

RE: **Possible Bid Award
McGarigle CIPP Sewer Project**

DATE: March 19, 2008 (for Council action March 26, 2008)

ISSUE:

Shall council move to award the McGarigle CIPP Sewer Project to Michels Corporation of Salem, OR in the amount of \$842,720.76 (including sales tax), subject to authorization to award by the Washington State Department of General Administration?

BACKGROUND:

On March 12, 2008, bids closed for the McGarigle CIPP Sewer Project. Three bids were received for the project. The Bid Tabulation prepared by Reichhardt & Ebe Engineering is attached.

DISCUSSION:

This project is the latest in the series of Critical Sewer Interceptor Projects as defined in the 2005 Sewer Comprehensive Plan and the 2006 PWWF Construction Loan Application.

The apparent low bidder is Michaels Corporation of Salem, OR with a bid of \$595,420.20 (including sales tax), which is 28.8% over the Engineer's Estimate. All three bids received are within 1.8%. R&E has checked the bids and found one minor math error in the low bid, which after correction remains the low bid. R&E based their Engineer's Estimate on comparable projects from 2007. Oil price hikes over the past year have continued to impact all oil based piping products such as CIPP, apparently resulting in the low Engineer's Estimate. Pending funding availability, R&E has recommended award of the bid.

Award of Schedule B for the portion of the project on the Northern States facility administered by the Washington State Dept. of General Administration requires approval of GA. We have requested authorization to award. The estimate for this portion of the project exceeds the present GA Interlocal Agreement total by \$59,716. GA will need to authorize additional funds in order to award.

FINANCIAL:

Funds for this project are available from the PWTF Sewer Construction Fund, which is funded by the 2006 PWTF Construction Loan (85%) and Sewer Cumulative Reserve Fund (15%), and by funds from Washington State Department of General Administration for work on the Northern States facility. A budget amendment will be required to create a line item for the project. The 2006 PWTF loan with required matching funds, plus the GA funds, includes sufficient funds to award the project with a 5% construction contingency and allowance for construction engineering. Following is a summary of revenue and estimated costs for the project.

REVENUE

PWTF 2006 Sewer Construction Loan	\$7,000,000.00
Sewer Cumulative Reserve Match Funds	\$1,234,294.00
State of Washington Dept of GA	\$ 218,000.00
Subtotal 2006 CN Funds	\$8,453,294.00
Previously committed/expended	\$7,048,618.00
Remaining 2006 CN funds	\$1,404,676.00

ESTIMATED EXPENDITURES - CONSTRUCTION COSTS

Construction Contract, Michels	\$ 842,720.76
Contingency, 5%	\$ 42,136.00
Construction Engineering, budget	\$ 50,000.00
Total, rounded	\$ 934,857.00

Surplus/additional contingency \$ 469,943.00

CONCLUSION:

It is Staff's recommendation that Council award the McGarigle CIPP Sewer Project to Michels Corporation of Salem, OR in the amount of \$842,720.76, subject to authorization to award by the Washington State Department of General Administration.

MOTION(S):

Move to award the McGarigle CIPP Sewer Project to Michels Corporation of Salem, OR in the amount of \$842,720.76, subject to authorization to award by the Washington State Department of General Administration.

Review & concur



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



Patsy Nelson, CPA
City Clerk/City Treasurer

REICHHARDT & EBE ENGINEERING, INC.
CONSULTING ENGINEERS

813 Metcalf Street | Sedro-Woolley, WA 98284 | Telephone 360-855-1713 | Fax: 360-855-1164

March 19, 2008

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

Attn: Mr. Mark Freiberger, PE
City Engineer/ Director of Public Works

Re: City of Sedro-Woolley
McGarigle CIPP Sewer Project
Recommendation to Award

Mr. Freiberger;

Per your request, we have reviewed all construction bid proposals for the above referenced project and have determined that Michels Corporation is the apparent low, responsible, responsive bidder with a total bid price of \$842,720.76. This bid price is approximately 28-percent over the Engineer's estimate. The increase was significantly influenced by the drastic increase in materials costs that we have recently experienced. We recommend that you award the contract to Michels Corporation if the required funds are available.

We have enclosed the certified bid tabulation for your review. Please contact me if you have any questions or require additional information.

Respectfully,



James L. Hobbs, Jr. PE
Reichhardt & Ebe Engineering, Inc.

Reichardt & Ebe Engineering, Inc.
 813 Metcalf Street
 Sedro-Woolley, WA 98284
 Phone: (360) 855-1713

Called By: City of Sedro-Woolley
 For: MCGARGLE CIPP SEWER PROJECT

CERTIFIED TABULATION OF BIDS RECEIVED

By: James L. Hobbs, Jr., P.E.
 Date: March 12, 2008

Bidder's Name: Michels Corporation
 Address: 1715 18th St. SE
 Salem, OR 97302
 Phone: 503-964-1199
 Fax:

Institutorm Technology, Inc.
 17998 Edison Ave.
 Chesapeake, MD 63005
 636-930-8000

Planned and Engineered
 Construction, Inc.
 3400 Centennial Drive
 Helena, MT 59601
 406-447-5050

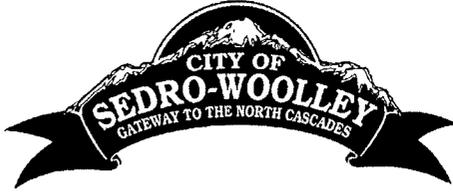
Engineer's Estimate
 Reichardt & Ebe Engineering
 813 Metcalf Street
 Sedro-Woolley, WA 98284
 360-855-1713

Average (Excluding Engineer's Estimate)
 Standard Deviation (Excluding Engineer's Estimate)

No.	Schedule A (Schedule A Only)	Quantity	Host Pipe Diam. Inches	Services to Reconnect 4" Diam. 1 6" Diam.	Approximate Locations	Ave. Depth feet	Quantity	Unit	Unit Price		Amount		Unit Price	Amount		Unit Price	Amount		Average (Excluding Engineer's Estimate)	Standard Deviation (Excluding Engineer's Estimate)	
									Price	Amount	Price	Amount		Price	Amount		Price	Amount			
1a	Mobilization (Schedule A Only)	1						LS	\$33,135.00	\$33,135.00	\$30,000.00	\$30,000.00	\$25,000.00	\$25,000.00	\$29,000.00	\$29,000.00	\$29,378.53	\$3,350.07			
1b	Corrosion Resistant SSMM Lining	300	15"	0		8.92	18	EA	\$6,110.00	\$1,099,800.00	\$5,000.00	\$90,000.00	\$6,250.00	\$1,125,000.00	\$4,012.00	\$22,216.00	\$5,786.67	\$599.19			
1c	G1-D8	280	15"	4	McGarigle Rd.			FT	\$45.00	\$12,600.00	\$55.25	\$15,575.00	\$50.00	\$14,000.00	\$36.75	\$10,295.00	\$50.08	\$0.08			
1d	G2-G1	75	15"	0	McGarigle Rd.			FT	\$45.00	\$3,375.00	\$55.25	\$4,143.75	\$50.00	\$3,750.00	\$36.75	\$2,756.25	\$50.08	\$4.18			
1e	G3-G2	322	15"	4	McGarigle Rd.			FT	\$45.00	\$14,490.00	\$55.25	\$17,900.50	\$50.00	\$16,100.00	\$36.75	\$11,833.50	\$50.08	\$4.18			
1f	G4-G3	66	15"	0	McGarigle Rd.			FT	\$45.00	\$2,970.00	\$55.25	\$3,646.50	\$50.00	\$3,300.00	\$36.75	\$2,425.50	\$50.08	\$4.18			
1g	G5-G4	306	15"	2	McGarigle Rd.			FT	\$45.00	\$13,770.00	\$55.25	\$16,906.50	\$50.00	\$15,300.00	\$36.75	\$11,245.50	\$50.08	\$4.18			
1h	G6-G5	384	15"	1	McGarigle Rd.			FT	\$45.00	\$17,280.00	\$55.25	\$21,216.00	\$50.00	\$19,200.00	\$36.75	\$14,112.00	\$50.08	\$4.18			
1i	G7-G6	384	15"	3	McGarigle Rd.			FT	\$45.00	\$17,280.00	\$55.25	\$21,216.00	\$50.00	\$19,200.00	\$36.75	\$14,112.00	\$50.08	\$4.18			
1j	G8-G7	385	15"	0	McGarigle Rd.			FT	\$45.00	\$17,325.00	\$55.25	\$21,271.25	\$50.00	\$19,250.00	\$36.75	\$14,180.75	\$50.08	\$4.18			
1k	G9-G8	385	15"	2	McGarigle Rd.			FT	\$45.00	\$17,325.00	\$55.25	\$21,271.25	\$50.00	\$19,250.00	\$36.75	\$14,180.75	\$50.08	\$4.18			
1l	G10-G9	383	15"	0	McGarigle Rd.			FT	\$45.00	\$17,280.00	\$55.25	\$21,160.75	\$50.00	\$19,150.00	\$36.75	\$14,075.25	\$50.08	\$4.18			
1m	G11-G10	384	15"	0	McGarigle Rd.			FT	\$45.00	\$17,280.00	\$55.25	\$21,160.75	\$50.00	\$19,150.00	\$36.75	\$14,075.25	\$50.08	\$4.18			
1n	G12-G11	387	15"	0	McGarigle Rd.			FT	\$45.00	\$17,415.00	\$55.25	\$21,381.75	\$50.00	\$19,200.00	\$36.75	\$14,112.00	\$50.08	\$4.18			
1o	G13-G12	384	15"	0	McGarigle Rd.			FT	\$45.00	\$17,280.00	\$55.25	\$21,160.75	\$50.00	\$19,150.00	\$36.75	\$14,075.25	\$50.08	\$4.18			
1p	G14-G13	383	15"	0	McGarigle Rd.			FT	\$45.00	\$17,235.00	\$55.25	\$21,160.75	\$50.00	\$19,150.00	\$36.75	\$14,075.25	\$50.08	\$4.18			
1q	G15-G14	382	15"	1	McGarigle Rd.			FT	\$45.00	\$17,280.00	\$55.25	\$21,160.75	\$50.00	\$19,150.00	\$36.75	\$14,075.25	\$50.08	\$4.18			
1r	G16-G15	47	15"	0	McGarigle Rd.			FT	\$45.00	\$2,115.00	\$55.25	\$2,596.75	\$50.00	\$2,350.00	\$36.75	\$1,727.25	\$50.08	\$4.18			
1s	G37-G16	18	15"	0	McGarigle Rd.			FT	\$45.00	\$810.00	\$55.25	\$994.50	\$50.00	\$900.00	\$36.75	\$661.50	\$50.08	\$4.18			
1t	Misc.	100	6"	0	McGarigle Rd.			FT	\$109.00	\$10,900.00	\$90.00	\$9,000.00	\$115.00	\$11,500.00	\$50.00	\$5,000.00	\$97.33	\$10.66			
1u	Misc.	100	4"	0	McGarigle Rd.			FT	\$100.00	\$10,000.00	\$82.00	\$8,200.00	\$110.00	\$11,000.00	\$50.00	\$5,000.00	\$97.33	\$10.66			
1v	REPAIR PUBLIC AND PRIVATE FACILITIES			17				EA	\$7,610.00	\$129,370.00	\$6,500.00	\$1,100,000.00	\$7,000.00	\$119,000.00	\$5,500.00	\$93,500.00	\$6,970.00	\$11.59			
1x	REPAIR PUBLIC AND PRIVATE FACILITIES			4				EA	\$7,945.00	\$31,780.00	\$7,150.00	\$28,600.00	\$7,850.00	\$31,400.00	\$5,500.00	\$22,000.00	\$7,646.33	\$364.50			
SUBTOTAL										\$551,315.00		\$548,967.50		\$560,900.00		\$412,688.50					
TAX (ITEM 1a through 1x) x 0.08										\$44,105.20		\$43,917.40		\$44,872.00		\$33,015.08					
TOTAL COST SCHEDULE A (INCLUDING TAX)										\$595,420.20		\$592,884.90		\$605,772.00		\$445,703.58					



EXPIRES 2/2/10



CITY COUNCIL AGENDA
REGULAR MEETING
MAR. 26, 2008
7:00 PM COUNCIL
CHAMBERS
AGENDA ITEM NO. 8

CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
720 Murdock Street
Sedro-Woolley, WA 98284
Phone (360) 855-1661
Fax (360) 855-0707

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

MEMO TO: City Council and Mayor Anderson

FROM: Mark A. Freiberger, PE

RE: **Possible Agreement for Construction Services
McGarigle CIPP Sewer Project**

DATE: March 20, 2008 (for Council action March 26, 2008)

ISSUE:

Shall council move to authorize Mayor Anderson to enter into agreement with Reichhardt & Ebe Engineering, Inc. to provide construction engineering services for the McGarigle CIPP Sewer Project in the amount of \$47,501.88, subject to approval by the Washington State Department of General Administration?

BACKGROUND:

On March 12, 2008, bids closed for the McGarigle CIPP Sewer Project. Award of this contract is also on the council agenda for the 3/26/08 council meeting.

Attached is a proposal from Reichhardt & Ebe Engineering, Inc. of Sedro-Woolley, WA to provide construction engineering services for the project. R&E is also the design engineer for the project.

DISCUSSION:

This project is the latest in the series of Critical Sewer Interceptor Projects as defined in the 2005 Sewer Comprehensive Plan and the 2006 PWTf Construction Loan Application.

The proposed agreement represents 5.6% of the construction contract for the work. Construction engineering generally runs 12% to 14% of construction, depending on project size and complexity. This particular project has a very tight timeline of 30 working days, limiting the time required for engineering services as well.

Staff does not presently have the resources to provide construction engineering support beyond contract administration and oversight.

FINANCIAL:

Funds for this project are available from the PWTF Sewer Construction Fund, which is funded by the 2006 PWTF Construction Loan (85%) and Sewer Cumulative Reserve Fund (15%), and by funds from Washington State Department of General Administration for work on the Northern States facility. A budget amendment will be required to create a line item for the project. The 2006 PWTF loan with required matching funds, plus the GA funds, includes sufficient funds to award the project with a 5% construction contingency and allowance for construction engineering. Following is a summary of revenue and estimated costs for the project. The budget for construction engineering includes a contingency allowance.

REVENUE

PWTF 2006 Sewer Construction Loan	\$7,000,000.00
Sewer Cumulative Reserve Match Funds	\$1,234,294.00
State of Washington Dept of GA	\$ 218,000.00
Subtotal 2006 CN Funds	\$8,453,294.00
Previously committed/expended	\$7,048,618.00
Remaining 2006 CN funds	\$1,404,676.00

ESTIMATED EXPENDITURES - CONSTRUCTION COSTS

Construction Contract, Michels	\$ 842,720.76
Contingency, 5%	\$ 42,136.00
Construction Engineering, budget	\$ 50,000.00
Total, rounded	\$ 934,857.00

Surplus/additional contingency \$ 469,943.00

CONCLUSION:

It is Staff's recommendation that Council authorize Mayor Anderson to enter into agreement with Reichhardt & Ebe Engineering, Inc. to provide construction engineering services for the McGarigle CIPP Sewer Project in the amount of \$47,501.88, subject to approval by the Washington State Department of General Administration?

MOTION(S):

Move to authorize Mayor Anderson to enter into agreement with Reichhardt & Ebe Engineering, Inc. to provide construction engineering services for the McGarigle CIPP Sewer Project in the amount of \$47,501.88, subject to approval by the Washington State Department of General Administration.

Review & concur



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



Patsy Nelson, CPA
City Clerk/City Treasurer

Reichhardt & Ebe Engineering, Inc.
Consulting Engineers

813 Metcalf Street
Sedro-Woolley, WA 98284

Phone 360-855-1713
Fax 360-855-1164

March 17, 2008

City of Sedro-Woolley
220 Metcalf Street
Sedro-Woolley, Washington, 98284

Attn: Mr. Mark Freiberger, City Engineer-Director of Public Works

Re: Construction Services
Letter of Agreement, McGarigle CIPP Sewer Project

Dear Mr. Freiberger:

Thank you for the opportunity to provide the City of Sedro-Woolley this proposal for Construction Management services for the McGarigle CIPP Sewer Project.

Attached are the following documents for your review:

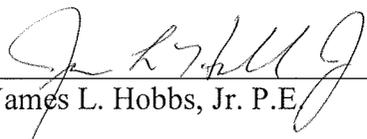
Exhibit A, Scope of Work
Exhibit B, Man Hour Estimate, \$47,501.88

If this proposal meets with your approval please sign and return one copy to us for our files.

Respectfully,

Reichhardt & Ebe Engineering, Inc.

City of Sedro-Woolley

 3/17/08

James L. Hobbs, Jr. P.E. Date

Mark Freiberger, City Engineer Date

EXHIBIT A

SCOPE OF WORK REICHHARDT & EBE

CONSTRUCTION SERVICES FOR THE MCGARIGLE CIPP SEWER PROJECT

During the term of this Agreement, the engineering consultant (CONSULTANT) shall perform professional services for the City of Sedro-Woolley (CITY), including construction management in connection with the:

McGarigle CIPP Sewer Project

This document shall be used to plan, conduct and complete the work on the PROJECT.

I. BACKGROUND

The McGarigle CIPP Sewer Project will line specific sections of existing sanitary sewer pipe using cured-in-place pipe (CIPP) technology. The Contractor shall provide all materials, labor and disposal cost to:

- Inspect, clean and remove debris from the existing piping as needed to support CIPP installation
- Recommend the CIPP wall thickness, cure-method and other parameters that may be varied to match site-specific conditions
- Install and cure CIPP in accordance with typical industry standards
- Cut-out openings to existing lateral services lines
- Rehabilitate existing side sewers and install clean-outs
- Rehabilitate existing manholes
- Provide a data package, which includes results of inspection, copies of any video inspection tapes, and a summary of applied CIPP areas.

II. PROJECT DESCRIPTION

The work to be performed by the CONSULTANT consists of providing construction administration for the McGarigle CIPP Sewer Project. The work to be performed by the Consultant consists of submittal review, on-site observation, pay estimates preparation, cost tracking, schedule tracking, and the representation necessary to administer and manage the construction contract for the PROJECT to ensure that the work is constructed in accordance with the contract plans and specifications. Construction documentation will be prepared in accordance with the Washington Department of Transportation Local Agency Guidelines (LAG) Manual.

TASK 1.0 – PROJECT MANAGEMENT/ADMINISTRATION

1. SPECIFIC ACTIVITIES

- ◆ Develop PROJECT documentation system and tracking systems for submittals, RFI's, change orders, correspondence and PROJECT contacts.
- ◆ Participate in coordination meetings with the Contractor, the CITY, and consultants. Meetings will be scheduled in advance and shall occur on an as needed basis.
- ◆ Coordinate and track Contractor transmittal of submittals, Requests for Information and report status at coordination meetings. Additional written comments to Contractor submittals and RFI's may be necessary to state the appropriate course of action to be taken.
- ◆ Review monthly progress payments submitted by Contractor and transmit to the CITY for payment.
- ◆ Prepare and maintain supporting documentation for the invoices.
- ◆ Coordination of CONSULTANT PROJECT staff.
- ◆ Documentation of expenditures on each Task, showing the hours worked by PROJECT personnel and other direct expenses related to the Tasks.

PROJECT Management/Progress Meetings -This Task will include meetings or conference calls between the CITY and the CONSULTANT to discuss PROJECT management issues, including satisfaction of the CITY, budget, schedule, project direction, coordination, and changes.

2. PRODUCTS

- ◆ PROJECT documentation data.
- ◆ Meeting agenda and minutes of coordination meetings.
- ◆ Database reports of outstanding submittals, RFI's, and change orders for distribution at PROJECT meetings for discussion.

TASK 2.0 – CONSTRUCTION MANAGEMENT/INSPECTION

1. SPECIFIC ACTIVITIES

- ◆ Act as daily point of contact with the Contractor and monitor progress and quality of work on a daily basis.
- ◆ Assemble all documentation required to issue changes to the contract. Prepare cost estimates, justification for change, prepare letters to Contractor issuing proposed change orders and requesting cost proposals, lead change order negotiations with the Contractor, prepare negotiation notes, prepare NTP letters and letters confirming negotiated prices. Prepare amendment to Contractor's contract for transmittal to the CITY.
- ◆ Prepare progress estimates for payment to Contractor
- ◆ Review specifications and drawing requirements. Maintain an up-to-date PROJECT manual.
- ◆ Prepare and respond to all PROJECT correspondence with the Contractor and City.

- ◆ Resolve day-to-day PROJECT issues, as well as design and contract issues with the Engineer, Contractor and CITY.
- ◆ Assist in Claim Evaluation.
- ◆ Monitor PROJECT costs (actual versus budget)
- ◆ Review Contractor's baseline schedules. Maintain schedule updates and review and monitor Contractor's CPM schedule. Provide and maintain as-built schedules and record calendar days during contract work.
- ◆ Document compliance for all Agency contract requirements
- ◆ Coordination and communication with Agency

2. PRODUCTS

- ◆ Written documentation pertaining to PROJECT issues
- ◆ Schedule updates
- ◆ Monthly progress payment requests

TASK 3.0 – INSPECTION SERVICES

1. SPECIFIC ACTIVITIES

- ◆ Inspect work methods and products; verify compliance with PROJECT contract plans and specifications.
- ◆ Inspect materials; verify compliance with PROJECT contract plans and specifications.
- ◆ Inspect equipment; verify compliance with approved submittals and PROJECT contract plans and specifications.
- ◆ Monitor schedule process.
- ◆ Point of contact for quality control testing services.
- ◆ Review required wage rates and conduct employee wage interviews.
- ◆ Prepare inspection correspondence, records and reports.
- ◆ Develop punch lists.

2. PRODUCTS

- ◆ Daily inspection report on quality compliance.
- ◆ Punch lists

TASK 4.0 – PROJECT CLOSEOUT

1. SPECIFIC ACTIVITIES

- ◆ Conduct final inspection with the CITY and Contractor to establish final punch list.
- ◆ Monitor and verify completion of punch list items and issue substantial completion to Contractor.
- ◆ Verify submittal of specified warranties and coordinate warranty issues.
- ◆ Transmit recommendation of final completion letter to the CITY.

2. PRODUCTS

- ◆ Issuance of Letter of Substantial Completion with final punch list.
- ◆ Issuance of Final Completion letter to the CITY.

Date: March 17, 2008

Item	Description	Prime Consultant					
		Principal	Project Manager	Project Engineer	Field Inspector	Administrative	CADD
1.0 Construction Contract Administration and Inspection							
1.1	Preconstruction Meeting	0	2	2	3	0	0
1.2	Review Submittals	0	4	8	0	4	0
1.3	Weekly construction meetings	0	10	4	8	12	0
1.4	Inspection	0	10	20	364	0	0
1.5	Response to public concerns and complaints	0	6	8	8	0	0
1.6	Preparation of Pay Estimates	0	18	36	10	20	0
1.7	Project Close-out	0	15	28	12	16	4
	SUBTOTAL	0	65	106	405	52	4
	Billing Rates	\$123.11	\$100.47	\$66.51	\$77.83	\$41.04	\$66.51
	TOTAL	\$0.00	\$6,530.55	\$7,050.06	\$31,521.15	\$2,134.08	\$266.04

TOTAL	\$47,501.88
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Agency cost Break Down

City of Sedro-Woolley	\$29,451.17
Washington State	\$18,050.71

March 18, 2008

CITY COUNCIL AGENDA
REGULAR MEETING
MAR. 26, 2008
7:00 PM COUNCIL
CHAMBERS
AGENDA ITEM NO. 9

Eron M. Berg
City Supervisor/City Attorney
Sedro-Woolley City Hall
720 Murdock Street
Sedro-Woolley, WA 98284

RE: *Metcalfe Nursery*

Dear Eron:

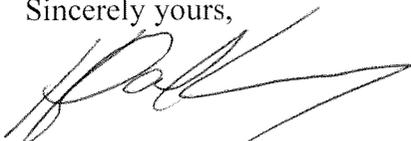
The City and the Metcalfes worked through a number of issues concerning the nursery leases. Some, such as the new fence creating an access problem, have slowed the removal of plants. But the sheer number of plants and trees has also caused the removal to take longer than had been hoped.

This letter is to request a 60-day extension of the lease for the upper nursery. I believe the parties have worked out a sufficient working relationship to allow this extension with a minimum of documentation. During this period, it will be important to identify stock that the City would wish to receive as a donation. Additional stock may also be made available to civic and community organizations.

It is also time to renew the lease for the lower (Swedelious) nursery. The renewal should be for two years; all other terms remain the same. I believe the City has a lease form that it prefers, if not, I will be happy to draft a lease. Please let me know your preference.

Thank you for your attention to this matter.

Sincerely yours,



K. Garl Long
Attorney at Law

KGL: ss
c:client

COMMITTEE

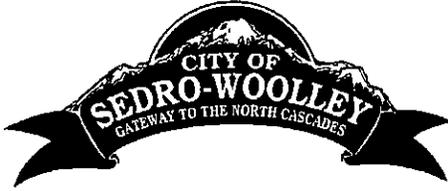
REPORTS

AND

REPORTS

FROM

OFFICERS



CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
720 Murdock Street
Sedro-Woolley, WA 98284
Phone (360) 855-1661
Fax (360) 855-0707

Eron M. Berg
City Supervisor/Attorney

MEMO TO: City Council
FROM: Eron Berg
RE: Solid Waste Interlocal
DATE: March 26, 2008

ISSUE: This item is being presented for your information; no action is requested at this meeting.

BACKGROUND: Attached is a revised interlocal for the management of a solid waste system. This revision includes a detailed memo prepared by the City Attorney for Burlington, who was kind enough to take the time to prepare this most recent draft. As you will see in your review, this draft includes elements that address Sedro-Woolley's concerns and includes other changes requested by the County and the other cities. A new element to the agreement is the additional authority of the SWSGB to manage the Comprehensive Solid Waste Management Plan; this is a significant and critical addition to the agreement as the CSWMP is the overriding policy document upon which all of the solid waste decisions must be based.

This draft is currently being reviewed by the County. Following the County's response, if positive, this would return to your agenda for action. I remain optimistic that this agreement will become effective within the next month or so.

RECOMMENDATION: I believe the other cities and towns are or will be in favor of this draft; if the County is agreeable to this revised draft, I will be recommending your approval as well.

1. Introduction to Agreement. I eliminated the clause defining who was to be a party to the agreement from the agreement heading; that clause provided as follows:

The Municipalities and the County may be individually referred to herein as a "party", and may be collectively referred to herein as the "parties."

These terms are defined again in the body of the Agreement, and this clause is therefore redundant.

2. Section 1. I have broken the existing paragraph down into sub-paragraphs, and added a new clause that identifies the purpose of the agreement. A purpose clause, while intuitive, is required by the interlocal cooperation act. The additional subparagraph reads as follows:

1.3 The purpose of this agreement is to establish the respective responsibility of the parties in a solid waste management system which includes, but is not limited to: planning, waste reduction, recycling, and disposal of mixed municipal solid waste, industrial waste, demolition debris and all other waste defined as solid waste by RCW 70.95.030.

3. Definition of Solid Waste Management Plan. I have added a definition of the term "Comprehensive Solid Waste Management Plan," to clarify that this Plan is the same one referred to in state law. This definition reads as follows:

2.1 "Comprehensive Solid Waste Management Plan," or "CSWMP" means the comprehensive plan for solid waste management as required by RCW 70.95.080.

4. Definition of Environmental Law. I have added a definition of the term "Environmental Law." As previously written, the agreement was not entirely clear as to which clean-up costs would be paid by the system. This definition is utilized to clarify that clean-up costs are only those identified in certain statutes. It was not my intent to alter the agreement, but only to clarify it. That definition reads as follows:

2.2 "Environmental Law" means the Comprehensive Environmental Response Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986 (PL 99-499); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 15 U.S.C. Section 2601, et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 1601, et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the Washington State Environmental Policy Act, RCW

90.48.010, et seq.; the Water Pollution Control Act, RCW 90.48.010, et seq.; the Hazardous Waste Management Statute, RCW 90.105, et seq.; the Toxic Substance Control Act, RCW 70.105C, et seq.; and the Model Toxics Control Act (“MTCA”), RCW 70.105C, et seq.; and the rules or regulations adopted and guidelines promulgated pursuant to said laws.

5. I have revised the definition of “parties.” The definition previously included in the agreement contained a typographical or grammatical error. The revised definition reads as follows:

2.3. “Party” or “Parties” shall mean any signatory or signatories to this Agreement.

6. I have revised the definition of “solid waste,” to make clear that the definition provided is the same as the definition of that term under state law. The revised definition reads as follows:

2.4 “Solid Waste” shall have the same meaning as that term presently defined by RCW 70.95.030 (23) or may hereafter be modified, and means all putrescible and nonputrescible solid and semi-solid wastes including, but limited to, garbage, rubbish, ashes, industrial wastes, swill, sewage sludge, demolition and constructions wastes, abandoned vehicles or parts thereof, and recyclable materials, with the exception of wastes excluded by WAC 173-304-015.

7. I have revised the definition of “solid waste handling,” to make clear that the definition provided is the same as the definition of that term under state law. The revised definition reads as follows:

2.5 “Solid Waste Handling” shall have the same meaning as that term presently defined by RCW 70.95.030 (23) or may hereafter be modified, and means the management, storage, collection, transportation, utilization, processing, and final disposal of Solid Waste, including the recovery and recycling of materials from Solid Waste, the recovery of energy resources from such wastes or the conversion of energy in such wastes to more useful forms or combinations thereof.

8. I have revised the definition of “solid waste handling,” to clarify what is included within the System. The document relies on this definition to identify, in part, what is included as a system cost. The revision is intended to clarify that system facilities do not include the County’s administrative offices at Continental Place. The revised definition reads as follows:

2.6 “System” means all facilities used for Solid Waste Handling owned or operated, or contracted for, by the County, and all administrative activities related thereto, and as further defined and provided within the

County's Comprehensive Solid Waste Management Plan, as may be amended and/or updated, Provided, that this term shall not include the County's administrative offices situated at Continental Place within the City of Mount Vernon.

9. I have revised the definition of "System Costs," to clarify what is included within that definition. The definition clarifies that it is only a Party's liability for environmental clean-up costs that are considered to be a system cost; in other words, if a party were to withdraw from the agreement, those costs would no longer be included within the system. We believe that this revision more clearly meets the intent of the County's proposed revision. Moreover, as noted above, we have relied upon the definition of "Environmental Law" to define system costs. We believe this clarifies that environmental costs must be related to solid waste handling, and can not be expanded to include other environmental liabilities. Again, we do not believe that these revisions change the intent of what has been proposed by the County, but merely clarify what we understand was proposed. The revised definition reads as follows:

2.7 "System Costs" means all costs arising from System operation and maintenance, capital costs for new System facilities and equipment, past and future System liabilities, known or unknown, and shall include any Party's liability imposed by any Environmental Law for disposal and clean-up costs of any environmental contamination related to Solid Waste Handling anywhere within the jurisdiction of any party to this Agreement.

10. County obligations. Section 3.2 provided that the County was to continue to operate a comprehensive solid waste management system. Unfortunately, the term "system" is defined by the agreement in terms of facilities, and "administrative activities." It does not appear as though the term "system" clearly describes what it is that Skagit County currently does (for example, is operation of the waste handling facilities an "administrative function?") I have therefore substituted the term "Solid Waste management organization" for the term Solid Waste management system." Again, this revision is intended to clarify, and not revise, what I understand to be the intent of the parties. The revised section reads as follows:

3.2 Subject to the governance structure established by other provisions of this Agreement, the County shall continue to provide a comprehensive Solid Waste management organization, including educational programs, as defined by the Comprehensive Solid Waste Management Plan.

11. Solid Waste Planning. As currently drafted, Section 4 provides that each city and town will "participate in the Comprehensive Solid Waste Management Plan prepared and periodically reviewed" by the County, and will ultimately "execute the County's Comprehensive Solid Waste Management Plan." However, comprehensive solid waste management plans are given substantial weight in determining the authority of governmental entities to act in regulating solid waste. In other

words, the entity that has the authority to develop a community's solid waste management plan also has the authority to dictate the outcome of many questions concerning solid waste. For these reasons, I have supplemented Section 4 with five paragraphs intended to place the SWGB in the lead role in deciding policy issues concerning solid waste as I understand the direction of the parties to be. The additional paragraphs read as follows:

4.1 The SWSGB shall review amendments and revisions to the County Comprehensive Solid Waste Management Plan, and make recommendations to the Parties as to the adoption of such amendments and revisions.

This paragraph establishes the SWGB as the lead in revising the comprehensive solid waste management plan.

4.2 Each Party agrees to adopt amendments and/or revisions to the County Comprehensive Solid Waste Management Plan as recommended by the SWSGB. No Party, including the County, may veto, or fail to adopt, any Amendments or Revisions recommended by the SWSGB. Amendments, as defined below, may be adopted by letter of concurrence.

This paragraph makes clear that no party may reject agreed-upon revisions to amendments to the plan.

4.3 For the purposes of this Section 4, "Amendments to the County Comprehensive Solid Waste Management Plan" are defined as additions to the existing plan that implement a program, or make minor modifications to the plan. Examples of plan amendments include:

- a. Update of the six-year and 20-year projections, which are of the same scope and scale and the current approved plan;
- b. An interim program being used to provide equivalent service when a full program is delayed,
- c. Minor changes in the scope of the program, such as the number of facilities permitted, or the inclusion of a new target audience for education, and
- d. Follow-up activities to plan implementation, such as completing a project based on the results of a feasibility study.

4.4 For the purposes of this Section 4, "Revisions to the County Comprehensive Solid Waste Management Plan" are defined as changes to the Plan that entails redefining the vision for local solid waste management. A revision updates each component of the plan, as necessary, to make it current. Examples of situations requiring revision include:

- a. A major shift in the level of service in a program that is not specified in the plan, which might include the addition or subtraction of curbside collections,
- b. Development of a new, private transfer or disposal facility, or
- c. Regionalization between previously independent planning entities.

4.5 In accordance with the Washington State Department of Ecology's Guidelines For The Development Of Local Solid Waste Management Plans And Plan Revisions (December, 1999), made applicable to the Parties pursuant to Chapter 173-304 WAC, Revisions require the same statutory review processes as are required to adopt a plan.

The state DOE considers revisions and amendments to be two different animals. The above language is taken straight from the DOE's guidance documents, and is intended to outline the processes to be followed in amending the plan. Further, local governments may agree on the means of adopting plan amendments. Paragraph 4.3 is intended to adopt a simple method of adopting amendments.

12. A sentence was added at the end of Section 7 – Enforcement, which provides that the “County shall require any solid waste contractor to operate any solid waste disposal facility that is designated as a component of the System in accordance with the CSWMP as shall be approved by the parties hereto, and by the Washington State Department of Ecology.” This sentence is intended to maintain compliance with the solid waste management plan.

13. Section 9 – System Costs and Rates was revised in three ways: first, the amount of cash reserves was clarified to reflect that those reserves should reflect the objectives of the solid waste management plan. As currently written, there is no guidance to determine when cash reserves would be adequate.

Secondly, a new subparagraph 9.1 was inserted, to reflect that the County is to keep its books and records in accordance with the requirements of the state auditor, and a new subparagraph 9.2 was added to make clear that those books and accounts may be inspected by the parties to the agreement, and that no information contained therein is to be deemed confidential. The revised section reads as follows:

9. SYSTEM COSTS AND RATES. The Parties agree that all System Costs shall be paid by the System through tipping fee rates and rate adjustments established in conformance with the Level of Service (“LOS”) envisioned in paragraph 13.1.6 below. Rates set by the SWSGB shall accommodate System viability and a financially reasonable level of cash reserves in accordance with the objectives of the CSWMP.

9.1.1 The County shall maintain books of account for the System in accordance with the requirements of the Washington State Auditor.

9.1.2. Authorized representatives of any party hereto shall have the right to inspect said books of account at any time.

14. Section 10 of the Agreement was revised to clarify that the agreement would continue until terminated by the mutual agreement of the parties. The revised section reads as follows”

10. DURATION; TERM OF AGREEMENT. The Parties agree to be bound by this Agreement until September 15, 2013, unless prior modified in accordance with paragraph 9. This Agreement shall not sunset or expire, but shall continue in full force and effect in perpetuity until terminated on the mutual agreement of the parties as set forth below. Individual parties to this Agreement may, after September 15, 2013, withdraw from this Agreement by giving sixty (60) days' notice to all other parties to this Agreement.

15. Section 11 of the Agreement was revised to reflect that no amendment of the agreement may be adopted that is inconsistent with the contractual obligation of any party. As currently drafted, the prohibition against modification applies only to contractual obligations of the County. Several cities also have contractual obligations for solid waste collection and curbside recycling that could be impacted by future amendments of the agreement. The revised section 11 reads as follows:

11. REVISION, AMENDMENT, SUPPLEMENTATION, OR TERMINATION. This Agreement shall be reviewed by the parties in conjunction with any review of the Comprehensive Solid Waste Management Plan. The terms of the Agreement may be revised, amended, or supplemented, or the Agreement as a whole may be terminated only upon the written agreement of all Parties executed with the same formalities as the original. No revision, amendment, supplementation or termination shall be adopted or put into effect if it impairs any other contractual obligation of any party. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

16. The introductory paragraph of Section 12 – Solid Waste Advisory Committee – was modified to clarify that the SWAC’s authority is limited to that power directly flowing from state law. The revised paragraph reads as follows:

12.1 Pursuant to Chapter 70.95.165(3) RCW and Chapter 39.34.030(4) RCW and Skagit County Code 12.18, a Solid Waste Advisory Committee shall continue

operating pursuant to its statutory functions for the purpose of rendering advice to Skagit County and the SWSGB on Solid Waste matters.

17. Section 13.1 was revised to remove the clause that provided that decisions of the SWSGB would be rendered by majority vote. This appears to be an oversight, and does not reflect revisions made by the County which requires a 60% supermajority.

18. Section 13.1.2 was revised to make clear that the designation of sites for solid waste handling facilities must be in compliance with the solid waste management plan as adopted by the parties. We understand this to be the law and the intent of the parties. The revised section reads as follows:

13.1.2 Designation of site(s) and/or Solid Waste Handling facilities for inclusion within the System, provided that such designation shall be consistent with the other provisions of this Agreement and the Comprehensive Solid Waste Management Plan as approved by the Parties and adopted as set forth in this Agreement;

19. Section 13.1.2 was revised to make clear that the long range plan to be developed by the SWSGB is the same plan that is identified in state law. The revised section reads as follows:

13.1.3 Long-range plans for System expansion and construction. By December 31, 2011 the SWSGB shall produce a long-range plan for the System that encompasses the ensuing twenty (20) year period (the "Long Range Plan"), in accordance with RCW 70.95.090(2). If the SWSGB fails to produce a Long Range Plan by December 31, 2011, the Skagit County Board of Commissioners may adopt a Long Range Plan;

20. A new section 13.1.4 was inserted, to provide the SWSGB with the authority to develop a program for the development of solid waste handling facilities. Although we understand this to be a primary goal of all of the parties, this new section anchors the obligation to state law which requires the development of such a plan. The new section reads as follows:

13.1.4 Program for the orderly development of solid waste handling facilities. By December 31, 2011 the SWSGB shall produce a program for the orderly development of solid waste handling facilities in a manner consistent with the plans for the entire County and each jurisdiction within the County, in accordance with RCW 70.95.090 (3);

21. Section 13.1.7 (re-numbered 13.1.6) was revised to establish a date certain by when the SWSGB must establish a level of service for the following fiscal year.

As currently drafted, there may be some confusion as to when such action must be taken. The revised section reads as follows:

13.1.7 The annual operating and capital budget (Annual Budget) for the following year. Provided, however, the SWSGB's approval shall be limited to approval of the overall budget based on the adopted level of service ("LOS"), and shall not include the right to disapprove individual line-item budget expenditures. The LOS shall be initially established as the current LOS and may be amended from time to time by the SWSGB. Changes to the LOS shall be made on or before August 31st of the year prior to the year for which the annual budget is being prepared. The Annual Budget shall be prepared in conformance with the rate structure and LOS established by the SWSBG.

22. Section 13.3 has been clarified to make clear that the mayor of each city and town may designate a representative to serve on the SWSGB. That paragraph reads as follows:

13.3 Regular Members. The SWSGB shall consist of one representative of each party executing this Agreement, to be designated by the chief administrative officer of the party.

23. Section 13.4 has been supplemented with two subparagraphs, to make clear that Robert's Rules of Order shall be utilized, and that staffing of the SWSGB shall be provided by the County. Those subparagraphs read as follows:

13.4.1 Unless otherwise provided, Roberts Revised Rules of Order shall govern all procedural matters related to the business of the SWSGB.

13.4.2. Staffing, supplies and equipment for the SWSGB shall be supplied by and through the County, and shall be considered to be System costs.

24. Section 13.7 – Extraordinary veto by the Board of Commissioners, has been revised to remove one criteria over which a veto may be exercised, and to require the adoption of written findings by the Board of Commissioners that would explain the Board's rationale in vetoing a decision of the SWSGB. In addition, two subparagraphs have been added, that further define the arbitration process. Those paragraphs read as follows:

13.7 Extraordinary Veto by Board of Commissioners. The Skagit County Board of Commissioners (by action of the Skagit County Board of Commissioners) may veto any final decision of the SWSGB within thirty (30) days of any final decision by the SWSGB on the sole grounds that a final decision of the SWSGB will: (a).significantly impair the ability of the

county to meet current solid waste contractual obligations (b) be out of compliance with the adopted CSWMP, and adopted LOS, and/or (c) be contrary to State law governing operation of the System. In vetoing any decision of the SWGB, the County shall adopt written findings, fully describing the facts and basis on which the County relied to veto a decision of the SWSGB. Any final decision of the SWSGB vetoed by the Skagit County Board of Commissioners pursuant to this paragraph shall be returned to the SWSGB for further deliberation. In the event the SWSGB and the Skagit County Board of County Commissioners cannot agree after veto and remand of any final decision within twenty (20) days, the matter shall be submitted to final, binding arbitration before a single arbitrator.

13.7.1 Any arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

13.7.2 Within 30 days of submittal to arbitration, the SWSGB and the County shall each propose three (3) arbitrators, and exchange lists of proposed arbitrators. The SWSGB and the County may each reject one proposed arbitrator they feel is unacceptable, and attach a numerical preference to the remaining arbitrators. The arbitration administrator will then choose the arbitrator based on the parties' numerical preferences. In the event of a tie in preference points, the arbitration administrator may use its discretion in assigning one of the preferred arbitrators.

After Recording Return to:

Skagit County
Public Works Department
Attn: Kevin Renz,
Solid Waste Section Manager
1800 Continental Place
Mount Vernon, WA 98273

DOCUMENT TITLE: INTERLOCAL COOPERATIVE AGREEMENT BETWEEN
SKAGIT COUNTY AND CITIES AND TOWNS IN SKAGIT
COUNTY FOR SOLID WASTE MANAGEMENT.

DATE SIGNED: _____, 2008

GRANTOR: SKAGIT COUNTY, a Political Subdivision of the State of
Washington,

GRANTEES: CITY OF MOUNT VERNON, a Washington Municipal Corporation;
CITY OF ANACORTES, a Washington Municipal Corporation;
CITY OF BURLINGTON, a Washington Municipal Corporation;
CITY OF SEDRO-WOOLLEY, a Washington Municipal
Corporation;
TOWN OF LA CONNER, a Washington Municipal Corporation;
TOWN OF CONCRETE, a Washington Municipal Corporation;
TOWN OF LYMAN, a Washington Municipal Corporation; and
TOWN OF HAMILTON, a Washington Municipal Corporation

INTERLOCAL COOPERATIVE AGREEMENT
BETWEEN
SKAGIT COUNTY
AND CITIES AND TOWNS IN SKAGIT COUNTY
FOR
SOLID WASTE MANAGEMENT

THIS INTERLOCAL COOPERATIVE AGREEMENT ("Agreement"), made and entered into on this ____ day of _____, 2008, by and between the CITY OF MOUNT VERNON, a Washington Municipal Corporation; the CITY OF ANACORTES, a Washington Municipal Corporation; the CITY OF BURLINGTON, a Washington Municipal Corporation; the CITY OF SEDRO-WOOLLEY, a Washington Municipal Corporation; the TOWN OF LA CONNER, a Washington Municipal Corporation; the TOWN OF CONCRETE, a Washington Municipal Corporation; the TOWN OF LYMAN, a Washington Municipal Corporation; and the TOWN OF HAMILTON, a Washington Municipal Corporation hereinafter collectively referred to as the "Municipalities", and SKAGIT COUNTY, a political subdivision of the State of Washington, hereinafter referred to as the "County", pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT.

Deleted: The Municipalities and the County may be individually referred to herein as a "party", and may be collectively referred to herein as the "parties."

WHEREAS, the County and each of the Municipalities executing this Agreement are authorized and directed by Chapter 70.95 RCW to prepare a Comprehensive Solid Waste Management Plan ("CSWMP") and are further authorized by Chapter 39.34 RCW to enter into an agreement for the administration and implementation of said CSWMP; and

WHEREAS, the County prepared a Comprehensive Solid Waste Management Plan for the County and Municipalities of the County in 1994, and updated the CSWMP with the active involvement of the Municipalities in 2004; and

WHEREAS, the 2004 Comprehensive Solid Waste Management Plan update calls for significant improvements to and replacements for existing waste facilities, and the County has entered into a waste export contract that expires in 2013, and in light of these factors long term financial planning is desirable; and

WHEREAS, providing the most effective and efficient system for managing solid waste generated in Skagit County, including its Municipalities, requires use of the solid waste disposal system established by the County and the Comprehensive Solid Waste Management Plan of the County to the fullest extent possible;

WHEREAS, in or about May of 2004, the County and the Municipalities entered into a previous interlocal agreement (Skagit County Contract # C20040228) regarding the administration and implementation of the CSWMP; and

WHEREAS, the County, in response to recent policy guidance provided by the Skagit County Board of County Commissioners (including, but not limited to, Skagit

County Resolution # R20070141) is in the process of amending the CSWMP, and pursuant to these amendments, the parties desire to mutually effectuate changes between the relationship of the parties to provide for enhanced cooperation by and between the County and the Municipalities, and also to make additional changes to the terms of the previous interlocal agreement by and between the parties (Skagit County Contract # C20040228); and

WHEREAS, the terms of this Agreement are intended to wholly replace and supersede the terms of the previous interlocal agreement by and between the parties (Skagit County Contract # C20040228);

NOW THEREFORE, in consideration of the forgoing, and in consideration of the following terms and conditions, the parties mutually agree as follows:

1. NEW AGREEMENT; EFFECTIVENESS; PURPOSE.

1.1 This Agreement entirely replaces and supersedes the previous interlocal agreement (herein the "previous interlocal agreement") for a Comprehensive Solid Waste Disposal System that the parties entered into in 2004 (Skagit County Contract # C20040228).

1.2 This Agreement shall not become effective until all parties to the previous interlocal agreement have duly executed this Agreement. Unless and until all parties to the previous interlocal agreement have duly executed this agreement, the previous interlocal agreement shall remain in full force and effect pursuant to the terms therein.

1.3 The purpose of this agreement is to establish the respective responsibility of the parties in a solid waste management system which includes, but is not limited to: planning, waste reduction, recycling, and disposal of mixed municipal solid waste, industrial waste, demolition debris and all other waste defined as solid waste by RCW 70.95.030.

1.4 It is the intent of the parties to manage the System to minimize tipping fees and costs, increase recycling, and ultimately eliminate the flow of solid waste to landfills. The System shall be managed to achieve this intent without regard to whether the System or any components of the System are publicly or privately operated.

2. DEFINITIONS. For the purposes of this Agreement, the following definitions apply:

2.1 "Comprehensive Solid Waste Management Plan," or "CSWMP" means the comprehensive plan for solid waste management as required by RCW 70.95.080.

2.2 "Environmental Law" means the Comprehensive Environmental Response Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986 (PL 99-499);

the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 15 U.S.C. Section 2601, et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 1601, et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the Washington State Environmental Policy Act, RCW 90.48.010, et seq.; the Water Pollution Control Act, RCW 90.48.010, et seq.; the Hazardous Waste Management Statute, RCW 90.105, et seq.; the Toxic Substance Control Act, RCW 70.105C, et seq.; and the Model Toxics Control Act ("MTCA"), RCW 70.105C, et seq.; and the rules or regulations adopted and guidelines promulgated pursuant to said laws.

2.3. "Party" or "Parties" shall mean any signatory or signatories to this Agreement.

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2.4. "Solid Waste" shall have the same meaning as that term presently defined by RCW 70.95.030 (23) or may hereafter be modified, and means all putrescible and nonputrescible solid and semi-solid wastes including, but limited to, garbage, rubbish, ashes, industrial wastes, swill, sewage sludge, demolition and constructions wastes, abandoned vehicles or parts thereof, and recyclable materials, with the exception of wastes excluded by WAC 173-304-015.

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2.5. "Solid Waste Handling" shall have the same meaning as that term presently defined by RCW 70.95.030 (23) or may hereafter be modified, and means the management, storage, collection, transportation, utilization, processing, and final disposal of Solid Waste, including the recovery and recycling of materials from Solid Waste, the recovery of energy resources from such wastes or the conversion of energy in such wastes to more useful forms or combinations thereof.

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2.6. "System" means all facilities used for Solid Waste Handling owned or operated, or contracted for, by the County, and all administrative activities related thereto, and as further defined and provided within the County's Comprehensive Solid Waste Management Plan, as may be amended and/or updated, Provided, that this term shall not include the County's administrative offices situated at Continental Place within the City of Mount Vernon.

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2.7. "System Costs" means all costs arising from System operation and maintenance, capital costs for new System facilities and equipment, past and future System liabilities, known or unknown, and shall include any Party's liability imposed by any Environmental Law for disposal and clean-up costs of any environmental contamination related to Solid Waste Handling, anywhere within the jurisdiction of any party to this Agreement.

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3. RESPONSIBILITIES FOR WASTE DISPOSAL SYSTEM. For the duration of this Agreement, the Parties shall have the following responsibilities:

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3.1 The County shall continue to provide for the efficient disposal of all Solid Waste generated within the jurisdictions of each Party to this Agreement to the extent, in the manner, and by facilities as described in the Comprehensive Solid Waste Management Plan. The County shall not be responsible for disposal of nor claim that this Agreement extends to Solid Waste that has been eliminated through waste recycling activities in conformity with the Comprehensive Solid Waste Management Plan.

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3.2 Subject to the governance structure established by other provisions of this Agreement, the County shall continue to provide a comprehensive Solid Waste management organization, including educational programs, as defined by the Comprehensive Solid Waste Management Plan.

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3.3 The County shall continue to operate the System in a financially prudent manner, minimize fee increases, and use System revenues only for System purposes. The County's operation of the System is subject to governance by the SWSGB, as further set forth in elsewhere in this Agreement.

4. COMPREHENSIVE SOLID WASTE MANAGEMENT PLAN. For the duration of this Agreement, each Party shall participate in the periodic review of the Comprehensive Solid Waste Management Plan prepared and revised pursuant to RCW 70.95.080(2).

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4.1 The SWSGB shall review amendments and revisions to the County Comprehensive Solid Waste Management Plan, and make recommendations to the Parties as to the adoption of such amendments and revisions.

4.2 Each Party agrees to adopt amendments and/or revisions to the County Comprehensive Solid Waste Management Plan as recommended by the SWSGB. No Party, including the County, may veto, or fail to adopt, any Amendments or Revisions recommended by the SWSGB. Amendments, as defined below, may be adopted by letter of concurrence.

4.3 For the purposes of this Section 4, "Amendments to the County Comprehensive Solid Waste Management Plan" are defined as additions to the existing plan that implement a program, or make minor modifications to the plan. Examples of plan amendments include:

a. Update of the six-year and 20-year projections, which are of the same scope and scale and the current approved plan;

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b. An interim program being used to provide equivalent service when a full program is delayed.

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c. Minor changes in the scope of the program, such as the number of facilities permitted, or the inclusion of a new target audience for education, and

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d. Follow-up activities to plan implementation, such as completing a project based on the results of a feasibility study.

4.4 For the purposes of this Section 4, "Revisions to the County Comprehensive Solid Waste Management Plan" are defined as changes to the Plan that entails redefining the vision for local solid waste management. A revision updates each component of the plan, as necessary, to make it current. Examples of situations requiring revision include:

a. major shift in the level of service in a program that is not specified in the plan, which might include the addition or subtraction of curbside collections.

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b. Development of a new, private transfer or disposal facility, or

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c. Regionalization between previously independent planning

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entities.

4.5 In accordance with the Washington State Department of Ecology's Guidelines For The Development Of Local Solid Waste Management Plans And Plan Revisions (December, 1999), made applicable to the Parties pursuant to Chapter 173-304 WAC, Revisions require the same statutory review processes as are required to adopt a plan.

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5. DESIGNATION OF COUNTY SYSTEM FOR SOLID WASTE DISPOSAL.

Each Party shall designate the County System for disposal of all Solid Waste generated within the Party's jurisdictional limits, and within the scope of the Comprehensive Solid Waste Management Plan.

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6. DESIGNATION OF DISPOSAL SITES. The SWSGB shall designate

County System disposal site or sites for the disposal of such solid waste except for recyclable and other materials removed from solid waste by waste recycling activities in conformity with the Comprehensive Solid Waste Management Plan. Designation by the SWSGB of disposal site(s) pursuant to this Agreement shall not diminish any Party's power to regulate land use and establish land use criteria within the Party's jurisdiction. Furthermore, designation by the SWSGB of disposal site(s) pursuant to this Agreement shall not diminish the County's authority to regulate public health pursuant to Title 70 RCW and other applicable laws and regulations.

7. ENFORCEMENT. The County shall be primarily responsible for

enforcement of laws and regulations requiring persons to dispose of solid waste at sites designated by the County. Each Party shall cooperate with the County in its enforcement efforts, and shall provide by ordinance that any person that disposes of Solid Waste generated within its boundaries at a site other than a site designated by the County will be guilty of a misdemeanor, except where such disposal may be otherwise permitted by state law. To the extent legally possible, the County shall be responsible for bringing enforcement actions against persons violating state statutes, or County ordinances relating to the disposal of Solid Waste at sites designated by the County. However, in instances in which the County lacks legal authority to bring an enforcement action and another Party possesses that authority, the County may request that the Party bring such enforcement action. The Party shall comply with this request, or in

some other way ensure that Solid Waste generated with the Party is disposed of at those sites designated by the County. All reasonable costs incurred by the Party in taking such enforcement or other actions that are requested in writing by the County shall be paid as System costs. The County shall require any solid waste contractor to operate any solid waste disposal facility that is designated as a component of the System in accordance with the CSWMP as shall be approved by the parties hereto, and by the Washington State Department of Ecology.

8. **LIABILITY AND INDEMNIFICATION.** Each Party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their elected 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 any other Parties by reason of entering into this Agreement except as may be expressly provided herein.

9. **SYSTEM COSTS AND RATES.** The Parties agree that all System Costs shall be paid by the System through tipping fee rates and rate adjustments established in conformance with the Level of Service ("LOS") envisioned in paragraph 13.1.6 below. Rates set by the SWSGB shall accommodate System viability and a financially reasonable level of cash reserves in accordance with the objectives of the CSWMP.

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9.1.1 The County shall maintain books of account for the System in accordance with the requirements of the Washington State Auditor.

9.1.2. Authorized representatives of any party hereto shall have the right to inspect said books of account at any time.

10. **DURATION; TERM OF AGREEMENT.** The Parties agree to be bound by this Agreement until September 15, 2013, unless prior modified in accordance with paragraph 9. This Agreement shall not sunset or expire, but shall continue in full force and effect in perpetuity until terminated on the mutual agreement of the parties as set forth below. Individual parties to this Agreement may, after September 15, 2013, withdraw from this Agreement by giving sixty (60) days' notice to all other parties to this Agreement.

11. **REVISION, AMENDMENT, SUPPLEMENTATION, OR TERMINATION.** This Agreement shall be reviewed by the parties in conjunction with any review of the Comprehensive Solid Waste Management Plan. The terms of the Agreement may be revised, amended, or supplemented, or the Agreement as a whole may be terminated only upon the written agreement of all Parties executed with the same formalities as the original. No revision, amendment, supplementation or termination shall be adopted or put into effect if it impairs any other contractual obligation of any party. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

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12. SOLID WASTE ADVISORY COMMITTEE.

12.1 Pursuant to Chapter 70.95.165(3) RCW and Chapter 39.34.030(4) RCW and Skagit County Code 12.18, a Solid Waste Advisory Committee shall continue operating pursuant to its statutory functions for the purpose of rendering advice to Skagit County and the SWSGB on Solid Waste matters.

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12.2 Membership of the Solid Waste Advisory Committee shall be as follows:

(1) Regular members. The Solid Waste Advisory Committee shall consist of:

(a) One member from each party to this Agreement, to be nominated by the legislative authority for that Municipality and appointed by the County Commissioners.

(b) One member from each Municipality in Skagit County which has its own Comprehensive Solid Waste Management Plan, to be nominated by the legislative authority for that Municipality and appointed by the County Commissioners.

(c) Three members, each representing the unincorporated area of one of the three County Commissioner districts. The three members shall be recommended by the County Commissioners. The County Commissioners shall recommend candidates representing a spectrum of citizens, public interest groups, and businesses. Candidates shall be residents of Skagit County or firms licensed to do business in Skagit County.

(d) Two members shall be selected, one to represent commercial solid waste collection firms; and one to represent commercial recycling firms. These members shall be recommended by the County Commissioners.

(e) One ex officio, non-voting representative from the Skagit County Public Works Solid Waste Section.

(f) One ex officio, non-voting representative from the State of Washington Department of Ecology.

(g) One ex officio, non-voting representative from the Skagit County Health Department.

(2) Auxiliary Members. The regular membership of the Solid Waste Advisory Committee may appoint auxiliary members for a specific time period to serve on the committee in a non-voting capacity, for the purpose

of providing specific information, technical advice, and information of a general nature which is pertinent to the committee's activities or any other form of assistance which will aid the committee in carrying out its purposes.

12.3 Meetings. The Solid Waste Advisory Committee shall meet as required to carry-out the purposes of the Committee. Meetings may be held at various locations within the County with written notification to the membership and chairman designating the time and place of such meetings. Meetings shall be held not less than quarterly. A quorum shall consist of a simple majority of the members on the Committee. A majority of the total voting membership of the Committee is required to pass a motion.

12.4 Transfer Station Oversight Sub-Committee. Provides operational and customer- based input on Skagit County Transfer Station operations and serves as an advisory resource to the Solid Waste Advisory Committee.

(1) Regular Members. The Transfer Station Oversight Sub-Committee shall consist of one staff member each from Mount Vernon, Sedro-Woolley, Burlington, Anacortes, Regional Disposal Company, Waste Management, Inc., Skagit River Steel and Recycling, and Skagit County Public Works.

(2) Meetings. The Transfer Station Oversight Sub-Committee shall meet every year, or as needed, to carry out the purposes of the Committee including making recommendations to the Solid Waste Advisory Committee.

13. SOLID WASTE SYSTEM GOVERNANCE BOARD.

13.1 Purpose. Any proposed changes or improvements significantly affecting the operation of the System or which may directly or indirectly impact tipping fees (including, but not limited to, tipping fee adjustments) or the siting of disposal facilities (herein collectively referred to as "Significant Solid Waste Decisions") shall be submitted to the Solid Waste System Governance Board (SWSGB) for final decision. Significant Solid Waste Decisions within the scope of the SWSGB's purview shall include timely review and approval of the following matters, as recommended by the SWAC and/or the County in a manner consistent with this Agreement:

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13.1.1 Major capital improvements to the System. "Major capital improvements" shall be defined as any capital expenditures in excess of Fifty Thousand Dollars (\$50,000) which modify the method or model of operation of the System;

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13.1.2 Designation of site(s) and/or Solid Waste Handling facilities for inclusion within the System, provided that such designation shall be consistent with the other provisions of this Agreement and the Comprehensive Solid Waste

Management Plan as approved by the Parties and adopted as set forth in this Agreement;

13.1.3 Long-range plans for System expansion and construction. By December 31, 2011 the SWSGB shall produce a long-range plan for the System that encompasses the ensuing twenty (20) year period (the "Long Range Plan") in accordance with RCW 70.95.090(2). If the SWSGB fails to produce a Long Range Plan by December 31, 2011, the Skagit County Board of Commissioners may adopt a Long Range Plan;

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13.1.4 Program for the orderly development of solid waste handling facilities. By December 31, 2011 the SWSGB shall produce a program for the orderly development of solid waste handling facilities in a manner consistent with the plans for the entire County and each jurisdiction within the County, in accordance with RCW 70.95.090 (3);

13.1.5 Requests for Proposals for privatization of all or any part of the System, including approval of any System/Operator Agreement (or similar agreement) for private parties (and/or third parties who are not signatories to this Agreement) seeking to become a part of the System;

13.1.6 Changes to tipping rates, which shall be done in a manner consistent with the other terms and conditions of this Agreement;

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13.1.7 The annual operating and capital budget (Annual Budget) for the following year. Provided, however, the SWSGB's approval shall be limited to approval of the overall budget based on the adopted level of service ("LOS"), and shall not include the right to disapprove individual line-item budget expenditures. The LOS shall be initially established as the current LOS and may be amended from time to time by the SWSGB. Changes to the LOS shall be made on or before August 31st of the year prior to the year for which the annual budget is being prepared. The Annual Budget shall be prepared in conformance with the rate structure and LOS established by the SWSBG.

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13.1.8 The SWSGB may direct the County to perform and/or commission studies including, but not limited to, rate studies, capital improvement studies, and comprehensive plan update studies as are necessary toward making reasoned and informed Significant Solid Waste Decisions, all costs of which shall be paid as System costs.

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13.2 Powers Not Enumerated. Any powers not enumerated herein and assigned to the SWSGB shall be retained by the Skagit County Department of Public Works.

13.3 Regular Members. The SWSGB shall consist of one representative of each party executing this Agreement, to be designated by the chief administrative officer of the party.

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13.4 Meetings. The SWSGB shall meet a minimum of at twice each calendar year, or as often as otherwise needed to adequately deliberate upon and decide Significant Solid Waste Decisions (as defined in Section 13.1, above), or for other purposes (such other purposes including, but not limited to, review of the status of the solid waste disposal system, and review of any recommendations from the Solid Waste Advisory Committee).

13.4.1 Unless otherwise provided, Roberts Revised Rules of Order shall govern all procedural matters related to the business of the SWSGB.

13.4.2. Staffing, supplies and equipment for the SWSGB shall be supplied by and through the County, and shall be considered to be System costs.

13.5 Decisions of SWSGB Initiated by County. The County shall retain responsibility for day-to-day operations of the System. Without diminishing the power afforded the SWSGB pursuant to ¶13.1, supra, the County may request a decision as to a Significant Solid Waste Decision from the SWSGB. After submitting any Significant Solid Waste Decision to the SWSGB that is within the scope set forth in Section 13.1 (above), the SWSGB shall render a decision within sixty (60) days. Upon a finding by the SWSGB that additional time is needed in which to render a decision, the SWSGB may extend the decision timeline for an additional 60 days. In addition to the foregoing, upon a written finding by the County Public Works Director that any Significant Solid Waste Decision constitutes an emergency that threatens the operation of the System, the SWSGB may be convened on an emergency basis three (3) days after notice to each Party to this Agreement. The County shall submit requests for decisions from the SWSGB regarding Significant Solid Waste Decisions in writing. In the event that the County does not receive a final written decision from the SWSGB within sixty (60) days (or 120 days if properly extended as set forth above), the County may take action consistent with the best interests of the System within the scope of the Significant Solid Waste Decision initially sought.

13.6 SWSGB Voting. All decisions of the SWSGB shall be decided by a sixty percent (60%) majority vote, immediately reduced to writing, and provided to the County. A quorum shall consist of a simple majority of the Municipal members of the SWSGB. Counting of Municipal members present for the purposes of a quorum shall be based on the presence of one Municipal representative. A transcript may be made of each SWSGB meeting. Each party shall have one vote weighted as follows: the population of each party's jurisdiction divided by the total Skagit County population, as established by the most recent U.S. Census, expressed as a percentage of 100%, rounded to the nearest tenth.

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13.6.1 Based on the 2000 U.S. Census establishing a total County population of 102,979 (and subject to modification after each new census), each party's vote shall be determined as follows:

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The voting structure shall be based two-thirds on the population of each participating municipality with the County's portion equal to the unincorporated population, and one-third equally distributed to each entity. The following table summarizes the overall allocation of votes expressed as percentages.

Anacortes	14,557	13.1		
Burlington	6,757	8.1		
Sedro-Woolley	8,658	9.3		
Mount Vernon	26,232	20.7		
La Conner	761	4.2		
Hamilton	309	3.9		
Lyman	409	4.0		
Concrete	790	4.2		
County	44,506	32.5		

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13.7 Extraordinary Veto by Board of Commissioners. The Skagit County Board of Commissioners (by action of the Skagit County Board of Commissioners) may veto any final decision of the SWSGB within thirty (30) days of any final decision by the SWSGB on the sole grounds that a final decision of the SWSGB will: (a) significantly impair the ability of the county to meet current solid waste contractual obligations (b) be out of compliance with the adopted CSWMP, and adopted LOS, and/or (c) be contrary to State law governing operation of the System. In vetoing any decision of the SWGB, the County shall adopt written findings, fully describing the facts and basis on which the County relied to veto a decision of the SWSGB. Any final decision of the SWSGB vetoed by the Skagit County Board of Commissioners pursuant to this paragraph shall be returned to the SWSGB for further deliberation. In the event the SWSGB and the Skagit County Board of County Commissioners cannot agree after veto and remand of any final decision within twenty (20) days, the matter shall be submitted to final, binding arbitration before a single arbitrator.

13.7.1 Any arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

13.7.2 Within 30 days of submittal to arbitration, the SWSGB and the County shall each propose three (3) arbitrators, and exchange lists of proposed arbitrators. The SWSGB and the County may each reject one proposed arbitrator they feel is unacceptable, and attach a numerical preference to the remaining arbitrators. The arbitration administrator will then choose the arbitrator based on the parties'

numerical preferences. In the event of a tie in preference points, the arbitration administrator may use its discretion in assigning one of the preferred arbitrators.

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13.7.3 The arbitration shall be held at a mutually convenient time and location with Skagit County, not less than forty-five (45) days after the selection of the arbitrator.

13.7.4 Any arbitration shall apply the laws of the State of Washington.

13.7.5 Each party shall bear its own costs and fees in the event of any such arbitration.

13.7.6 The arbitrator's decision shall be final and binding on the parties. All matters arising under this agreement shall be deemed arbitrable including questions of procedural arbitrability.

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13.7.7 The arbitrator may award the prevailing party their reasonable attorney fees and costs, including expert and consultant fees. Any arbitrated dispute shall be maintained by individual parties to this Agreement and not the System, and attorney fees and costs fixed by the arbitrator shall not be assessed as System costs. The arbitrator's decision may be entered by any party in Skagit County Superior Court.

14. **NO THIRD PARTY BENEFICIARIES:** This Agreement is not entered into with the intent that it shall benefit any Municipality not signing this Agreement and no other person or entity shall be entitled to be treated as a third party beneficiary of this Agreement. 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. No agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the parties shall be deemed an agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of any other party.

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15. **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 extent and end the terms and conditions of this Agreement are declared severable.

16. **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.

17. **COMPLIANCE WITH LAWS:** 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. The parties shall obtain and comply with

any and all necessary permits and approvals from all applicable jurisdictions prior to commencing any work related to this Agreement.

18. **VENUE AND CHOICE OF LAW:** In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement including the enforcement of the arbitrator's judgment, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Skagit. This Agreement shall be governed by the laws of the State of Washington.

19. **CAPTIONS & COUNTERPARTS:** The captions in this Agreement are for convenience and reference only and do not define, limit, or describe the scope or intent of this Agreement. This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

20. **TIME OF PERFORMANCE:** Time is specifically declared to be of the essence of this Agreement and of all acts required to be done and performed by the parties hereto.

21. **NO SEPARATE ENTITY:** It is not the intention that a separate legal entity be established to conduct this cooperative undertaking, and no separate legal entity is established by this Agreement.

22. **NEUTRAL AUTHORSHIP:** Each of the terms and provisions of this Agreement have been reviewed and negotiated, and represents the combined work product of the parties hereto. No presumption or other rules of construction which would interpret the provisions of this Agreement in favor of or against the party preparing the same shall be applicable in connection with the construction or interpretation of any of the provisions of this Agreement. The parties represent that they have had a full and fair opportunity to seek legal advice with respect to the terms of this Agreement and have either done so, or have voluntarily chosen not to do so. The parties represent and warrant that they have fully read this Agreement, that they understand its meaning and effect, and that they enter into this Agreement with full knowledge of its terms. The parties have entered into this Agreement without duress or undue influence.

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

APPROVED:

**BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

DON MUNKS, Chairman

KENNETH A. DAHLSTEDT, Commissioner

SHARON D. DILLON, Commissioner

Recommended:

By: _____
Department Head

By: _____
Budget & Finance Administrator

Approved as to Indemnification:

By: _____
Risk Manager

Approved as to Form:

By: _____
Deputy Prosecuting Attorney

Attest:

Clerk of the Board

STATE OF WASHINGTON }
COUNTY OF SKAGIT } ss.

I certify that I know or have satisfactory evidence that Sharon Dillon, Don Munks, and/or Kenneth A. Dahlstedt is/are the person(s) who appeared before me, and said person(s) acknowledged that she/he/they signed this instrument, on oath stated that she/he/they was/were authorized execute the instrument and acknowledged it as Commissioner(s) of Skagit County, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this ____ day of _____, 2008.

(SEAL)

Notary Public

print name: _____

Residing at _____

My commission expires _____

CITY OF MOUNT VERNON:

BUD NORRIS, Mayor
(Date _____)

Mailing Address:
City of Mount Vernon
910 Cleveland Avenue
P.O. Box 809
Mount Vernon WA, 98273

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Bud Norris is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was duly authorized execute the instrument and acknowledged it as Mayor of the City of Mount Vernon, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this ____ day of _____, 2008.

(SEAL)

Notary Public
print name: _____
Residing at _____
My commission expires _____

CITY OF ANACORTES:

DEAN MAXWELL, Mayor
(Date _____)

Mailing Address:
City of Anacortes
City Hall
P.O. Box 547
Anacortes, WA 98221

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Dean Maxwell is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was duly authorized execute the instrument and acknowledged it as Mayor of the City of Anacortes, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this ____ day of _____, 2008.

(SEAL)

Notary Public
print name: _____
Residing at _____
My commission expires _____

CITY OF BURLINGTON:

ED BRUNZ, Mayor
(Date _____)

Mailing Address:
City of Burlington
900 East Fairhaven Avenue
Burlington, WA 98233

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Ed Brunz is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was duly authorized execute the instrument and acknowledged it as Mayor of the City of Burlington, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this ____ day of _____, 2008.

(SEAL)

Notary Public
print name: _____
Residing at _____
My commission expires _____

CITY OF SEDRO-WOOLLEY:

MIKE ANDERSON, Mayor
(Date _____)

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

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Mike Anderson is the person who appeared before me, and said person acknowledged that she/he signed this instrument, on oath stated that she/he was duly authorized execute the instrument and acknowledged it as Mayor of the City of Sedro-Woolley, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this ____ day of _____, 2008.

(SEAL)

Notary Public
print name: _____
Residing at _____
My commission expires _____

TOWN OF LA CONNER:

RAMON HAYES, Mayor
(Date _____)

Mailing Address:
Town of La Conner
P.O. Box 400
La Conner, WA 98257

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Ramon Hayes is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was duly authorized execute the instrument and

I certify that I know or have satisfactory evidence that Judd Wilson, Jr. is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was duly authorized execute the instrument and acknowledged it as Mayor of the Town of Concrete, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this ____ day of _____, 2008.

(SEAL)

Notary Public
print name: _____
Residing at _____
My commission expires _____

TOWN OF LYMAN:

DEBRA HEINZMAN, Mayor
(Date _____)

Mailing Address:
Town of Lyman
8334 S Main St

Lyman, WA 98263-9800

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Debra Heinzman is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was duly authorized execute the instrument and acknowledged it as Mayor of the Town of Lyman, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this ____ day of _____, 2008.

(SEAL)

Notary Public
print name: _____
Residing at _____
My commission expires _____

TOWN OF HAMILTON:

TIMOTHY BATES, Mayor
(Date _____)

Mailing Address:
Town of Hamilton
584 Maple St.
P.O. Box 528
Hamilton, WA 98255

STATE OF WASHINGTON)
) SS
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Timothy Bates is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was duly authorized execute the instrument and acknowledged it as Mayor of the Town of Hamilton, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this ____ day of _____, 2008.

(SEAL)

Notary Public
print name: _____
Residing at _____
My commission expires _____

EXECUTIVE
SESSION