**Councilmembers**
Josh Penner, Deputy Mayor
Sam Colorossi
Scott Drennen
William Birkes
Barbara Ford
Tod Gunther

**Orting City Council**
AGENDA

*Audience members are welcome to speak on any topic on the agenda after Councilmembers have finished their discussion.*

January 14, 2015 – 7:00 pm, Orting Multipurpose Center
Mayor Joachim Pestinger

1. **CALL MEETING TO ORDER**
   A. Pledge of Allegiance
   B. Roll Call

2. **REQUEST FOR ADDITIONS OR CORRECTIONS TO THE AGENDA**

3. **CONSENT AGENDA**
   A. *Minutes of December 10, 2014
   B. *Payroll and Claims Warrants
   C. *Treasurer's Report
   ***Motion:*** *Move to approve Consent Agenda as prepared.*

4. **COMMENTS FROM CITIZENS**

5. **PRESENTATIONS**
   A. Recognition of Jamie Perez

6. **COMMISSION REPORTS**
   A. Planning Commission

7. **COMMITTEE AND STANDING REPORTS**
   A. Finance & Cemetery – Councilmember Colorossi
   B. Public Safety – Deputy Mayor Penner
   C. Miscellaneous activity reports, i.e. PSRC, Zoo Trek, special meetings, etc.

8. **OLD BUSINESS**
   A. None

9. **NEW BUSINESS**
   A. * Rate Increase for DM Disposal Waste Removal Services – Councilmember Drennen
   ***Motion:*** *Move to approve rate increases for DM Disposal services, effective March 1, 2015*

   B. *Resolution No. 2015-1 • Membership in the Association of Washington Cities – City Administrator Bethune
   ***Motion:*** *Move to approve Resolution No. 2015-1, a resolution of the City of Orting, Washington, regarding membership in the Association of Washington Cities (AWC) Risk Management Service Agency (RMSA); authorizing entry into an interlocal agreement with RMSA; establishing an effective date*

C. Councilmember Selection – Councilmember Colorossi

D. Council Personnel Committee – Councilmember Colorossi

E. *Biosolids Engineering Report Scope and Budget – JC Hungerford
***Motion:*** *Move to approve scope and budget for analysis of biosolids management and recommendation for biosolids management plan.*

## 10. RECESS COUNCIL MEETING

A. ***Motion:*** *Move to recess Council meeting until the conclusion of the Transportation Benefit District Board meeting.*

## 11. TRANSPORTATION BENEFIT DISTRICT BOARD MEETING

A. Scott Drennen, Chair – Call Meeting to Order, Roll Call
B. *Resolution No. TBD 2015-1 • TBD Membership in AWC RMSA – Chairman Drennen
***Motion:*** *Move to approve TBD Resolution No. 2015-1, a resolution of the Orting Transportation Benefit District; regarding membership in the Association of Washington Cities Risk Management Service Agency*
C. ***Motion:*** *Move to adjourn the meeting of the Transportation Benefit District Board*

## 12. RECONVENE COUNCIL MEETING

A. Mayor Pestinger – Reconvene the meeting of the City Council

## 13. RECESS TO EXECUTIVE SESSION

A. Five minute break
B. Mayor Pestinger – Recess to Executive Session to discuss potential sale of real estate, as authorized by RCW 42.30.110(c). Council will reconvene at ____pm. No action will be taken in Executive Session or to follow.
C. Mayor Pestinger – Reconvene the Council meeting

## 14. ADJOURN

***Motion:*** *Move to Adjourn.*

Note: An * indicates enclosures or attachments
Next Regular Meeting: January 28, 2015

# ORTING CITY COUNCIL MEETING MINUTES

December 10, 2014

Mayor Joachim Pestinger called the meeting to order with the flag salute at 7:00 pm in the Orting Public Safety Building. Roll call found in attendance Deputy Mayor Sam Colorossi, Councilmembers Scott Drennen, Josh Penner, William Birkes, Barbara Ford and Tod Gunther

## ATTENDANCE:

| | | |
|---|---|---|
| **City Employees** | Mark Bethune, City Administrator<br>Gwen Robson, Executive Assistant<br>Ken Wolfe, Building Official | Bill Drake, Police Chief<br>Stephen Vincenti, Treasurer |
| **Professional Representatives** | Chris Bacha, Attorney – Kenyon Disend<br>JC Hungerford, Engineer – Parametrix | |
| **Visitors (signed in)** | Jami Moeller, Chris Hopfauf, Ken Wolfe, Beth Hansen, Josh Papabrook, Dorris Rhoads, Ric Fritz, Jake Weigley | |

## REQUEST FOR ADDITIONS OR CORRECTIONS TO THE AGENDA:

| | |
|---|---|
| Mayor Pestinger | Recognition of Ceccanti, Inc. |
| Mayor Pestinger | Recognition of Ric Fritz, former Councilmember |
| Mayor Pestinger | Police Cars Presentation |

## CONSENT AGENDA:

Deputy Mayor Colorossi moved to approve the Consent Agenda as prepared. Second by Councilmember Birkes. Motion carried.

## COMMENTS FROM CITIZENS:

Ric Fritz explained that he has moved out of the city, requiring his resignation from Council at the last meeting.

Chris Hopfauf expressed his concerns regarding the police department.

Doug Bishop discussed his concerns about fuel usage by the police department.

## PRESENTATIONS:

Former Councilmember Fritz was presented a certificate of appreciation in recognition of his service to the City of Orting.

Ceccanti, Inc. was recognized for completion of the Calistoga Setback Levee and a certificate of appreciation was presented.

Police Cars – Mayor Pestinger discussed requests to make police cars more visible by having white doors and removing tinting on some of the windows.

## COMMISSION REPORTS: (7:19)

**Planning Commission**

Commissioner Greg Hogan – Items being discussed by the committee:
- Comprehesive Plan - Economic Development
- ADR signage code

Councilmember Penner moved to confirm Arlene Dannat, Aaron Willits and Jami Moeller as Planning Commissioners. Second by Councilmember Drennen. Motion carried.

**COMMITTEE AND STANDING REPORTS:** (7:22)

| | |
|---|---|
| **Community & Government Affairs** | Councilmember Ford reported the committee reviewed the agendas for 2014 and priorities for 2015. |
| **Public Works** | Councilmember Drennen reported the committee is working on communicating the new utility rate structure. Flyers are being prepared. |
| **Finance & Cemetery** | Deputy Mayor Colorossi provided an update on the budget. |
| **Public Safety** | Councilmember Ford announced the committee will be providing information and education to the public. In February 2015 the meetings will move to 6:30pm on the first Thursday of each month.<br><br>Fire Chief Gibson announced the annual Santa Candy Cane Run on December 20th and 21st and invited Council to participate.<br><br>Police Chief Drake announced the Police Department will host "Shop with a Cop" again this year. |
| **Miscellaneous** | Councilmember Ford met with the School Superintendent, who thanked the Council for their partnership. Mayor Pestinger attended Home for the Holidays. |

**OLD BUSINESS:** (7:40)

| | |
|---|---|
| Ordinance No. 965<br>Final 2015 Budget | Deputy Mayor Colorossi moved to approve Ordinance No. 965, an ordinance of the City of Orting, Washington adopting the City of Orting 2015 Budget. Second by Councilmember Drennen. Motion carried. |

**NEW BUSINESS:**

| | |
|---|---|
| Ordinance No. 964<br>2014 Budget Amendments | Deputy Mayor Colorossi moved to approve Ordinance No. 964, an ordinance of the City of Orting, Washington amending the 2014 Fiscal Budget and authorizing certain expenditures. Second by Councilmember Birkes. Motion carried. |

**ADJOURN:**

Deputy Mayor Colorossi moved to adjourn. Second by Councilmember Birkes. Motion carried.

**ATTEST:**

City Administrator Mark Bethune

Mayor Joachim Pestinger

# Cash and Investment Activity

Period: 2014 - December 2014
Period Totals

| Fund | | Beginning Cash | Beginning Investments | Activity In | Activity Out | Ending Cash | Ending Investments | Ending Balance |
|---|---|---|---|---|---|---|---|---|
| 001 | Current Expense | $150,432.93 | $2,013,687.19 | $628,203.39 | $733,168.04 | $226,129.44 | $1,833,026.03 | $2,059,155.47 |
| 101 | City Streets | $62,406.78 | $132,763.78 | $70,089.02 | $29,216.15 | $90,705.57 | $145,337.86 | $236,043.43 |
| 104 | Cemetery | $15,402.38 | $3,573.60 | $1,635.54 | $2,731.74 | $14,305.91 | $3,573.87 | $17,879.78 |
| 105 | Parks Department | $246,274.36 | $58,771.89 | $15,991.88 | $14,947.14 | $247,314.66 | $58,776.33 | $306,090.99 |
| 107 | Tourism Fund | $0.00 | $3,476.07 | $332.00 | $166.00 | $0.00 | $3,642.07 | $3,642.07 |
| 109 | Transportation Benefit District | $1,023.21 | $30,651.06 | $13,666.62 | $6,833.31 | $1,023.21 | $37,484.37 | $38,507.58 |
| 120 | Police Department Drug | $901.97 | $1,091.10 | $0.16 | $0.08 | $901.97 | $1,091.18 | $1,993.15 |
| 201 | Public Safety Bldg Ltgo Debt | $3,660.49 | $66.69 | $0.02 | $0.01 | $3,660.49 | $66.70 | $3,727.19 |
| 320 | Transportation Impact | $369,875.16 | $80,314.19 | $10,757.12 | $135.93 | $380,490.29 | $80,320.25 | $460,810.54 |
| 401 | Water | $582,125.94 | $774,333.19 | $92,134.85 | $70,318.28 | $603,889.45 | $774,386.25 | $1,378,275.70 |
| 408 | Wastewater | $3,350,386.54 | $2,036,777.11 | $140,533.74 | $106,264.36 | $3,384,592.51 | $2,036,840.52 | $5,421,433.03 |
| 410 | Stormwater | $114,298.26 | $238,503.24 | $441,432.66 | $245,922.12 | $309,790.79 | $238,521.25 | $548,312.04 |
| 412 | Utility Land Acquisition | $829,672.91 | $158,511.42 | $8,923.94 | $11.97 | $838,572.91 | $158,523.39 | $997,096.30 |
| 631 | Payroll Fund | $36,410.62 | $0.00 | $128,532.74 | $122,672.16 | $42,271.20 | $0.00 | $42,271.20 |
| 632 | Claims Fund | $196,988.35 | $0.00 | $480,341.14 | $613,671.74 | $63,657.75 | $0.00 | $63,657.75 |
| 633 | Treasurer's Trust | $0.00 | $0.00 | $3,881.12 | $3,881.12 | $0.00 | $0.00 | $0.00 |
| 634 | Customer Deposits | $36,390.97 | $111,400.33 | $2,250.00 | $2,250.00 | $36,390.97 | $111,400.33 | $147,791.30 |
| 701 | Cemetery Perpetual Fund | $199,369.58 | $288,555.20 | $1,194.14 | $0.20 | $200,563.32 | $288,555.40 | $489,118.72 |
| 704 | Skinner Estate Fund | $170,012.18 | $289,041.81 | $694.22 | $1,000.24 | $169,705.92 | $289,042.05 | $458,747.97 |
| | | **$6,365,632.63** | **$6,221,517.87** | **$2,040,594.30** | **$1,953,190.59** | **$6,613,966.36** | **$6,060,587.85** | **$12,674,554.21** |

# Cash and Investment Activity

Period: 2014 - December 2014
Fiscal Totals

| Fund | | Beginning Cash | Beginning Investments | Activity In | Activity Out | Ending Cash | Ending Investments | Ending Balance |
|---|---|---|---|---|---|---|---|---|
| 001 | Current Expense | $109,015.16 | $1,692,364.19 | $5,455,729.14 | $5,197,953.02 | $226,129.44 | $1,833,026.03 | $2,059,155.47 |
| 101 | City Streets | $177,653.02 | $12,320.43 | $460,627.96 | $414,557.98 | $90,705.57 | $145,337.86 | $236,043.43 |
| 104 | Cemetery | $15,207.75 | $3,570.28 | $39,958.18 | $40,856.43 | $14,305.91 | $3,573.87 | $17,879.78 |
| 105 | Parks Department | $193,490.78 | $58,717.12 | $206,287.92 | $152,404.83 | $247,314.66 | $58,776.33 | $306,090.99 |
| 107 | Tourism Fund | $0.00 | $1,847.50 | $3,589.14 | $1,794.57 | $0.00 | $3,642.07 | $3,642.07 |
| 109 | Transportation Benefit District | $0.00 | $17,099.41 | $334,769.92 | $313,361.75 | $1,023.21 | $37,484.37 | $38,507.58 |
| 120 | Police Department Drug | $700.70 | $1,090.08 | $203.47 | $1.10 | $901.97 | $1,091.18 | $1,993.15 |
| 201 | Public Safety Bldg Ltgo Debt | $2,104.74 | $66.62 | $101,000.16 | $99,444.33 | $3,660.49 | $66.70 | $3,727.19 |
| 320 | Transportation Impact | $254,761.88 | $80,239.35 | $126,952.80 | $1,143.49 | $380,490.29 | $80,320.25 | $460,810.54 |
| 401 | Water | $495,054.94 | $811,380.93 | $1,286,264.86 | $1,214,425.03 | $603,889.45 | $774,386.25 | $1,378,275.70 |
| 408 | Wastewater | $2,387,148.26 | $2,666,293.57 | $3,448,274.21 | $3,080,283.01 | $3,384,592.51 | $2,036,840.52 | $5,421,433.03 |
| 410 | Stormwater | $660,293.37 | $238,280.99 | $14,559,646.01 | $14,909,908.33 | $309,790.79 | $238,521.25 | $548,312.04 |
| 412 | Utility Land Acquisition | $777,902.51 | $158,363.72 | $83,419.34 | $22,589.27 | $838,572.91 | $158,523.39 | $997,096.30 |
| 631 | Payroll Fund | $123,180.80 | $0.00 | $1,555,926.25 | $1,636,835.85 | $42,271.20 | $0.00 | $42,271.20 |
| 632 | Claims Fund | $289,802.36 | $0.00 | $16,854,308.76 | $17,080,453.37 | $63,657.75 | $0.00 | $63,657.75 |
| 633 | Treasurer's Trust | $0.00 | $0.00 | $77,329.39 | $77,329.39 | $0.00 | $0.00 | $0.00 |
| 634 | Customer Deposits | $29,750.97 | $111,400.33 | $31,040.00 | $24,400.00 | $36,390.97 | $111,400.33 | $147,791.30 |
| 701 | Cemetery Perpetual Fund | $45,943.16 | $439,095.07 | $425,187.26 | $421,106.77 | $200,563.32 | $288,555.40 | $489,118.72 |
| 704 | Skinner Estate Fund | $17,529.41 | $439,581.22 | $425,744.61 | $424,107.27 | $169,705.92 | $289,042.05 | $458,747.97 |
| | | **$5,579,539.81** | **$6,731,710.81** | **$45,476,259.38** | **$45,112,955.79** | **$6,613,966.36** | **$6,060,587.85** | **$12,674,554.21** |

# Cash Activity In

Period: 2014 - December 2014
Period Totals: Period

| Fund | Description | Beginning Balance | Receipts | Investment Liquidated | Transfers In | Total Available |
|---|---|---|---|---|---|---|
| 001 | Current Expense | $150,432.93 | $237,864.55 | $285,000.00 | $1,000.00 | $674,297.48 |
| 101 | City Streets | $62,406.78 | $57,514.94 | $0.00 | $0.00 | $119,921.72 |
| 104 | Cemetery | $15,402.38 | $885.27 | $0.00 | $750.00 | $17,037.65 |
| 105 | Parks Department | $246,274.36 | $12,887.44 | $0.00 | $3,100.00 | $262,261.80 |
| 107 | Tourism Fund | $0.00 | $166.00 | $0.00 | $0.00 | $166.00 |
| 109 | Transportation Benefit District | $1,023.21 | $6,833.31 | $0.00 | $0.00 | $7,856.52 |
| 120 | Police Department Drug | $901.97 | $0.08 | $0.00 | $0.00 | $902.05 |
| 201 | Public Safety Bldg Ltgo Debt | $3,660.49 | $0.01 | $0.00 | $0.00 | $3,660.50 |
| 320 | Transportation Impact | $369,875.16 | $10,751.06 | $0.00 | $0.00 | $380,626.22 |
| 401 | Water | $582,125.94 | $92,081.79 | $0.00 | $0.00 | $674,207.73 |
| 408 | Wastewater | $3,350,386.54 | $140,470.33 | $0.00 | $0.00 | $3,490,856.87 |
| 410 | Stormwater | $114,298.26 | $441,414.65 | $0.00 | $0.00 | $555,712.91 |
| 412 | Utility Land Acquisition | $829,672.91 | $11.97 | $0.00 | $8,900.00 | $838,584.88 |
| 631 | Payroll Fund | $36,410.62 | $0.00 | $0.00 | $128,532.74 | $164,943.36 |
| 632 | Claims Fund | $196,988.35 | $0.00 | $0.00 | $480,341.14 | $677,329.49 |
| 633 | Treasurer's Trust | $0.00 | $3,881.12 | $0.00 | $0.00 | $3,881.12 |
| 634 | Customer Deposits | $36,390.97 | $2,250.00 | $0.00 | $0.00 | $38,640.97 |
| 701 | Cemetery Perpetual Fund | $199,369.58 | $693.94 | $0.00 | $500.00 | $200,563.52 |
| 704 | Skinner Estate Fund | $170,012.18 | $693.98 | $0.00 | $0.00 | $170,706.16 |
| | | **$6,365,632.63** | **$1,008,400.44** | **$285,000.00** | **$623,123.88** | **$8,282,156.95** |

# Cash Activity In

Period: 2014 - December 2014
Period Totals: Fiscal

| Fund | Description | Beginning Balance | Receipts | Investment Liquidated | Transfers In | Total Available |
|---|---|---|---|---|---|---|
| 001 | Current Expense | $109,015.16 | $3,678,670.76 | $805,517.26 | $25,362.02 | $4,618,565.20 |
| 101 | City Streets | $177,653.02 | $307,610.53 | $10,000.00 | $0.00 | $495,263.55 |
| 104 | Cemetery | $15,207.75 | $34,954.59 | $0.00 | $5,000.00 | $55,162.34 |
| 105 | Parks Department | $193,490.78 | $169,628.71 | $0.00 | $36,600.00 | $399,719.49 |
| 107 | Tourism Fund | $0.00 | $1,794.57 | $0.00 | $0.00 | $1,794.57 |
| 109 | Transportation Benefit District | $0.00 | $118,384.96 | $98,000.00 | $0.00 | $216,384.96 |
| 120 | Police Department Drug | $700.70 | $202.37 | $0.00 | $0.00 | $903.07 |
| 201 | Public Safety Bldg Ltgo Debt | $2,104.74 | $0.08 | $0.00 | $101,000.00 | $103,104.82 |
| 320 | Transportation Impact | $254,761.88 | $126,871.90 | $0.00 | $0.00 | $381,633.78 |
| 401 | Water | $495,054.94 | $1,157,731.48 | $71,583.02 | $22,362.02 | $1,746,731.46 |
| 408 | Wastewater | $2,387,148.26 | $1,633,511.27 | $1,196,700.48 | $50,815.03 | $5,268,175.04 |
| 410 | Stormwater | $660,293.37 | $14,559,405.75 | $0.00 | $0.00 | $15,219,699.12 |
| 412 | Utility Land Acquisition | $777,902.51 | $159.67 | $0.00 | $83,100.00 | $861,162.18 |
| 631 | Payroll Fund | $123,180.80 | $0.00 | $0.00 | $1,555,926.25 | $1,679,107.05 |
| 632 | Claims Fund | $289,802.36 | $0.00 | $0.00 | $16,854,308.76 | $17,144,111.12 |
| 633 | Treasurer's Trust | $0.00 | $77,329.39 | $0.00 | $0.00 | $77,329.39 |
| 634 | Customer Deposits | $29,750.97 | $31,040.00 | $0.00 | $0.00 | $60,790.97 |
| 701 | Cemetery Perpetual Fund | $45,943.16 | $2,080.49 | $285,823.22 | $2,000.00 | $335,846.87 |
| 704 | Skinner Estate Fund | $17,529.41 | $4,637.34 | $285,823.22 | $0.00 | $307,989.97 |
| | | **$5,579,539.81** | **$21,904,013.86** | **$2,753,447.20** | **$18,736,474.08** | **$48,973,474.95** |

# Cash Activity Out

Period: 2014 - December 2014
Period Totals: Period

| Fund | Description | Investments Acquired | Transfer Claims/Payroll | Other Transfers | Disbursements | Total Used | Ending Balance |
|---|---|---|---|---|---|---|---|
| 001 | Current Expense | $104,338.84 | $218,998.53 | $3,850.00 | $120,980.67 | $448,168.04 | $226,129.44 |
| 101 | City Streets | $12,574.08 | $13,336.89 | $1,000.00 | $2,305.18 | $29,216.15 | $90,705.57 |
| 104 | Cemetery | $0.27 | $1,339.67 | $500.00 | $891.80 | $2,731.74 | $14,305.91 |
| 105 | Parks Department | $4.44 | $10,457.00 | $400.00 | $4,085.70 | $14,947.14 | $247,314.66 |
| 107 | Tourism Fund | $166.00 | $0.00 | $0.00 | $0.00 | $166.00 | $0.00 |
| 109 | Transportation Benefit District | $6,833.31 | $0.00 | $0.00 | $0.00 | $6,833.31 | $1,023.21 |
| 120 | Police Department Drug | $0.08 | $0.00 | $0.00 | $0.00 | $0.08 | $901.97 |
| 201 | Public Safety Bldg Ltgo Debt | $0.01 | $0.00 | $0.00 | $0.00 | $0.01 | $3,660.49 |
| 320 | Transportation Impact | $6.06 | $129.87 | $0.00 | $0.00 | $135.93 | $380,490.29 |
| 401 | Water | $53.06 | $49,002.53 | $2,500.00 | $18,762.69 | $70,318.28 | $603,889.45 |
| 408 | Wastewater | $63.41 | $80,861.48 | $4,000.00 | $21,339.47 | $106,264.36 | $3,384,592.51 |
| 410 | Stormwater | $18.01 | $234,747.91 | $1,000.00 | $10,156.20 | $245,922.12 | $309,790.79 |
| 412 | Utility Land Acquisition | $11.97 | $0.00 | $0.00 | $0.00 | $11.97 | $838,572.91 |
| 631 | Payroll Fund | $0.00 | $0.00 | $0.00 | $122,672.16 | $122,672.16 | $42,271.20 |
| 632 | Claims Fund | $0.00 | $0.00 | $0.00 | $613,671.74 | $613,671.74 | $63,657.75 |
| 633 | Treasurer's Trust | $0.00 | $0.00 | $0.00 | $3,881.12 | $3,881.12 | $0.00 |
| 634 | Customer Deposits | $0.00 | $0.00 | $0.00 | $2,250.00 | $2,250.00 | $36,390.97 |
| 701 | Cemetery Perpetual Fund | $0.20 | $0.00 | $0.00 | $0.00 | $0.20 | $200,563.32 |
| 704 | Skinner Estate Fund | $0.24 | $0.00 | $1,000.00 | $0.00 | $1,000.24 | $169,705.92 |
| | | **$124,069.98** | **$608,873.88** | **$14,250.00** | **$920,996.73** | **$1,668,190.59** | **$6,613,966.36** |

# Cash Activity Out

Period: 2014 - December 2014
Period Totals: Fiscal

| Fund | Description | Investments Acquired | Transfer Claims/Payroll | Other Transfers | Disbursements | Total Used | Ending Balance |
|---|---|---|---|---|---|---|---|
| 001 | Current Expense | $946,179.10 | $1,847,868.33 | $164,962.02 | $1,433,426.31 | $4,392,435.76 | $226,129.44 |
| 101 | City Streets | $143,017.43 | $231,120.39 | $5,000.00 | $25,420.16 | $404,557.98 | $90,705.57 |
| 104 | Cemetery | $3.59 | $25,169.56 | $2,000.00 | $13,683.28 | $40,856.43 | $14,305.91 |
| 105 | Parks Department | $59.21 | $106,784.59 | $2,500.00 | $43,061.03 | $152,404.83 | $247,314.66 |
| 107 | Tourism Fund | $1,794.57 | $0.00 | $0.00 | $0.00 | $1,794.57 | $0.00 |
| 109 | Transportation Benefit District | $118,384.96 | $96,976.79 | $0.00 | $0.00 | $215,361.75 | $1,023.21 |
| 120 | Police Department Drug | $1.10 | $0.00 | $0.00 | $0.00 | $1.10 | $901.97 |
| 201 | Public Safety Bldg Ltgo Debt | $0.08 | $301.75 | $0.00 | $99,142.50 | $99,444.33 | $3,660.49 |
| 320 | Transportation Impact | $80.90 | $1,062.59 | $0.00 | $0.00 | $1,143.49 | $380,490.29 |
| 401 | Water | $34,588.34 | $535,133.40 | $103,177.05 | $469,943.22 | $1,142,842.01 | $603,889.45 |
| 408 | Wastewater | $567,247.43 | $750,420.67 | $40,600.00 | $525,314.43 | $1,883,582.53 | $3,384,592.51 |
| 410 | Stormwater | $240.26 | $14,792,967.34 | $5,000.00 | $111,700.73 | $14,909,908.33 | $309,790.79 |
| 412 | Utility Land Acquisition | $159.67 | $22,429.60 | $0.00 | $0.00 | $22,589.27 | $838,572.91 |
| 631 | Payroll Fund | $0.00 | $0.00 | $0.00 | $1,636,835.85 | $1,636,835.85 | $42,271.20 |
| 632 | Claims Fund | $0.00 | $0.00 | $0.00 | $17,080,453.37 | $17,080,453.37 | $63,657.75 |
| 633 | Treasurer's Trust | $0.00 | $0.00 | $0.00 | $77,329.39 | $77,329.39 | $0.00 |
| 634 | Customer Deposits | $0.00 | $0.00 | $0.00 | $24,400.00 | $24,400.00 | $36,390.97 |
| 701 | Cemetery Perpetual Fund | $135,283.55 | $0.00 | $0.00 | $0.00 | $135,283.55 | $200,563.32 |
| 704 | Skinner Estate Fund | $135,284.05 | $0.00 | $3,000.00 | $0.00 | $138,284.05 | $169,705.92 |
| | | **$2,082,324.24** | **$18,410,235.01** | **$326,239.07** | **$21,540,710.27** | **$42,359,508.59** | **$6,613,966.36** |

# Investments Activity

Period: 2014 - December 2014
Period Totals: Period

| Fund | Description | Beginning Balance | Investments Aquired | Liquidated | Reinvested Interest | Ending Balance |
|---|---|---|---|---|---|---|
| 001 | Current Expense | $2,013,687.19 | $104,338.84 | $285,000.00 | $0.00 | $1,833,026.03 |
| 101 | City Streets | $132,763.78 | $12,574.08 | $0.00 | $0.00 | $145,337.86 |
| 104 | Cemetery | $3,573.60 | $0.27 | $0.00 | $0.00 | $3,573.87 |
| 105 | Parks Department | $58,771.89 | $4.44 | $0.00 | $0.00 | $58,776.33 |
| 107 | Tourism Fund | $3,476.07 | $166.00 | $0.00 | $0.00 | $3,642.07 |
| 109 | Transportation Benefit District | $30,651.06 | $6,833.31 | $0.00 | $0.00 | $37,484.37 |
| 120 | Police Department Drug | $1,091.10 | $0.08 | $0.00 | $0.00 | $1,091.18 |
| 201 | Public Safety Bldg Ltgo Debt | $66.69 | $0.01 | $0.00 | $0.00 | $66.70 |
| 320 | Transportation Impact | $80,314.19 | $6.06 | $0.00 | $0.00 | $80,320.25 |
| 401 | Water | $774,333.19 | $53.06 | $0.00 | $0.00 | $774,386.25 |
| 408 | Wastewater | $2,036,777.11 | $63.41 | $0.00 | $0.00 | $2,036,840.52 |
| 410 | Stormwater | $238,503.24 | $18.01 | $0.00 | $0.00 | $238,521.25 |
| 412 | Utility Land Acquisition | $158,511.42 | $11.97 | $0.00 | $0.00 | $158,523.39 |
| 631 | Payroll Fund | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 632 | Claims Fund | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 633 | Treasurer's Trust | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 634 | Customer Deposits | $111,400.33 | $0.00 | $0.00 | $0.00 | $111,400.33 |
| 701 | Cemetery Perpetual Fund | $288,555.20 | $0.20 | $0.00 | $0.00 | $288,555.40 |
| 704 | Skinner Estate Fund | $289,041.81 | $0.24 | $0.00 | $0.00 | $289,042.05 |
| | | **$6,221,517.87** | **$124,069.98** | **$285,000.00** | **$0.00** | **$6,060,587.85** |

# Investments Activity

Period: 2014 - December 2014
Period Totals: Fiscal

| Fund | Description | Beginning Balance | Investments Aquired | Liquidated | Reinvested Interest | Ending Balance |
|---|---|---|---|---|---|---|
| 001 | Current Expense | $1,692,364.19 | $946,179.10 | $805,517.26 | $0.00 | $1,833,026.03 |
| 101 | City Streets | $12,320.43 | $143,017.43 | $10,000.00 | $0.00 | $145,337.86 |
| 104 | Cemetery | $3,570.28 | $3.59 | $0.00 | $0.00 | $3,573.87 |
| 105 | Parks Department | $58,717.12 | $59.21 | $0.00 | $0.00 | $58,776.33 |
| 107 | Tourism Fund | $1,847.50 | $1,794.57 | $0.00 | $0.00 | $3,642.07 |
| 109 | Transportation Benefit District | $17,099.41 | $118,384.96 | $98,000.00 | $0.00 | $37,484.37 |
| 120 | Police Department Drug | $1,090.08 | $1.10 | $0.00 | $0.00 | $1,091.18 |
| 201 | Public Safety Bldg Ltgo Debt | $66.62 | $0.08 | $0.00 | $0.00 | $66.70 |
| 320 | Transportation Impact | $80,239.35 | $80.90 | $0.00 | $0.00 | $80,320.25 |
| 401 | Water | $811,380.93 | $34,588.34 | $71,583.02 | $0.00 | $774,386.25 |
| 408 | Wastewater | $2,666,293.57 | $567,247.43 | $1,196,700.48 | $0.00 | $2,036,840.52 |
| 410 | Stormwater | $238,280.99 | $240.26 | $0.00 | $0.00 | $238,521.25 |
| 412 | Utility Land Acquisition | $158,363.72 | $159.67 | $0.00 | $0.00 | $158,523.39 |
| 631 | Payroll Fund | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 632 | Claims Fund | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 633 | Treasurer's Trust | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 634 | Customer Deposits | $111,400.33 | $0.00 | $0.00 | $0.00 | $111,400.33 |
| 701 | Cemetery Perpetual Fund | $439,095.07 | $135,283.55 | $285,823.22 | $0.00 | $288,555.40 |
| 704 | Skinner Estate Fund | $439,581.22 | $135,284.05 | $285,823.22 | $0.00 | $289,042.05 |
| | | **$6,731,710.81** | **$2,082,324.24** | **$2,753,447.20** | **$0.00** | **$6,060,587.85** |

# INVESTMENTS POOL FOR MONTH ENDING DECEMBER 2014

| 12/31/2014 | 001 CURRENT EXPENSE | 101 CITY STREETS | 104 CEMETERY | 105 PARK IMPROV. | 107 HOTEL/MOTEL STADIUM | 109 TBD Vehicle Feets | 120 POLICE DRUG | 201 LGTO PSB Bond | 320 TRAFFIC IMPACT | 401 WATER | 408 WASTE-WATER | 410 STORM | 412 LAND ACQUIRE | 634 CUSTOMER DEPOSIT | 701 INVESTMENT TRUST | 704 SKINNER ESTATE | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BEG. BAL. | $1,950,162.62 | $132,763.78 | $3,573.60 | $58,771.89 | $3,476.07 | $30,651.06 | $1,091.10 | $66.69 | $80,314.19 | $702,741.92 | $839,938.87 | $238,503.24 | $158,511.42 | $111,400.33 | $2,699.09 | $3,185.70 | $4,317,851.57 |
| Pool interest | $155.65 | $10.02 | $0.27 | $4.44 | $0.26 | $2.31 | $0.08 | $0.01 | $6.06 | $53.06 | $63.41 | $18.01 | $11.97 | $0.00 | $0.20 | $0.24 | $325.99 |
| Invest Sale | ($285,000.00) | $0.00 | $0.00 | $0.00 | | $0.00 | $0.00 | | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | | $0.00 | $0.00 | ($285,000.00) |
| Invest Sale 2 | $0.00 | $0.00 | $0.00 | $0.00 | | $0.00 | | | $0.00 | $0.00 | $0.00 | $0.00 | | | | | $0.00 |
| State Remit | $104,183.19 | $12,564.06 | | | $165.74 | $6,831.00 | | | | | | | | | | | $123,743.99 |
| Inv Purch 001 to 105 | $ - | $0.00 | | $ - | | | | | | $ - | $ - | | | | $ - | $ - | $ - |
| Inv Purch 001 to 105 | $ - | | | $ - | | | | $ - | | | | | | | | | |
| Subtotal | $1,769,501.46 | $145,337.86 | $3,573.87 | $58,776.33 | $3,642.07 | $37,484.37 | $1,091.18 | $66.70 | $80,320.25 | $702,794.98 | $840,002.28 | $238,521.25 | $158,523.39 | $111,400.33 | $2,699.29 | $3,185.94 | $4,156,921.55 |
| US Bank | $63,524.57 | $0.00 | | | | | | | | $71,591.27 | $1,196,838.24 | | | $0.00 | $285,856.11 | $285,856.11 | $1,903,666.30 |
| Negative Invest Purchase | $0.00 | $0.00 | | | | | | | | $0.00 | $0.00 | | | $0.00 | $0.00 | $0.00 | $0.00 |
| Invest Purchase | $0.00 | | | | | | | | | $0.00 | $0.00 | | | | $0.00 | $0.00 | $0.00 |
| Invest Sale | $0.00 | | | | | | | | | $0.00 | $0.00 | | | | $0.00 | $0.00 | $0.00 |
| Inv Sale/Pd Accrued Int | $0.00 | | | | | | | | | $0.00 | $0.00 | | | | $0.00 | $0.00 | $0.00 |
| Subtotal | $63,524.57 | $0.00 | $0.00 | $0.00 | $0.00 | | $0.00 | $0.00 | $0.00 | $71,591.27 | $1,196,838.24 | $0.00 | $0.00 | $0.00 | $285,856.11 | $285,856.11 | $1,903,666.30 |
| END. BAL. | $1,833,026.03 | $145,337.86 | $3,573.87 | $58,776.33 | $3,642.07 | $37,484.37 | $1,091.18 | $66.70 | $80,320.25 | $774,386.25 | $2,036,840.52 | $238,521.25 | $158,523.39 | $111,400.33 | $288,555.40 | $289,042.05 | $6,060,587.85 |

## Totals By Fund

| Fund Number | Title | Period | Fiscal | Budget | % of Total | Balance |
|---|---|---|---|---|---|---|
| 001-000-00-00-00 | Current Expense | $343,011.33 | $3,392,912.66 | $2,885,000.00 | 117.61 % | ($507,912.66) |
| 101-000-00-00-00 | City Streets | $16,642.07 | $261,054.53 | $319,100.00 | 81.81 % | $58,045.47 |
| 104-000-00-00-00 | Cemetery | $2,731.47 | $36,669.84 | $27,600.00 | 132.86 % | ($9,069.84) |
| 105-000-00-00-00 | Parks Department | $14,942.70 | $152,345.62 | $211,500.00 | 72.03 % | $59,154.38 |
| 107-000-00-00-00 | Tourism Fund | $0.00 | $0.00 | $3,200.00 | 0.00 % | $3,200.00 |
| 109-000-00-00-00 | Transportation Benefit District | $0.00 | $96,976.79 | $103,000.00 | 94.15 % | $6,023.21 |
| 120-000-00-00-00 | Police Department Drug | $0.00 | ($201.27) | $0.00 | | $201.27 |
| 201-000-00-00-00 | Public Safety Bldg Ltgo Debt | $0.00 | $99,444.25 | $99,500.00 | 99.94 % | $55.75 |
| 320-000-00-00-00 | Transportation Impact | $129.87 | $1,062.59 | $17,500.00 | 6.07 % | $16,437.41 |
| 401-000-00-00-00 | Water | $70,265.22 | $1,100,914.96 | $1,684,400.00 | 65.36 % | $583,485.04 |
| 408-000-00-00-00 | Wastewater | $106,200.95 | $1,316,335.10 | $4,160,900.00 | 31.64 % | $2,844,564.90 |
| 410-000-00-00-00 | Stormwater | $245,904.11 | $14,909,323.07 | $18,575,524.00 | 80.26 % | $3,666,200.93 |
| 412-000-00-00-00 | Utility Land Acquisition | $0.00 | $22,429.60 | $988,400.00 | 2.27 % | $965,970.40 |
| 510-500-00-00-00 | Expenditure | $0.00 | $0.00 | $0.00 | | $0.00 |
| 631-000-00-00-00 | Payroll Fund | $0.00 | $0.00 | $0.00 | | $0.00 |
| 632-000-00-00-00 | Claims Fund | $0.00 | $0.00 | $0.00 | | $0.00 |
| 633-000-00-00-00 | Treasurer's Trust | $3,881.12 | $77,329.39 | $0.00 | | ($77,329.39) |
| 634-000-00-00-00 | Customer Deposits | $2,250.00 | $24,400.00 | $0.00 | | ($24,400.00) |
| 701-000-00-00-00 | Cemetery Perpetual Fund | $0.00 | $0.00 | $0.00 | | $0.00 |
| 704-000-00-00-00 | Skinner Estate Fund | $1,000.00 | $3,000.00 | $3,000.00 | 100.00 % | $0.00 |
| **Grand Totals** | | **$806,958.84** | **$21,493,997.13** | **$29,078,624.00** | **73.92 %** | **$7,584,626.87** |

# City of Orting
*City Council Staff Report*

**Date:** December 8, 2014

**Prepared By:** Mark Bethune

**Agenda Item:** DM rate increase

| | |
|---|---|
| **Issue Synopsis:** | DM Disposal has provided the city notice of a rate increase |
| **Background:** | Per contract DM is allowed to pass on County TIP fee increases and an annual CPI increase of up to 80% of the CPI not to exceed $5/month for residential fees and $25/month for commercial users. |
| **Policy Options:** | Approve, amend, deny |
| **Analysis:** | Pierce County has increased TIP fees to DM thus DM is passing that increase on to the customers of Orting. The Dump fee increased from $139.38/ton to $144.97/ton. 80% of the CPI is approximately 1.44%. The attached file shows the rate increases. DM must notify the city 60 days before the increase and the customers 45 days before the increase. DM is in compliance with the City but must notify citizens by January 15 for an increase that would go into effect March 1. |
| **Fiscal Impact:** | Fund(s): NA<br><br>Expenditure Required: NA<br><br>Amount Budgeted: NA<br><br>Additional Appropriation Required: NA |
| **Policy Questions:** | See above |
| **Staff Recommendation:** | Approve |
| **Committee Recommendation:** | None |
| **Attachments:** | Rate increase information |

D.M. DISPOSAL CO., INC.
POST OFFICE BOX 532
PUYALLUP, WASHINGTON 98371
(253) 414-0347

RECEIVED
NOV 26 2014
CITY OF ORTING

November 21, 2014

City of Orting
Mark Bethune, City Administrator
110 Train St. SE
Orting, WA 98360

Re: Contract between D.M. Disposal Company and the City of Orting

Dear Mr. Bethune:

We have been notified that on March 1, 2015 the landfill rate in Pierce County will increase from $139.38 per ton to $144.97 per ton. It is our understanding that the full Pierce County Council has reviewed and approved the increase.

Section 8.2.1 of the contract provides for an annual CPI adjustment equal to 80% of the change in the 1st half semi-annual percentage change in the Consumer Price Index for All Urban Consumers, U.S. Department of Labor, U.S. City Average. Eighty percent of the CPI change for this period is 1.44%

Attached is the exhibit, which reflects the dump fee and CPI increase by type of service.

We appreciate the opportunity to provide you comprehensive waste collection, disposal and recycling services. If I can answer any questions, please contact me by telephone at (253) 896-3293 or by email at MarkGi@wasteconnections.com.

Sincerely,
D.M. Disposal Company

Mark Gingrich
District Manager

cc: Ryan Guild, D.M. Disposal Company
Derek Dague, D.M. Disposal Company
Candelaria Sevcik, D.M. Disposal Company

**City of Orting:**

**All Urban Consumers**
**Seattle-Tacoma-Bremerton**

**PI Calculation:**

| | |
|---|---|
| 1st Half - 2013 | 240.777 |
| 1st Half - 2014 | 245.125 |
| Difference | 4.348 |
| | |
| Percent Change | 1.81% |
| | |
| Per Contract 80% | 1.44% |

www.bls.gov
All Urban Consumers
Seattle-Tacoma-Bremerton
1982-84=100

City of Orting
PO Box 489
Orting WA 98360

**EXHIBIT - A**

| Can Service: | 3/1/2014 | 3/1/2015 | | % Change | Rate Change | Services without Subscribers |
|---|---|---|---|---|---|---|
| Micro can | 12.32 | 12.65 | per month | 2.66% | 0.33 | |
| Mini can | 16.52 | 17.03 | per month | 3.08% | 0.51 | |
| One can at curb or alley | 19.98 | 20.63 | per month | 3.25% | 0.65 | |
| Each additional can curb collection | 11.38 | 11.90 | per month | 4.61% | 0.52 | |
| Packout/Drive-in | 9.10 | 9.23 | per month | 1.44% | 0.13 | |
| Occasional extra | 5.53 | 5.70 | per unit | 3.07% | 0.17 | |
| Return trip | 6.96 | 7.06 | per trip | 1.44% | 0.10 | |
| | | | | | | |
| **Container Service:** | | | | | | |
| 1 yard once a week | 88.62 | 91.90 | per month | 3.70% | 3.28 | |
| 1 yard twice a week | 172.15 | 176.64 | per month | 2.61% | 4.49 | |
| 1.5 yard once a week | 120.11 | 124.85 | per month | 3.94% | 4.74 | |
| 1.5 yard twice a week | 240.22 | 246.69 | per month | 2.69% | 6.47 | |
| 2 yard once a week | 155.37 | 161.36 | per month | 3.86% | 5.99 | |
| 2 yard twice a week | 305.22 | 313.38 | per month | 2.67% | 8.16 | |
| 2 yard three times a week | 460.59 | 470.99 | per month | 2.26% | 10.40 | |
| 4 yard once a week | 292.34 | 303.83 | per month | 3.93% | 11.49 | |
| 4 yard twice a week | 584.67 | 600.39 | per month | 2.69% | 15.72 | |
| 4 yard three times a week | 877.07 | 897.01 | per month | 2.27% | 19.94 | * |
| 6 yard once a week | 416.22 | 432.16 | per month | 3.83% | 15.94 | |
| 6 yard twice a week | 832.42 | 854.38 | per month | 2.64% | 21.96 | |
| 6 yard three times a week | 1,248.65 | 1,276.62 | per month | 2.24% | 27.97 | * |
| 6 yard Five times a week | 2,037.08 | 2,076.44 | per month | 1.93% | 39.36 | * |
| 4 yard compactor once a week 5:1 | 1,239.37 | 1,294.21 | per month | 4.43% | 54.84 | * |
| 1 yard extra on regular route | 20.94 | 21.70 | per pickup | 3.63% | 0.76 | |
| 1.5 yard extra on regular route | 28.22 | 29.32 | per pickup | 3.90% | 1.10 | |
| 2 yard extra on regular route | 36.34 | 37.73 | per pickup | 3.82% | 1.39 | |
| 4 yard extra on regular route | 68.25 | 70.92 | per pickup | 3.91% | 2.67 | |
| 6 yard extra on regular route | 97.09 | 100.78 | per pickup | 3.80% | 3.69 | |
| 4 yard compactor extra regular route 5:1 | 294.67 | 299.21 | per pickup | 1.54% | 4.54 | |
| Bulky Extra on route | 13.24 | 13.71 | per pickup | 3.56% | 0.47 | |
| | | | | | | |
| Connect/Reconnect | 11.16 | 11.32 | per unit | 1.44% | 0.16 | |
| Yard Waste 90-gal toter | 5.04 | 5.11 | per month | 1.44% | 0.07 | |
| Occasional extra yard waste | 2.42 | 2.45 | per pickup | 1.44% | 0.03 | |
| MF-Recycling | 4.21 | 4.27 | per month | 1.44% | 0.06 | |
| Redeliver 90-gal toter | 15.03 | 15.25 | per delivery | 1.44% | 0.22 | |

# City of Orting
*City Council Staff Report*

**Date:** January 9, 2015

**Prepared By:** Mark Bethune

**Agenda Item:** Membership in AWC Risk Management Services – by Resolution

| | |
|---|---|
| **Issue Synopsis:** | AWC is requesting a City Council Resolution memorializing membership in the risk management service agency (RMSA) |
| **Background:** | The City had been a member of RMSA for many years. The last signed inter-local agreement was in 2010. AWC has learned that such inter-local's should have accompanying resolutions by the contracting City. |
| **Policy Options:** | Approve, amend, deny |
| **Analysis:** | See above |
| **Fiscal Impact:** | Fund(s): NA<br><br>Expenditure Required: NA<br><br>Amount Budgeted: NA<br><br>Additional Appropriation Required: NA |
| **Policy Questions:** | See above |
| **Staff Recommendation:** | Approve |
| **Recommendation:** | None |
| **Attachments:** | Resolution 2015-1, Inter-local Agreement |

# CITY OF ORTING
## WASHINGTON

**RESOLUTION NO. 2015-1**

---

**A RESOLUTION OF THE CITY OF ORTING, WASHINGTON, REGARDING MEMBERSHIP IN THE ASSOCIATION OF WASHINGTON CITIES (AWC) RISK MANAGEMENT SERVICE AGENCY (RMSA); AUTHORIZING ENTRY INTO AN INTERLOCAL AGREEMENT WITH RMSA; ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Association of Washington Cities Risk Management Service Agency (AWC RMSA) offers pooled self-insurance providing cost stability and the potential for long-term savings; and

**WHEREAS**, AWC RMSA is sponsored by the Association of Washington Cities as a service to Washington cities and towns; and

**WHEREAS**, the City of Orting has reviewed and analyzed the AWC RMSA Interlocal agreement, bylaws, and coverages; with legal counsel for compliance with the Ordinances of the City of Orting; and

**WHEREAS**, the City of Orting acknowledges that after becoming a member of the AWC RMSA, the City of Orting shall be subject to assessments and any future reassessments as required by the AWC RMSA; and

**WHEREAS**, the City of Orting City Council concludes that membership in the AWC RMSA would be beneficial in managing the municipal risks involved in providing services to our citizens;

**NOW, THEREFORE**, the City of Orting does hereby agree to enter into and abide by the Interlocal agreement, which, along with this Resolution, constitutes a contract between the City of Orting and the AWC RMSA.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ORTING, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. That the City of Orting, by and through the Orting City Council, does hereby agree to enter into and abide by the Interlocal agreement, which, along with this Resolution, constitutes a contract between the City of Orting and the AWC RMSA. .

Section 2. This Resolution shall take effect and be in full force immediately upon its passage.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 14th DAY OF JANUARY, 2015.

CITY OF ORTING

_____
Joachim Pestinger, Mayor

ATTEST/AUTHENTICATED:

_____
Mark Bethune, City Clerk/Administrator

Approved as to form:

_____
Chris Bacha,
Kenyon Disend, PLLC
City Attorney

Passed by the City Council: 1/14/15
Resolution No.: 2015-1

Ortwig

RECEIVED
MAR 15 2010
BY:

# INTERLOCAL AGREEMENT
# OF THE ASSOCIATION OF WASHINGTON CITIES
# RISK MANAGEMENT SERVICE AGENCY

Revised 2009

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# INTERLOCAL AGREEMENT:
# OF THE ASSOCIATION OF WASHINGTON CITIES
# RISK MANAGEMENT SERVICE AGENCY

## PREAMBLE

**THIS AGREEMENT** is made and entered into in the State of Washington by and among the members organized and existing under the Constitution or laws of the State of Washington, hereinafter collectively referred to as "Members", and individually as "Member", which are parties signatory to this Agreement. Said Members are sometimes referred to herein as "Parties".

## RECITALS

**WHEREAS**, Ch. 48.62 RCW provides that two or more local governmental agencies may, by Interlocal Agreement, provide insurance for any purpose by one or more of certain specified methods;

**WHEREAS**, the Association of Washington Cities, the sponsoring entity, of the Risk Management Service Agency ("Agency"), would like to maintain the long-standing relationship that has been achieved over the years because of the mutual goals of both entities, which is to support all cities and towns in Washington State;

**WHEREAS**, the Association of Washington Cities as sponsor of the Agency desires to provide its Members, as well as other Local Governmental Entities, the opportunity to jointly self-insure or pool their primary risks to enhance their ability to control their insurance programs and coverages;

**WHEREAS**, each of the parties to this Agreement desires to join together with the other parties for the purpose of pooling their self-insured losses and jointly purchasing excess insurance and administrative services in connection with a joint protection program for said parties; and

**WHEREAS**, it appears economically feasible and practical for the parties to this Agreement to do so;

**NOW, THEREFORE**, in consideration of all of the mutual benefits, covenants and agreements contained herein the parties hereto agree as follows:

## ARTICLE 1
## Definitions

The following definitions shall apply to the provisions of this Agreement:

1.1 **"Administrative Agent,"** shall mean the Association of Washington Cities that provides third party administration (TPA) services to the Agency.

1.2 **"Agency"** shall mean the Association of Washington Cities Risk Management Service Agency (RMSA).

1.3 **"Assessment"** shall mean the moneys paid by the members to the Agency.

1.4 **"Association"** shall mean the Association of Washington Cities.

1.5 **"Board of Directors"** or "Board" shall mean the governing body of the Risk Management Service Agency (RMSA) as duly elected by the members of the Agency.

1.6 **"Claims"** shall mean demands made against the Agency arising out of occurrences which are within the Agency's Joint Protection Program as developed by the Board of Directors.

1.7 **"Excess Insurance"** shall mean that insurance purchased or other financing arrangements made on behalf of the Agency to protect the funds of the Agency against catastrophes or against an unusual frequency of losses during a single year.

1.8 **"Fiscal Year"** shall mean that period of 12 months, from January 1 to December 31, which is established as the fiscal year of the Agency.

1.9 **"Insurance"** shall mean and include self-insurance through a funded program and/or commercial insurance contract.

1.10 **"Joint Protection Program"** shall mean the program established by the Board of Directors and intended to address the general operation of the Agency.

1.11 **"Local Governmental Entity"** shall mean every unit of local government, both general purpose and special purpose, and shall include, but not be limited to, counties, cities, towns, port districts, public utility districts, water districts, sewer districts, fire protection districts, irrigation districts, metropolitan municipal corporations, conservation districts, and other political subdivisions, governmental subdivisions, municipal corporations, and quasi municipal corporations.

1.12 **"Operating Committee"** shall mean the standing committee of the Agency.

1.13 **"Signatory"** or **"Signatories"** shall mean those parties who sign this Agreement, including execution by Counterpart, thereby becoming a Member of the Agency bound by the terms of this Agreement.

## ARTICLE 2
## Purposes

2.1 This Agreement is entered into by the Members to provide for self-insurance pooling and/or the economical purchase of primary Insurance and/or Excess Insurance coverage for all forms of Insurance available or required by law for Local Governmental Entities and for which state law authorizes the formation of pooling organizations to provide such Insurance, to reduce the amount and frequency of the Members' losses, and to decrease the cost incurred by the Members in the handling and litigation of claims. This purpose shall be accomplished through the exercise of the powers of the Members jointly in the creation of a separate public Agency, the Association of Washington Cities Risk Management Services Agency, to direct and administer a Joint Protection Program wherein the Members will engage in certain activities, including but not limited to the following:

2.1.1 Pool their losses and Claims;

2.1.2 Jointly purchase Excess Insurance; and

2.1.3 Jointly purchase administrative and other services including:

2.1.1.1 Claims adjusting;

2.1.1.2 Data processing;

2.1.1.3 Risk management consulting;

2.1.1.4 Loss prevention;

2.1.1.5 Legal; and

2.1.1.6 Miscellaneous related services.

2.2 It is also the purpose of the Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional Local Government Entities organized and existing under the Constitution or laws of the State of Washington as may desire to become parties to this Agreement and members of the Agency, subject to approval by the Board of Directors.

2.3 It is also the purpose of this Agreement to provide, to the extent permitted by law, that the Agency may, at the discretion of its Directors, contract with non-member Local Government Entities in the State of Washington.

## Article 3
## Agency Offices

3.1 Principal Executive Office
The principal executive office for the transaction of business of the Agency shall be located at 1076 South Franklin, Olympia, WA 98501. The Administrative Agent in cooperation with the Board of Directors of the Agency shall have the authority to change the location of the principal executive office from time to time.

3.2 Other Offices
Other business offices may be at any time be established by the Administrative Agent in cooperation with the Board of Directors of the Agency at any place or places where the Agency is qualified to do business.

## ARTICLE 4
## Parties to Agreement

Each party to this Agreement certifies that it intends to and does contract with all other parties who are Signatories of this Agreement and, in addition, with such other parties as may later be added to and Signatories of this Agreement pursuant to Article 14. Each party to this Agreement also certifies that the deletion of any party from this Agreement, pursuant to Articles 16 and17, shall not affect this Agreement nor such party's intent to contract as described above with the other parties to the Agreement then remaining.

## ARTICLE 5
## Term of Agreement

This Agreement shall become effective on January 1, 2010, and shall be of unlimited duration, but not less than one year, and will continue unless terminated as hereinafter provided in Article 19.

## ARTICLE 6
## Financial Obligations of Agency

Pursuant to Ch. 48.62 RCW, of the State of Washington, the debts, liabilities, and obligations of the Agency shall not constitute debts, liabilities, or obligations of any party to this Agreement.

## ARTICLE 7
## Powers of the Agency

7.1 Agency shall have the powers provided for by law and is hereby authorized to do all acts necessary for the exercise of said powers, including, but not limited to, any or all of the following:
7.1.1 Contract or otherwise provide for risk management and loss control services;

7.1.2 Contract or otherwise provide legal counsel for the defense of Claims and/or other legal services;

7.1.3 Consult with the Washington State Risk Manager and State Auditor;

7.1.4 Jointly purchase Insurance coverage in such form and amount as the organization's participants may by contract agree;

7.1.5 Incur debts, liabilities, or obligations;

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

7.1.7 Sue and be sued in its own name;

7.1.8 Hire employees and agents; and

7.1.9 Exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or otherwise authorized by law.

7.2 Said powers shall be exercised to the terms hereof and in the manner provided by law.

## ARTICLE 8
## The Board of Directors and their Powers and Responsibilities

8.1 The Agency, its funds and service programs shall be administered by a Board of Directors.

8.2 Number of Directors
There shall be seven (7) Directors of the Agency, who shall be elected officials representing members of the Agency.

8.3 Acceptance of Appointment by Directors
Each Director shall sign a document accepting their appointment as Director and agreeing to abide by the terms and provisions of this Interlocal Agreement and the Bylaws.

8.4 Powers and Responsibilities of the Board of Directors
The Board of Directors of the Agency shall have the following powers and functions:

8.4.1 The Board shall have the power to review, amend, modify, adopt, override, or reject the Operating Committee's recommendations.

8.4.2 The Board shall review, modify if necessary, and approve the annual operating budget of the Agency.

The Board shall receive and review periodic accountings of all funds of the Agency.

8.4.3 Annually the Board shall review, amend, adopt, or reject the Operating Committee's recommendation of the assessment rate to be charged to the members of the Agency.

8.4.4 The Board shall review, modify if necessary, and approve the Joint Protection Program (JPP), which identifies Agency and Member coverages, the Agency's Bylaws, and manuals.

8.4.5 The Board shall have the power to conduct all business on behalf of the Agency, which the Agency may conduct under the provisions hereof and pursuant to law.

8.4.6 The Board shall determine and select all necessary Insurance, including Excess Insurance, necessary to carry out the Joint Protection Program of the Agency.

8.4.7 The Board shall have authority to contract for or develop various services for the Agency, including, but not limited to, an administrative agent, claims adjusting, loss control, risk management consulting services, independent actuary services, independent claims auditing services, and general counsel.

8.4.8 The Board shall have such other powers and functions as are provided for in this Agreement or those which are necessary to implement the purposes of this Agreement, including, but not limited to, the power to authorize contracts.

## ARTICLE 9
## Operating Committee

The Operating Committee shall consist of nine (9) representatives from Member entities participating in the Agency. All members of the Operating Committee shall be appointed officials not elected officials. It is the Board's intent that the committee assists the Board and/or the Administrative Agent, with the operations of the Agency and to keep the Board advised on all aspects of Agency operations including professional standards.

## ARTICLE 10
## Coverage

10.1 The type and limits of the Insurance coverage provided for Members by the Agency shall be established by the Board of Directors.

10.2 The Board may arrange purchase of a group policy for Members interested in obtaining additional types or limits of coverage at additional cost to those participating Members. Such additional cost may include an administrative fee for the Agency's services.

10.3 The Board may arrange for the purchase of any other Insurance or services deemed necessary to protect the Agency or funds held by the Agency against catastrophe.

## ARTICLE 11
## Bond Requirements

The Board may require that the Administrative Agent authorized to disburse funds of the Agency, provide a fidelity bond in the amount as set by the Board, and provide that such bond be paid by the Agency.

## ARTICLE 12
## Responsibility of the Agency

The Agency shall perform the following functions in discharging its responsibilities under this Agreement:

12.1 Provide Insurance coverage as deemed necessary, including but not limited to a self-insurance fund and commercial insurance, as well as excess coverage and other insurance, such insurance, to be arranged by negotiation or bid, and/or purchase, as necessary;

12.2 Assist each Member's designated risk manager with the implementation of the risk management functions within the Member entity;

12.3 Provide loss prevention, safety, and consulting services to Members as required;

12.4 Provide Claims adjusting and subrogation services for Claims covered by the Agency's Joint Protection Program;

12.5 Provide loss analysis by the use of statistical studies, data processing, and record and file-keeping services, to identify high exposure operations and to evaluate proper levels of self-retention and deductibles;

12.6 Assist Members, as requested, with review of their contracts to determine sufficiency of indemnity and Insurance provisions;

12.7 Conduct risk management audits to review the participation of each Member in the program. The audit shall be performed by appointed Agency staff or, at the discretion of the administrative agency, and/or an independent auditor may be retained by contract to conduct the audits;

12.8 Provide for the defense of any civil action or proceeding brought against any officer, employee, Board member, or other agent of the Agency, in their official or individual capacity or both, on account of an act or omission within the scope of their agency as an agent of the Agency;

12.9 Abide by the rules and regulations as stated or hereinafter amended of RCW 48.62 and WAC 82-60; and

12.10 The Agency shall have such other responsibilities as deemed necessary by the Board of Directors in order to carry out the purposes of the Agreement.

## ARTICLE 13
## Responsibilities of Members

Members shall have the following responsibilities:

13.1 All Agency members must maintain membership in the Association of Washington Cities.

13.2 Each member shall appoint an employee of the member entity to be responsible for the risk management function within that member entity and to serve as a liaison between the Member and the Agency as to risk management.

13.3 Each Member shall maintain an active safety officer and/or committee, and shall consider all recommendations of the Agency concerning the development and implementation of a loss control policy to prevent unsafe practice(s).

13.4 Each Member shall maintain its own set of records, as a loss log, in all categories of loss to insure accuracy of the Agency's loss reporting system.

13.5 Each Member shall promptly pay its assessment and any readjusted amount promptly to the Agency when due. After withdrawal or termination, each Member shall pay promptly to the Agency its share of any additional assessment and accrued interest at a rate determined by the Board, when and if required of it by the Board.

13.6 Each Member shall provide the Agency with such other information or assistance as may be necessary for the Agency to carry out the Joint Protection Program under this Agreement.

13.7 Each Member shall in any and all ways cooperate with and assist the Agency, and any insurer of the Agency, in all matters relating to this Agreement and covered losses, and will comply with all Bylaws, rules, and regulations adopted by the Board of Directors.

13.8 All members shall cooperate with the Agency and assist with investigations, making settlements, and defense or prosecution of suits; cooperate and assist the Agency in enforcing any right of contribution, indemnity or subrogation in which the Agency may have an interest by virtue of a payment made pursuant to the Bylaws, interlocal agreement or the Joint Protection Program (JPP); attend hearings and trials and assist in the securing and giving evidence and obtaining the attendance of witnesses; use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any loss of or damage to the property herein insured.

## ARTICLE 14
## New Members

14.1 Additional Members shall be permitted to become Signatories to this Agreement, and to the Joint Protection Program. All potential members to the Agency must be members of the Association of Washington Cities or become members prior to acceptance into the Agency. The Directors shall allow entry into the program of new members approved by the Board of Directors at such time during the year as the Board deems appropriate.

14.2 Members entering under this Article may be required to pay their share of expenses as determined by the Board, including those necessary to analyze their loss data and determine their assessment.

## ARTICLE 15
## Defense of Agents

For purposes of this article, "agent" means any person who is or was: a Director, an Operating Committee member, an officer, or an agent acting on behalf of the Agency or Administrative Agent.

15.1 The Agency shall provide for the defense of any agents and paying of any valid judgments and claims brought against any such agent arising from their actions or conduct in their official or individual capacity or both, on account of an act or omission within the scope of their responsibility; provided, however, this section shall not apply to those occurrences covered by an Agency policy of liability insurance or if the claim or judgment results from the intentional misconduct of said agent.

## ARTICLE 16
## Withdrawal

16.1 A Member signing this Agreement may not withdraw as a party to this Agreement and as a Member of the Agency for a one-year period commencing on the date said Member signs the Agreement.

16.1.1 After the initial one-year non-cancellable commitment provided pursuant to this Agreement, a Member may withdraw only at the end of any Fiscal Year, provided it has given the Agency a 12-month written notice of its intent to withdraw from this Agency.

16.2 A Member shall be entitled to withdraw from the Agency where it presents to the Board of Directors evidence demonstrating a material breach of contract by the Agency as regards its obligations to the Member. The Member shall be allowed to withdraw from the agency within ninety (90) days of any finding by the Board of Directors that a material breach of contract by the

Agency has occurred. The withdrawal of any Member under the conditions identified here shall not however free it from any and all requirements made of any withdrawing Member.

## ARTICLE 17
## Termination by Agency

17.1 The Agency shall have the right to terminate any Member's participation in the Joint Protection Program upon a motion approved by three-quarters (75%) vote of the entire Board of Directors. The Board of Directors may, prior to taking action on such a motion, request that the Operating Committee review and make recommendations to the Board on any allegation giving rise to the request to terminate, including failure to: comply with a written condition, disregard of safety or risk management standards, noncompliance with any provision of this Interlocal and/or the Bylaws of the Agency.

17.2 Any Member so cancelled shall be given one hundred eighty (180) days notice prior to the effective date of the cancellation. Any Member so cancelled shall have a period of up to six (6) months coverage under the terms of this or may affect alternate insurance or self-insurance arrangements if it so desires. Any Member so cancelled shall be treated as if it had voluntarily withdrawn.

## ARTICLE 18
## Effect of Withdrawal or Termination

18.1 The withdrawal of any Member from this Agreement shall not terminate the same.

18.2 No Member by withdrawing shall be entitled to payment or return of any assessment, consideration of property paid, or donated by the Member to the Agency, or to any distribution of assets.

18.3 The withdrawal of any Member shall not terminate its responsibility to contribute its share or assessment or funds to any fund or Insurance program created by the Agency until all Claims, or other unpaid liabilities, covering the period the Member was Signatory hereto have been finally resolved and a determination of the final amount of payments due by the Member or credits to the Member for the period of its membership has been made by the Board of Directors. In connection with this determination, the Board may exercise similar powers to those provided for in Article 17, *Termination by Agency*, of this Agreement.

18.4 Any withdrawing or terminated Member shall not be permitted to rejoin the Agency for a period of three (3) years.

## ARTICLE 19
## Termination and Distribution

19.1 This Agreement may be terminated at any time by the written consent of three-fourths (75%) of the Members, provided, however, that this Agreement and Agency shall continue to exist for the purpose of paying all debts and liabilities, disposing of all Claims, distributing net assets, and otherwise winding up and liquidating the affairs of the Agency. The Board of Directors is vested with all powers of the Agency during such winding up and liquidation, including the power to require Members, including those which are Members at the time the claim arose or at the time the loss was incurred, to pay their share of any additional amount of assessment deemed necessary by the Board for final disposition of all Claims, losses, and liabilities covered by this Agreement. Such additional assessment shall be determined and thereafter adjusted, if necessary.

19.2 Upon termination of this Agreement, all assets of the Agreement shall be distributed only among the parties that are Members of the Joint Protection Program, in accordance with and proportionate to their cash payments and property contributions made during the term of this Agreement. The Board shall determine such distribution within six (6) months after the last pending claim or loss covered by this Agreement has been finally disposed of.

19.3 The Board is vested with all powers of the Agency for the purpose of winding up and dissolving the business affairs of the Agency. These powers shall include the power to require Members, including those which were Members at the time the claim arose or at the time the loss was incurred, to pay their share of any additional amount of assessment deemed necessary by the Board for final disposition of all Claims and losses covered by this Agreement. A Member's share of such additional assessment shall be determined on the same basis as that provided for annual assessments, and shall be treated as if it were the next year's annual assessment for that Member.

## ARTICLE 20
## Bylaws and Manual

The Board has developed Agency Bylaws and a policy and procedure manual that governs the day-to-day operations of the Agency. Each Member shall receive a copy of any Bylaws, policy statement, or manual developed under this Article.

## ARTICLE 21
## Notices

Notices to Members hereunder shall be sufficient if mailed to the last address, or electronic mail, provided to the Agency by the respective Member postal mail will be deemed received three (3) days after mailing.

## ARTICLE 22
## Amendment

This Agreement may be amended at any time by the written approval of three-quarters (75%) of all Members of the Agency.

## ARTICLE 23
## Enforcement

The Agency is hereby granted the authority to enforce this Agreement. In the event action is instituted to enforce any term of this Agreement or any term of the Bylaws against any City Member which signed this Agreement, the substantially prevailing party in such dispute shall be entitled to its costs and reasonable attorney's fees.

## ARTICLE 24
## Prohibition Against Assignment

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

## ARTICLE 25
## Severability

In the event that any article, provision, clause, or other part of this Agreement should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not

affect the validity or enforceability with respect to other articles, clauses applications, or occurrences, and this Agreement is expressly declared to be severable.

## ARTICLE 26
## Agreement Complete

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

## ARTICLE 27
## Signature in Counterparts

This Agreement may be executed in any number of Counterparts and each of such Counterparts shall for all purposes constitute one Agreement, binding on all Members, notwithstanding that all Members are not Signatories to the same Counterpart. All references herein to this Agreement are deemed to refer to all such Counterparts.

## ARTICLE 28
## Authorization of Signature

Each Member signing this Agreement has passed the required Ordinance or Resolution authorizing and approving this Agreement, a certified copy of which Ordinance or Resolution is attached hereto.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement by authorized officials thereof.

Association of Washington Cities (AWC)
Risk Management Service Agency (RMSA)

By _____

Date 12/16/2009

City of Orting
(Member Name)

By Cheryl M. Temple

Cheryl M. Temple, Mayor
(Printed name)

Date _____

affect the validity or enforceability with respect to other articles, clauses applications, or occurrences, and this Agreement is expressly declared to be severable.

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Association of Washington Cities (AWC)
Risk Management Service Agency (RMSA)

By _____

Date 12/16/2009

City of Orting
(Member Name)

By Cheryl M. Temple

Cheryl M. Temple, Mayor
(Printed name)

Date 3/10/10

RECEIVED
MAR 15 2010
BY:

# City of Orting
*City Council Staff Report*

| | |
|---|---|
| **Date:** | January 14, 2015 |
| **Prepared By:** | JC Hungerford, P.E., Parametrix |
| **Agenda Item:** | Biosolids Engineering Report |

| | |
|---|---|
| **Issue Synopsis:** | Requesting budget approval for professional services as described in the Biosolids Engineering Report Scope and Budget. |
| **Background:** | The City of Orting (City) Wastewater Treatment Plant (WWTP) continuously generates biosolids as a byproduct of wastewater treatment. These solids need to be processed and ultimately removed from the site. Currently, the City's biosolids treatment process produces Class B biosolids using a Facultative Lagoon, but the City sewer utility is interested in evaluating other process alternatives due to cost, environmental benefit, and risk management.<br><br>This scope proposes to provide engineering services necessary to prepare a Biosolids Engineering Report for the City wastewater collection and treatment facilities. The primary goal of this project is to develop an analysis of biosolids management alternatives and a recommended biosolids management plan for producing Class B biosolids on-site using technologies that may be expanded to future Class A biosolids production. |
| **Policy Options:** | Approve or disapprove attached scope and budget for professional services. |
| **Analysis:** | The current process requires testing, dredging the lagoon, solids processing, and sludge disposal on a 5- to 6-year interval costing the City approximately $500,000 per cycle. Generation of solids and the frequency of the dredging and processing will increase as the City grows resulting in greater costs to the sewer utility.<br>The lagoon liner has exceeded its design life and will need replacement following the next dredging cycle if the lagoon is to remain in service. The total project cost to replace the liner is estimated to be approximately $750,000. Replacement of the liner should occur on a 15-year interval.<br><br>The number of contractors that can dredge, dewater, and haul the solids to a repository in the region are limited and appear to be diminishing.<br><br>The number of repositories in the State are few and future policy at a State level may require a higher standard of treatment prior to land application of solids at these sites (i.e. the City may be required to produce Class A solids prior to distribution.)<br><br>If Orting biosolids are treated to a higher standard, they could be used locally for residential and commercial agricultural purposes similar to neighboring communities. This could eliminate long distance hauling costs and decrease the use of less environmentally friendly fertilizers that can have a detrimental effect on the drinking water supply and the water quality of storm and surface waters entering local rivers. |

| | |
|---|---|
| **Fiscal Impact:** | Funds: 408-594-35-41-01 (Capout-Eng-Solids Handling Pre-design)<br>Expenditure Required: $78,021.37<br>Amount Budgeted: $60,000<br>Additional Appropriation Required: $18,021.37<br><br>It was originally anticipated that this project would begin in 2014 and carry into 2015. Due to this, the budget reflected a $20,000 expenditure in 2014 and $60,000 in 2015. |
| **Policy Questions:** | None |
| **Committee Recommendation:** | Approve |
| **Staff Recommendation:** | Approve |
| **Attachments:** | Scope and Budget for Professional Services |

# DRAFT SCOPE OF WORK

City of Orting
Biosolids Engineering Report

## OVERVIEW

The City of Orting (City) Wastewater Treatment Plant (WWTP) continuously generates biosolids as a byproduct of wastewater treatment. These solids need to be processed and ultimately removed from the site. Currently, the City's biosolids treatment process produces Class B biosolids using a Facultative Lagoon, but the City sewer utility is interested in evaluating other process alternatives to generate Class B and possibly Class A biosolids due to cost, environmental benefit, and risk management. Specifically:

- The current process requires testing, dredging the lagoon, solids processing, and sludge disposal on a 5- to 6-year interval costing the City approximately $500,000 per cycle. Generation of solids and the frequency of the dredging and processing will increase as the City grows resulting in greater costs to the sewer utility.
- The lagoon liner has exceeded its design life and will need replacement following the next dredging cycle if the lagoon is to remain in service. The total project cost to replace the liner is estimated to be approximately $750,000. Replacement of the liner should occur on a 15-year interval.
- The number of contractors that can dredge, dewater, and haul the solids to a repository in the region are limited and appear to be diminishing
- The number of repositories in the State are few and future policy at a State level may require a higher standard of treatment prior to land application of solids at these sites (i.e. the City may be required to produce Class A solids prior to distribution.)
- If Orting biosolids are treated to a higher standard (Class A), they could be used locally for residential and commercial agricultural purposes similar to neighboring communities. This could eliminate long distance hauling costs and decrease the use of less environmentally friendly fertilizers that can have a detrimental effect on the drinking water supply and the water quality of storm and surface waters entering local rivers.

This scope proposes to provide engineering services necessary to prepare a Biosolids Engineering Report for the City wastewater collection and treatment facilities. The primary goal of this project is to develop an analysis of biosolids management alternatives and a recommended biosolids management plan for producing Class B biosolids on-site using technologies that may be expanded to future Class A biosolids production.

The *Engineering Report* will be drafted consistent with the applicable requirements of WAC 173-240-060 and the guidelines contained in the Washington State Department of Ecology's (Ecology's) *Criteria for Sewage Works Design and Permit Writers Manual*.

## GENERAL ASSUMPTIONS

- Wastewater treatment capacity and river discharge evaluation is not included.
- Published population growth information will be used to estimate future solids production rates.
- Ecology has agreed that for this biosolids engineering report, the above information is not required and the only wastewater process information to be evaluated is the quantity and load for the return water from the biosolids dewatering process.
- The City of Orting currently has no urban growth area identified and therefore annexation and consequent service area development is not projected in this Report.
- The City, with assistance from Parametrix, will act as the lead agency for evaluating the SEPA Checklist and all additional required permits. It is assumed that the City will issue a Determination of Non-Significance (DNS) or a Mitigated Determination of Non-Significance (MDNS) for the Report. If a MDNS is issued by the City, additional efforts outside of this scope may be necessary to implement mitigation measures.
- A detailed Cost of Service Analysis is outside the scope of this Report.
- An assessment of existing and required infiltration and inflow (I/I) reduction programs is beyond the scope of this Report.
- Parametrix will develop two alternatives for providing on-site Class B biosolids production. Two biosolids disposal options will also be evaluated.
- Parametrix will develop two alternatives for odor control technologies as part of the City's WWTP expansion.
- Pilot testing of alternatives is not included in this scope of work.

## TASK 1 – PROJECT MANAGEMENT AND QA/QC

### Subtask 1.1 – Monthly Report and Communication

#### Goal

To communicate with the City and prepare monthly summaries of project work completed and budget spent.

#### Approach

Monthly progress reports will be submitted to the City. The progress reports will be included as part of the existing monthly progress letters and will summarize the work completed that month, spent budget, identify action items and issues requiring clarification, and project activities for the next month. Additionally, project staff will communicate via letters, phone calls, and e-mails to request water system information, keep the City informed of project-related issues, and discuss potential changes in scope.

### Subtask 1.2 – Meetings and Communication

#### Goal

To maintain scope, schedule, and budget through proactive communications with City and State stakeholders.

### Approach

Parametrix's project manager will proactively communicate with the City's public works director, plant operators, and utility committee regarding conceptual improvements for biosolids processing and odor control prior to proceeding with documentation such as formalized write-ups in the engineering report or generation of figures. This approach ensures that the end users of the system are in agreement with the technologies before substantial documentation and resulting costs are expended in order to secure State approval.

### Assumptions

This task assumes only 32 hours of staff time (or approximately 8 hours per month can be devoted to communication and meetings).

The budget is based on a 4-month project starting from the Notice to Proceed

## TASK 2 – ANALYZE BACKGROUND INFORMATION

### Goal

To identify, collect, and review the necessary background information for completion of the Report.

### Approach

Parametrix will prepare a list of required background information, including the parties (Parametrix, City, County) responsible for obtaining/providing the information. Typical required information would include planning level facility operational data (such as Discharge Monitoring Reports [DMRs]) and maintenance records. Parametrix will also research existing regulations for odor control requirements.

### Assumptions

The City will provide planning and mapping information and provide requested information in a timely manner.

### Subtask 2.1 – Review Wastewater Flow and Load

### Goal

To estimate wastewater flow and loads for the build-out condition based on the *2009 Orting Water Plan* population projections.

### Approach

Wastewater flows and loads for the City service area will be based upon a review of current City wastewater characteristics, together with build-out population projections developed in the *2009 Water System Plan Update* (Parametrix).

Wastewater flow and load projections will be estimated based on existing population and the build-out population estimate. The most current data from the City's WWTP DMRs will be used in these calculations.

### Assumptions

The City of Orting will not annex property for development within the planning horizon of this report. City staff will provide available wastewater characteristics in a timely manner.

## Subtask 2.2 – Collection System Review

### Goals

To update the existing map of the collection system as necessary for County/State approval of the plan.

### Approach

Parametrix will include a map of the wastewater collection and treatment system. The following components will be included on this map:

- Boundaries of the sewer service area.
- Location of existing pump stations and force mains identified by City staff.
- Location of streams, lakes, and other bodies of water.

## Subtask 2.3 – Existing Solids Treatment System and Production Projections

### 2.3.1 Summarize Historical WWTP Data

### Goal

To describe the historical performance of the WWTP based on a review of plant records, including DMRs, and other correspondence with Ecology.

### Approach

Past DMRs will be reviewed for liquids treatment capabilities. Records of biosolids production will also be examined in order to best estimate the quantity of biosolids to be treated. This historical performance data will be summarized in the Report. We will also document the lagoon bio-additive testing done approximately 10 years ago to attempt to reduce lagoon solids.

### Assumptions

Stress testing of the plant and solids testing is not anticipated as part of this scope.

### 2.3.2 Biosolids Treatment, Dewatering, and Disposal Analysis

#### Summarize Current Solids Handling

### Goal

To describe the existing solids handling facilities and treatment at the plant.

### Approach

The analysis of the solids lagoon system in the 2001 *General Sewer Plan* will serve as the basis for what is presented in the new Report. There have been minimal changes made to the solids treatment system since the drafting of the former *Engineering Report*. Ecology's *Statewide General Permit for Biosolids Management* will be reviewed as part of the solids handling evaluation.

### Estimate Future Solids Production

### Goal

To provide an estimate of the quantity of solids the plant should expect to treat for the planned future.

### Approach

The *2009 Orting Water Plan* provided build-out population projections will be used to estimate the quantity of biosolids the plant should expect to treat for the planned future. These estimates will help in developing the biosolids handling expansion and treatment options.

### Biosolids Disposal Screening

### Goal

To evaluate four biosolids disposal alternatives and recommend two disposal alternatives for more detailed evaluation.

### Approach

Parametrix will conduct a survey of local and state biosolids disposal alternatives for Class B biosolids. Contract hauling options and off-site composting facilities will be included in this task. In addition to evaluating disposal alternatives, a concept for decommissioning the existing solids handling lagoons will be developed, and potential uses for the lagoons, including emergency flow storage and biosolids storage, and future conversion to Class A Biosolids production will be investigated. Site visits to local biosolids disposal/ treatment installations can be added to this scope if desired.

## Task 3 – Biosolids Alternatives and Resource Recovery

## Subtask 3.1 – Treatment and Disposal Alternatives

### Goal

To use operation information from existing facilities and/or more detailed examinations of the City's preferred treatment options to compare the two treatment alternatives and two disposal alternatives. Additionally, options for resource recovery such as methane collection and use will be evaluated if feasible.

### Approach

A subsequent, more detailed analysis of the City's preferred solids handling treatment and disposal alternatives will be completed. The comprehensive examinations will involve treatment unit sizing calculations; process flow diagrams; site plan layouts; and capital, operation and maintenance (O&M), and present worth cost estimates including a preliminary equipment list.

If methane recovery is feasible for the treatment alternatives, it will be further analyzed and discussed. A cost estimate will be provided as well.

### Assumptions

Aerobic digestion with thickening and dewatering and lime stabilization with dewatering are two biosolids treatment alternatives that are likely to be evaluated. Details will be provided to include major equipment necessary for processing of the solids using these technologies. Information will be provided regarding potential future modifications necessary to upgrade these facilities to produce Class A biosolids.

Pilot testing is not included.

Design assumptions specific to the treatment units will not be made without manufacturer approval. Plant staff will provide, in a timely manner, additional plant information that the manufacturer may require.

Two biosolids disposal alternatives will also be considered.

## Subtask 3.2 – Solids Treatment Odor Control Analysis

### Goal

To present to the City an analysis of cost-effective odor control options for each of the biosolids treatment alternatives examined.

### Approach

Parametrix will recommend two odor control technologies to evaluate. The alternatives will be summarized and discussed with the City's Utilities committee before determining the preferred alternative. The chosen alternative will be presented in the Engineering Report, with more detailed cost analysis. This task needs to be closely coordinated with the biosolids management analysis, since biosolids processing can be a major odor source. If local installations have the odor control technologies evaluated, site visits can be scheduled and added to the project scope.

# TASK 4 – SEPA COMPLIANCE

### Goal

To prepare an Environmental Checklist in compliance with the State Environmental Policy Act (SEPA) as required by WAC 246-290-100.

### Approach

The recommended collection system and treatment improvements identified in the Capital Improvement Program (CIP) will be used to complete a SEPA Environmental Checklist. The recommended improvements will be evaluated for potential impact to environmental elements such as earth, air, water, plants and animals, etc. The completed checklist will be included as an appendix to the Report.

### Assumptions

The City will act as the lead agency for evaluating the SEPA Checklist. This scope of work has been prepared assuming that the City will issue a Determination of Non-Significance (DNS) or a MDNS for the Report. If a MDNS is issued by the City, additional efforts outside of this scope may be necessary to implement mitigation measures.

An environmental compliance and regulatory review process is not included in this scope.

## TASK 5 – BIOSOLIDS ENGINEERING REPORT

The goal is to determine a biosolids handling and odor control strategy that is consistent with the City's goals for cost effectively processing plant biosolids for Orting's current service area through projected Build-out.

The Report will include recommended treatment alternatives based upon projected Class B biosolids and odor criteria. The Report will additionally recommend an implementation schedule for the proposed alternatives. For each phase of expansion, design criteria, sizing calculations, and expected treatment efficiency (unit process and overall treatment plant) will be developed. A limited discussion and planning level conceptual cost estimates will be developed for upgrading these facilities to achieve production of Class A biosolids. The following detailed information will also be developed and will reflect each phase of expansion:

- Site Plan.
- Solids Process Flow Diagram.
- Sizing Calculations.
- Capital, O&M, and Present Worth Costs.
- Estimate of costs to upgrade to Class A biosolids treatment for both alternatives.

The Engineering Report will also include staffing requirements and estimated annual O&M costs. These costs will be used with the capital cost estimates to complete the cost analysis.

### Assumptions

It is assumed that the existing WWTP facilities are sufficient to handle projected flows for the planned future. There will be no analysis of expanding the current sequencing batch reactor (SBR) system for liquid stream treatment.

Parametrix standards of practice to ensure quality will be followed during plan development. Specifically for this report, a peer review (quality control check) is anticipated for each identified deliverable to the City. Quality assurance will be provided for the 60%, 90%, and 100% draft documents.

## Subtasks 5.1 and 5.2 – 60% and 90% Draft Engineering Reports

### Goal

To meet with the City, discuss alternatives and determine the preferred alternatives to include in the draft Engineering Report. City/stakeholder comments will be incorporated into the 90% draft Report before submitting to Ecology for review.

### Approach

Parametrix will meet with the City Utilities Committee to address City comments received on the 60% draft Report submittal. City review comments, along with comments received during the Utility Committee Review workshop, will be incorporated in the 90% draft Report submitted to Ecology for review.

### Assumptions

Parametrix will produce and deliver two (2) copies of the 60% draft Engineering Report for City Review. Parametrix will produce and deliver four (4) 90% Draft Engineering Reports to the City for City (one copy), Ecology (two copies), and Pierce County (one copy) review.

Pierce County (County) review comments, if any, will not be required for Ecology approval of the engineering report. If County review comments are substantial in nature, they are not included in this scope of work. Coordination with the County is not included in this scope of work.

## Subtask 5.3 – Regulatory Review and Final Document Production

### Goal

To coordinate with Ecology review staff and incorporate Ecology comments into the 100% Final Report.

### Approach

The Final Report will address comments provided by Ecology based upon their review of the 90% draft document. A coordination meeting/conference call with Ecology may be scheduled depending upon the significance of the comments. The final document will be certified by a licensed Professional Engineer in the State of Washington.

### Assumptions

It is anticipated that only one revision/review iteration with Ecology will be necessary for producing the final 100% draft from the 90% draft document.

Additional City review is anticipated only for Ecology comments resulting in significant modifications.

Parametrix will produce and deliver five (5) total copies and one (1) electronic copy on a CD-ROM (both Microsoft Word and PDF formats) of the Final Report. Recipients include the City (three copies), Ecology (two copies), and Pierce County (one copy).

## PRELIMINARY ENGINEERING REPORT TABLE OF CONTENTS

**Executive Summary**

**Background**
Introduction
Purpose and Scope
Existing Facilities
    Wastewater Treatment
    Solids Handling

**Solids Treatment, Dewatering, and Disposal Analysis**
Existing Solids Handling Facilities
Identify and Evaluate Alternatives
Recommended Alternative

**Capital and Financial Analysis**
Capital Cost Estimates
Operation and Maintenance Costs

**Environmental Compliance**
SEPA Checklist

Client: City of Orting
Project: Orting Biosolids Eng Report
Project No:

| Phase | Task | Description | Labor Dollars | Labor Hours | David Roberts<br>Sr Consultant | April D. Whittaker<br>Project Controls Specialist | Corp Finance Project Accountant<br>Corp Finance Project Accountant | John C. Hungerford<br>Sr Engineer | Allan C. Maas<br>Sr Engineer | Lyle R. Roscoe<br>Sr Engineer | Oskar K. Agustsson<br>Sr Engineer | Rodney J. Guyette<br>Sr Designer | Michael S. Phelps<br>Sr Planner | Amanda B. Lucas<br>Publications Specialist II | Nancy Donovan<br>Publications Supervisor | Kathleen M. Braaten<br>CADD Operator II | David M. Kopchynski<br>Sr Engineer |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 01 | | **Biosolids Eng Report** | **$77,875.77** | **516** | **8** | **46** | **8** | **72** | **198** | **26** | **34** | **3** | **16** | **28** | **5** | **48** | **24** |
| 01 | 01 | Project Management | $7,420.20 | 56 | | 16 | 8 | 20 | 12 | | | | | | | | |
| | | *Monthly Reports* | *$2,820.20* | *24* | | *8* | *8* | *4* | *4* | | | | | | | | |
| | | *Misc. Meetings and Communicatio* | *$4,600.00* | *32* | | *8* | | *16* | *8* | | | | | | | | |
| 01 | 02 | Analyze Background Info | $13,042.56 | 84 | | | | 20 | 48 | | | | | | | 16 | |
| | | *Rev WW Flow and Load* | *$2,941.92* | *16* | | | | | *16* | | | | | | | | |
| | | *Collection System Review* | *$1,762.56* | *12* | | | | *12* | | | | | | | | | |
| | | *Collection Figures (2)* | *$2,454.24* | *24* | | | | *8* | | | | | | | | *16* | |
| | | *Ex Solid Treatment and Projections* | *$5,883.84* | *32* | | | | | *32* | | | | | | | | |
| | | *Hist WWTP Data* | *$1,470.96* | *8* | | | | | *8* | | | | | | | | |
| | | *Solids Treatment, Dewater, Dispo* | *$4,412.88* | *24* | | | | | *24* | | | | | | | | |
| | | *Current Solids Handling* | *$1,470.96* | *8* | | | | | *8* | | | | | | | | |
| | | *Future Solids Production* | *$1,470.96* | *8* | | | | | *8* | | | | | | | | |
| | | *Disposal Screening* | *$1,470.96* | *8* | | | | | *8* | | | | | | | | |
| 01 | 03 | Biosolids Alternatives | $25,375.28 | 160 | | | | 8 | 56 | 16 | 24 | | | | | 32 | 24 |
| | | *Treatment and Disposal Alt* | *$7,742.48* | *44* | | | | *4* | *24* | *8* | *8* | | | | | | |
| | | *Odor Control Eval* | *$9,176.96* | *52* | | | | *4* | *8* | *8* | *8* | | | | | | *24* |
| | | *Figures (4)* | *$8,455.84* | *64* | | | | | *24* | | *8* | | | | | *32* | |
| 01 | 04 | SEPA Compliance | $3,886.46 | 30 | | 6 | | 4 | 2 | | | | 16 | 2 | | | |
| 01 | 05 | Biosolids Eng Report | $28,151.27 | 186 | 8 | 24 | | 20 | 80 | 10 | 10 | 3 | | 26 | 5 | | |
| | | *60% Draft* | *$12,252.77* | *79* | *4* | *8* | | *4* | *40* | *4* | *4* | *1* | | *12* | *2* | | |
| | | *Produce 60%* | *$9,839.52* | *64* | | *8* | | | *40* | | *4* | | | *12* | | | |
| | | *QA/QC* | *$2,413.25* | *15* | *4* | | | *4* | | *4* | | *1* | | | *2* | | |
| | | *90% Draft* | *$9,159.77* | *61* | *2* | *8* | | *8* | *24* | *4* | *4* | *1* | | *8* | *2* | | |
| | | *Produce 90%* | *$5,840.96* | *40* | | *8* | | | *20* | | *4* | | | *8* | | | |
| | | *Respond to City Comments* | *$1,323.00* | *8* | | | | *4* | *4* | | | | | | | | |
| | | *QA/QC* | *$1,995.81* | *13* | *2* | | | *4* | | *4* | | *1* | | | *2* | | |
| | | *Regulatory Review 100% Draft* | *$6,738.73* | *46* | *2* | *8* | | *8* | *16* | *2* | *2* | *1* | | *6* | *1* | | |
| | | *Respond to DOE Comments* | *$2,058.48* | *12* | | | | *4* | *8* | | | | | | | | |
| | | *Produce 100%* | *$3,102.80* | *24* | | *8* | | | *8* | | *2* | | | *6* | | | |
| | | *QA/QC* | *$1,577.45* | *10* | *2* | | | *4* | | *2* | | *1* | | | *1* | | |
| | | **Labor Totals:** | **$77,875.77** | **516** | **8** | **46** | **8** | **72** | **198** | **26** | **34** | **3** | **16** | **28** | **5** | **48** | **24** |

**DIRECT EXPENSES:**

| Description | Amount |
|---|---|
| B & W 8.5 x 11 | $38.00 |
| Color 11 x 17 | $18.00 |
| Mileage | $89.60 |
| **Expense Total:** | **$145.60** |

**Project Total:** **$78,021.37**

# City of Orting
*City Council Staff Report*

**Date:** January 9, 2015

**Prepared By:** Mark Bethune

**Agenda Item:** TBD Membership in AWC Risk Management Services – by Resolution

| | |
|---|---|
| **Issue Synopsis:** | AWC is requesting a Transportation Benefit District Resolution memorializing membership in the risk management program (RMSA) |
| **Background:** | The City of Orting Transportation Benefit District has been a member of the AWC Risk Management Service Agency in November 2011 per inter-local agreement. AWC has learned that such inter-local's should have accompanying resolutions by the contracting City. |
| **Policy Options:** | Approve, amend, deny |
| **Analysis:** | See above |
| **Fiscal Impact:** | Fund(s): NA<br><br>Expenditure Required: NA<br><br>Amount Budgeted: NA<br><br>Additional Appropriation Required: NA |
| **Policy Questions:** | See above |
| **Staff Recommendation:** | Approve |
| **Recommendation:** | None |
| **Attachments:** | Resolution TBD 2015-1, Inter-local Agreement |

# ORTING TRANSPORTATION BENEFIT DISTRICT

WASHINGTON

**RESOLUTION NO. TBD 2015-1**

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**A RESOLUTION OF THE ORTING TRANSPORTATION BENEFIT DISTRICT; REGARDING MEMBERSHIP IN THE ASSOCIATION OF WASHINGTON CITIES (AWC) RISK MANAGEMENT SERVICE AGENCY (RMSA)**

---

**WHEREAS**, the Association of Washington Cities Risk Management Service Agency (AWC RMSA) offers pooled self-insurance providing cost stability and the potential for long-term savings; and

**WHEREAS**, AWC RMSA is sponsored by the Association of Washington Cities as a service to Washington cities and towns; and

**WHEREAS**, the Orting Transportation Benefit District has reviewed and analyzed the AWC RMSA Interlocal agreement, bylaws, and coverages; with legal counsel for compliance with City of Orting Ordinance No. 920 authorizing creation of the Orting Transportation Benefit District; and

**WHEREAS,** the Orting Transportation Benefit District acknowledges that after becoming a member of the AWC RMSA, the Orting Transportation Benefit District shall be subject to assessments and any future reassessments as required by the AWC RMSA; and

**WHEREAS**, the Orting Transportation Benefit District concludes that membership in the AWC RMSA would be beneficial in managing the municipal risks involved in providing services to the residents within the District boundaries;

**NOW, THEREFORE, THE BOARD OF THE ORTING TRANSPORTATION BENEFIT DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. That the Orting Transportation Benefit District does hereby agree to enter into and abide by the Interlocal agreement, which, along with this Resolution, constitutes a contract between the Orting Transportation Benefit District and the AWC RMSA.

Section 2. This Resolution shall take effect and be in full force immediately upon its passage.

PASSED BY THE BOARD AT A REGULAR MEETING THEREOF ON THE 14th DAY OF JANUARY, 2015

ORTING TRANSPORTATION BENEFIT DISTRICT

_____
Scott Drennen, Chair

ATTEST/AUTHENTICATED:

_____
Mark Bethune, City Clerk

AWC
RISK
MANAGEMENT
SERVICE
AGENCY

Association of Washington Cities
Risk Management Service Agency

# Interlocal Agreement

## with the

## *Orting Transportation Benefit District*

AWC RMSA, 1076 Franklin St. SE, Olympia, WA 98501-1346
Phone (800) 562-8981 * Fax (360) 753-0148

# INTERLOCAL AGREEMENT OF
# THE ASSOCIATION OF WASHINGTON CITIES
# RISK MANAGEMENT SERVICE AGENCY
# (AWC-RMSA)

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# INTERLOCAL AGREEMENT:
# OF THE ASSOCIATION OF WASHINGTON CITIES
# RISK MANAGEMENT SERVICE AGENCY

## PREAMBLE

**THIS AGREEMENT** is made and entered into in the State of Washington by and among the members organized and existing under the Constitution or laws of the State of Washington, hereinafter collectively referred to as "Members", and individually as "Member", which are parties signatory to this Agreement. Said Members are sometimes referred to herein as "Parties".

## RECITALS

**WHEREAS**, Ch. 48.62 RCW provides that two or more local governmental agencies may, by Interlocal Agreement, provide insurance for any purpose by one or more of certain specified methods;

**WHEREAS**, the Association of Washington Cities, the sponsoring entity, of the Risk Management Service Agency ("Agency"), would like to maintain the long-standing relationship that has been achieved over the years because of the mutual goals of both entities, which is to support all cities and towns in Washington State;

**WHEREAS**, the Association of Washington Cities as sponsor of the Agency desires to provide its Members, as well as other Local Governmental Entities, the opportunity to jointly self-insure or pool their primary risks to enhance their ability to control their insurance programs and coverages;

**WHEREAS**, each of the parties to this Agreement desires to join together with the other parties for the purpose of pooling their self-insured losses and jointly purchasing excess insurance and administrative services in connection with a joint protection program for said parties; and

**WHEREAS**, it appears economically feasible and practical for the parties to this Agreement to do so;

**NOW, THEREFORE**, in consideration of all of the mutual benefits, covenants and agreements contained herein the parties hereto agree as follows:

## ARTICLE 1
## Definitions

The following definitions shall apply to the provisions of this Agreement:

1.1 "**Administrative Agent**," shall mean the Association of Washington Cities that provides third party administration (TPA) services to the Agency.

1.2 "**Agency**" shall mean the Association of Washington Cities Risk Management Service Agency (RMSA).

1.3 "**Assessment**" shall mean the moneys paid by the members to the Agency.

1.4 **"Association"** shall mean the Association of Washington Cities.

1.5 **"Board of Directors"** or "Board" shall mean the governing body of the Risk Management Service Agency (RMSA) as duly elected by the members of the Agency.

1.6 **"Claims"** shall mean demands made against the Agency arising out of occurrences which are within the Agency's Joint Protection Program as developed by the Board of Directors.

1.7 **"Excess Insurance"** shall mean that insurance purchased or other financing arrangements made on behalf of the Agency to protect the funds of the Agency against catastrophes or against an unusual frequency of losses during a single year.

1.8 **"Fiscal Year"** shall mean that period of 12 months, from January 1 to December 31, which is established as the fiscal year of the Agency.

1.9 **"Insurance"** shall mean and include self-insurance through a funded program and/or commercial insurance contract.

1.10 **"Joint Protection Program"** shall mean the program established by the Board of Directors and intended to address the general operation of the Agency.

1.11 **"Local Governmental Entity"** shall mean every unit of local government, both general purpose and special purpose, and shall include, but not be limited to, counties, cities, towns, port districts, public utility districts, water districts, sewer districts, fire protection districts, irrigation districts, metropolitan municipal corporations, conservation districts, and other political subdivisions, governmental subdivisions, municipal corporations, and quasi municipal corporations.

1.12 **"Operating Committee"** shall mean the standing committee of the Agency.

1.13 **"Signatory"** or **"Signatories"** shall mean those parties who sign this Agreement, including execution by Counterpart, thereby becoming a Member of the Agency bound by the terms of this Agreement.

## ARTICLE 2
## Purposes

2.1 This Agreement is entered into by the Members to provide for self-insurance pooling and/or the economical purchase of primary Insurance and/or Excess Insurance coverage for all forms of Insurance available or required by law for Local Governmental Entities and for which state law authorizes the formation of pooling organizations to provide such Insurance, to reduce the amount and frequency of the Members' losses, and to decrease the cost incurred by the Members in the handling and litigation of claims. This purpose shall be accomplished through the exercise of the powers of the Members jointly in the creation of a separate public Agency, the Association of Washington Cities Risk Management Services Agency, to direct and administer a Joint Protection Program wherein the Members will engage in certain activities, including but not limited to the following:

2.1.1 Pool their losses and Claims;

2.1.2 Jointly purchase Excess Insurance; and

2.1.3 Jointly purchase administrative and other services including:

2.1.1.1 Claims adjusting;

2.1.1.2 Data processing;

2.1.1.3 Risk management consulting;

2.1.1.4 Loss prevention;

2.1.1.5 Legal; and

2.1.1.6 Miscellaneous related services.

2.2 It is also the purpose of the Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional Local Government Entities organized and existing under the Constitution or laws of the State of Washington as may desire to become parties to this Agreement and members of the Agency, subject to approval by the Board of Directors.

2.3 It is also the purpose of this Agreement to provide, to the extent permitted by law, that the Agency may, at the discretion of its Directors, contract with non-member Local Government Entities in the State of Washington.

## Article 3
## Agency Offices

3.1 Principal Executive Office
The principal executive office for the transaction of business of the Agency shall be located at 1076 South Franklin, Olympia, WA 98501. The Administrative Agent in cooperation with the Board of Directors of the Agency shall have the authority to change the location of the principal executive office from time to time.

3.2 Other Offices
Other business offices may be at any time be established by the Administrative Agent in cooperation with the Board of Directors of the Agency at any place or places where the Agency is qualified to do business.

## ARTICLE 4
## Parties to Agreement

Each party to this Agreement certifies that it intends to and does contract with all other parties who are Signatories of this Agreement and, in addition, with such other parties as may later be added to and Signatories of this Agreement pursuant to Article 14. Each party to this Agreement also certifies that the deletion of any party from this Agreement, pursuant to Articles 16 and17, shall not affect this Agreement nor such party's intent to contract as described above with the other parties to the Agreement then remaining.

## ARTICLE 5
## Term of Agreement

This Agreement shall become effective on January 1, 2010, and shall be of unlimited duration, but not less than one year, and will continue unless terminated as hereinafter provided in Article 19.

## ARTICLE 6
## Financial Obligations of Agency

Pursuant to Ch. 48.62 RCW, of the State of Washington, the debts, liabilities, and obligations of the Agency shall not constitute debts, liabilities, or obligations of any party to this Agreement.

## ARTICLE 7
## Powers of the Agency

7.1 Agency shall have the powers provided for by law and is hereby authorized to do all acts necessary for the exercise of said powers, including, but not limited to, any or all of the following:
7.1.1 Contract or otherwise provide for risk management and loss control services;

7.1.2 Contract or otherwise provide legal counsel for the defense of Claims and/or other legal services;

7.1.3 Consult with the Washington State Risk Manager and State Auditor;

7.1.4 Jointly purchase Insurance coverage in such form and amount as the organization's participants may by contract agree;

7.1.5 Incur debts, liabilities, or obligations;

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

7.1.7 Sue and be sued in its own name;

7.1.8 Hire employees and agents; and

7.1.9 Exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or otherwise authorized by law.

7.2 Said powers shall be exercised to the terms hereof and in the manner provided by law.

## ARTICLE 8
## The Board of Directors and their Powers and Responsibilities

8.1 The Agency, its funds and service programs shall be administered by a Board of Directors.

8.2 Number of Directors
There shall be seven (7) Directors of the Agency, who shall be elected officials representing members of the Agency.

8.3 Acceptance of Appointment by Directors
Each Director shall sign a document accepting their appointment as Director and agreeing to abide by the terms and provisions of this Interlocal Agreement and the Bylaws.

8.4 Powers and Responsibilities of the Board of Directors
The Board of Directors of the Agency shall have the following powers and functions:

8.4.1 The Board shall have the power to review, amend, modify, adopt, override, or reject the Operating Committee's recommendations.

8.4.2 The Board shall review, modify if necessary, and approve the annual operating budget of the Agency.

The Board shall receive and review periodic accountings of all funds of the Agency.

8.4.3 Annually the Board shall review, amend, adopt, or reject the Operating Committee's recommendation of the assessment rate to be charged to the members of the Agency.

8.4.4 The Board shall review, modify if necessary, and approve the Joint Protection Program (JPP), which identifies Agency and Member coverages, the Agency's Bylaws, and manuals.

8.4.5 The Board shall have the power to conduct all business on behalf of the Agency, which the Agency may conduct under the provisions hereof and pursuant to law.

8.4.6 The Board shall determine and select all necessary Insurance, including Excess Insurance, necessary to carry out the Joint Protection Program of the Agency.

8.4.7 The Board shall have authority to contract for or develop various services for the Agency, including, but not limited to, an administrative agent, claims adjusting, loss control, risk management consulting services, independent actuary services, independent claims auditing services, and general counsel.

8.4.8 The Board shall have such other powers and functions as are provided for in this Agreement or those which are necessary to implement the purposes of this Agreement, including, but not limited to, the power to authorize contracts.

## ARTICLE 9
## Operating Committee

The Operating Committee shall consist of nine (9) representatives from Member entities participating in the Agency. All members of the Operating Committee shall be appointed officials not elected officials. It is the Board's intent that the committee assists the Board and/or the Administrative Agent, with the operations of the Agency and to keep the Board advised on all aspects of Agency operations including professional standards.

## ARTICLE 10
## Coverage

10.1 The type and limits of the Insurance coverage provided for Members by the Agency shall be established by the Board of Directors.

10.2 The Board may arrange purchase of a group policy for Members interested in obtaining additional types or limits of coverage at additional cost to those participating Members. Such additional cost may include an administrative fee for the Agency's services.

10.3 The Board may arrange for the purchase of any other Insurance or services deemed necessary to protect the Agency or funds held by the Agency against catastrophe.

## ARTICLE 11
## Bond Requirements

The Board may require that the Administrative Agent authorized to disburse funds of the Agency, provide a fidelity bond in the amount as set by the Board, and provide that such bond be paid by the Agency.

## ARTICLE 12
## Responsibility of the Agency

The Agency shall perform the following functions in discharging its responsibilities under this Agreement:

12.1 Provide Insurance coverage as deemed necessary, including but not limited to a self-insurance fund and commercial insurance, as well as excess coverage and other insurance, such insurance, to be arranged by negotiation or bid, and/or purchase, as necessary;

12.2 Assist each Member's designated risk manager with the implementation of the risk management functions within the Member entity;

12.3 Provide loss prevention, safety, and consulting services to Members as required;

12.4 Provide Claims adjusting and subrogation services for Claims covered by the Agency's Joint Protection Program;

12.5 Provide loss analysis by the use of statistical studies, data processing, and record and file-keeping services, to identify high exposure operations and to evaluate proper levels of self-retention and deductibles;

12.6 Assist Members, as requested, with review of their contracts to determine sufficiency of indemnity and Insurance provisions;

12.7 Conduct risk management audits to review the participation of each Member in the program. The audit shall be performed by appointed Agency staff or, at the discretion of the administrative agency, and/or an independent auditor may be retained by contract to conduct the audits;

12.8 Provide for the defense of any civil action or proceeding brought against any officer, employee, Board member, or other agent of the Agency, in their official or individual capacity or both, on account of an act or omission within the scope of their agency as an agent of the Agency;

12.9 Abide by the rules and regulations as stated or hereinafter amended of RCW 48.62 and WAC 82-60; and

12.10 The Agency shall have such other responsibilities as deemed necessary by the Board of Directors in order to carry out the purposes of the Agreement.

## ARTICLE 13
## Responsibilities of Members

Members shall have the following responsibilities:

13.1 All Agency members must maintain membership in the Association of Washington Cities.

13.2 Each member shall appoint an employee of the member entity to be responsible for the risk management function within that member entity and to serve as a liaison between the Member and the Agency as to risk management.

13.3 Each Member shall maintain an active safety officer and/or committee, and shall consider all recommendations of the Agency concerning the development and implementation of a loss control policy to prevent unsafe practice(s).

13.4 Each Member shall maintain its own set of records, as a loss log, in all categories of loss to insure accuracy of the Agency's loss reporting system.

13.5 Each Member shall promptly pay its assessment and any readjusted amount promptly to the Agency when due. After withdrawal or termination, each Member shall pay promptly to the Agency its share of any additional assessment and accrued interest at a rate determined by the Board, when and if required of it by the Board.

13.6 Each Member shall provide the Agency with such other information or assistance as may be necessary for the Agency to carry out the Joint Protection Program under this Agreement.

13.7 Each Member shall in any and all ways cooperate with and assist the Agency, and any insurer of the Agency, in all matters relating to this Agreement and covered losses, and will comply with all Bylaws, rules, and regulations adopted by the Board of Directors.

13.8 All members shall cooperate with the Agency and assist with investigations, making settlements, and defense or prosecution of suits; cooperate and assist the Agency in enforcing any right of contribution, indemnity or subrogation in which the Agency may have an interest by virtue of a payment made pursuant to the Bylaws, interlocal agreement or the Joint Protection Program (JPP); attend hearings and trials and assist in the securing and giving evidence and obtaining the attendance of witnesses; use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any loss of or damage to the property herein insured.

## ARTICLE 14
## New Members

14.1 Additional Members shall be permitted to become Signatories to this Agreement, and to the Joint Protection Program. All potential members to the Agency must be members of the Association of Washington Cities or become members prior to acceptance into the Agency. The Directors shall allow entry into the program of new members approved by the Board of Directors at such time during the year as the Board deems appropriate.

14.2 Members entering under this Article may be required to pay their share of expenses as determined by the Board, including those necessary to analyze their loss data and determine their assessment.

## ARTICLE 15
## Defense of Agents

For purposes of this article, "agent" means any person who is or was: a Director, an Operating Committee member, an officer, or an agent acting on behalf of the Agency or Administrative Agent.

15.1 The Agency shall provide for the defense of any agents and paying of any valid judgments and claims brought against any such agent arising from their actions or conduct in their official or individual capacity or both, on account of an act or omission within the scope of their responsibility; provided, however, this section shall not apply to those occurrences covered by an Agency policy of liability insurance or if the claim or judgment results from the intentional misconduct of said agent.

## ARTICLE 16
## Withdrawal

16.1 A Member signing this Agreement may not withdraw as a party to this Agreement and as a Member of the Agency for a one-year period commencing on the date said Member signs the Agreement.

16.1.1 After the initial one-year non-cancellable commitment provided pursuant to this Agreement, a Member may withdraw only at the end of any Fiscal Year, provided it has given the Agency a 12-month written notice of its intent to withdraw from this Agency.

16.2 A Member shall be entitled to withdraw from the Agency where it presents to the Board of Directors evidence demonstrating a material breach of contract by the Agency as regards its obligations to the Member. The Member shall be allowed to withdraw from the agency within ninety (90) days of any finding by the Board of Directors that a material breach of contract by the

Agency has occurred. The withdrawal of any Member under the conditions identified here shall not however free it from any and all requirements made of any withdrawing Member.

## ARTICLE 17
## Termination by Agency

17.1 The Agency shall have the right to terminate any Member's participation in the Joint Protection Program upon a motion approved by three-quarters (75%) vote of the entire Board of Directors. The Board of Directors may, prior to taking action on such a motion, request that the Operating Committee review and make recommendations to the Board on any allegation giving rise to the request to terminate, including failure to: comply with a written condition, disregard of safety or risk management standards, noncompliance with any provision of this Interlocal and/or the Bylaws of the Agency.

17.2 Any Member so cancelled shall be given one hundred eighty (180) days notice prior to the effective date of the cancellation. Any Member so cancelled shall have a period of up to six (6) months coverage under the terms of this or may affect alternate insurance or self-insurance arrangements if it so desires. Any Member so cancelled shall be treated as if it had voluntarily withdrawn.

## ARTICLE 18
## Effect of Withdrawal or Termination

18.1 The withdrawal of any Member from this Agreement shall not terminate the same.

18.2 No Member by withdrawing shall be entitled to payment or return of any assessment, consideration of property paid, or donated by the Member to the Agency, or to any distribution of assets.

18.3 The withdrawal of any Member shall not terminate its responsibility to contribute its share or assessment or funds to any fund or Insurance program created by the Agency until all Claims, or other unpaid liabilities, covering the period the Member was Signatory hereto have been finally resolved and a determination of the final amount of payments due by the Member or credits to the Member for the period of its membership has been made by the Board of Directors. In connection with this determination, the Board may exercise similar powers to those provided for in Article 17, *Termination by Agency*, of this Agreement.

18.4 Any withdrawing or terminated Member shall not be permitted to rejoin the Agency for a period of three (3) years.

## ARTICLE 19
## Termination and Distribution

19.1 This Agreement may be terminated at any time by the written consent of three-fourths (75%) of the Members, provided, however, that this Agreement and Agency shall continue to exist for the purpose of paying all debts and liabilities, disposing of all Claims, distributing net assets, and otherwise winding up and liquidating the affairs of the Agency. The Board of Directors is vested with all powers of the Agency during such winding up and liquidation, including the power to require Members, including those which are Members at the time the claim arose or at the time the loss was incurred, to pay their share of any additional amount of assessment deemed necessary by the Board for final disposition of all Claims, losses, and liabilities covered by this Agreement. Such additional assessment shall be determined and thereafter adjusted, if necessary.

19.2 Upon termination of this Agreement, all assets of the Agreement shall be distributed only among the parties that are Members of the Joint Protection Program, in accordance with and proportionate to their cash payments and property contributions made during the term of this Agreement. The Board shall determine such distribution within six (6) months after the last pending claim or loss covered by this Agreement has been finally disposed of.

19.3 The Board is vested with all powers of the Agency for the purpose of winding up and dissolving the business affairs of the Agency. These powers shall include the power to require Members, including those which were Members at the time the claim arose or at the time the loss was incurred, to pay their share of any additional amount of assessment deemed necessary by the Board for final disposition of all Claims and losses covered by this Agreement. A Member's share of such additional assessment shall be determined on the same basis as that provided for annual assessments, and shall be treated as if it were the next year's annual assessment for that Member.

## ARTICLE 20
## Bylaws and Manual

The Board has developed Agency Bylaws and a policy and procedure manual that governs the day-to-day operations of the Agency. Each Member shall receive a copy of any Bylaws, policy statement, or manual developed under this Article.

## ARTICLE 21
## Notices

Notices to Members hereunder shall be sufficient if mailed to the last address, or electronic mail, provided to the Agency by the respective Member postal mail will be deemed received three (3) days after mailing.

## ARTICLE 22
## Amendment

This Agreement may be amended at any time by the written approval of three-quarters (75%) of all Members of the Agency.

## ARTICLE 23
## Enforcement

The Agency is hereby granted the authority to enforce this Agreement. In the event action is instituted to enforce any term of this Agreement or any term of the Bylaws against any City Member which signed this Agreement, the substantially prevailing party in such dispute shall be entitled to its costs and reasonable attorney's fees.

## ARTICLE 24
## Prohibition Against Assignment

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

## ARTICLE 25
## Severability

In the event that any article, provision, clause, or other part of this Agreement should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not

affect the validity or enforceability with respect to other articles, clauses applications, or occurrences, and this Agreement is expressly declared to be severable.

## ARTICLE 26
## Agreement Complete

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

## ARTICLE 27
## Signature in Counterparts

This Agreement may be executed in any number of Counterparts and each of such Counterparts shall for all purposes constitute one Agreement, binding on all Members, notwithstanding that all Members are not Signatories to the same Counterpart. All references herein to this Agreement are deemed to refer to all such Counterparts.

## ARTICLE 28
## Authorization of Signature

Each Member signing this Agreement has passed the required Ordinance or Resolution authorizing and approving this Agreement, a certified copy of which Ordinance or Resolution is attached hereto.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement by authorized officials thereof.

Association of Washington Cities (AWC)
Risk Management Service Agency (RMSA)

By _____
Michael McCarty, AWC CEO

Orting Transportation Benefit District

By Cheryl M. Temple
Signature

Cheryl M. Temple, Mayor
(Printed name)