



CITY COUNCIL MEETING AGENDA
Council Chambers, 1000 Laurel Street

June 18, 2018
Monday

Regular Meeting
7:00 p.m.

- 1. Call to Order and Flag Salute**
- 2. Roll Call of Councilmembers**
- 3. Additions/Deletions**
- 4. Citizen Participation**

Rules for Citizen Comments posted in Council Chamber with sign-in sheet.

5. Presentation

- A. South King Tool Library
- B. Waste Connection – Donation

6. Consent Agenda

A. Minutes Approval:

- i. June 4, 2018
- ii. June 11, 2018

B. Claims Approval:

- i. Approval of the checks/vouchers/disbursements numbered 63668 to 63757 in the amount of \$417,111.31.
- ii. Approval of the payroll disbursement of June 5, 2018 in the amount of \$237,495.56.

7. Regular Agenda

- A. Washington State Department of Transportation Memorandum of Understanding for State Route 167
- B. Contract – EES - Electrical Rate Overview
- C. Contract – Skillings Connolly – Yuma Street Overlay
- D. Appointment to Finance Committee

8. Council Reports

9. Director's Reports

10. Mayor's Report

11. Adjournment



Regular Meeting
Monday, June 4, 2018
7:00 p.m.

CALL TO ORDER

Mayor Styron Sherrell called the meeting to order at 7:00 p.m. and Councilmember Johnson led the flag salute.

ROLL CALL

Present: Mayor Pro Tem Hutson, Councilmembers Whitaker, Tompkins, Johnson, Morton and Ott

Absent: Councilmember Whalen

STAFF PRESENT

Public Safety Administrator Hernandez, Municipal Services Administrator Peretti, Public Works Director Howlett, Finance Director Dunford, Public Works Superintendent Barnhart, Stormwater Compliance Inspector Carter and Attorney Daniel Kenny

ADDITIONS/DELETIONS

MOTION(Johnson/Hutson) “to excuse Councilmember Whalen from tonight’s meeting.” **Passed**

6/0

CITIZEN PARTICIPATION

Speaker	Comments
Sandy Parr	Spoke regarding the seniors who are actively using the Activities Center and their desire to continue using the center. Sandy proposed the seniors cut their activities to two days per week, rent free, but otherwise be allowed to operate as they have been for years.
Michelle Stevens	Daughter Lacy was killed on Pac Highway a few years ago and she still has no records from Milton Police regarding who killed her. Michelle spoke about the danger of the highway and that she would like to see the City and the State partner to reduce the speed and install crosswalks on the highway.

Speaker	Comments
Jim Gillespie	Operation Clean City/Green City update: Lloyd's will be tearing the house down at the northeast corner of Porter Way/Pacific Highway and Alpha Fleet Services will be disposing of it. Still need volunteers for June 23 rd clean up. Gillespie Foundation has adopted portion of Pacific Highway from 70 th to cemetery. State pays for all supplies such as bags, etc. for this clean up. Volunteers must sign waiver with the state for L & I.
Rob McDonald	The Community Center had a party with a bouncy house a couple weeks ago that was noisy and went until 9pm. Noisy parties don't mesh well in the neighborhood and parking is limited so renters are using park parking lot as well. Concerned about four Pokémon stops at the Triangle Park that are causing people stopping there to be parked and walking near traffic coming off of Milton Way. Would like to suggest painting curbs to keep people from parking there. Also, suggests red light cameras on Pacific Highway.
Tom Boyle	Right of Way mowing has dropped to a lackluster level around the City. Disappointed in Milton Days being dropped from two days to one and suggests fundraising to get it back up to a two- day event. Doesn't understand doing background checks on volunteers. City should purchase a water cooler for the Activity Center and work schedule out with the seniors to use the center so that it is amicable for all parties.
Ken Fiebig	Ken and his wife did some investigating on the 2014 grant that was awarded from the Dept of Commerce for the Activity Center and found that it was to be used for the same purpose as what it was originally intended for 10 years after the last payment was received by the City, which was January 13, 2017.
Don Wilson	Trucks go through red lights on Pacific Highway every day. Don was rear ended by a car himself on Pacific Highway.

PRESENTATION

East Pierce Fire and Rescue

Chief Bud Backer presented on the state of East Pierce Fire and Rescue.

DELETED ITEM

MOTION(Johnson/Morton) to move item 7A. Washington State Department of Transportation Memorandum of Understanding for State Route 167 to a future study session. **Passed 6/0**

CONSENT AGENDA

- A. Minutes Approval:
 - i. May 21, 2018 Regular Meeting Minutes
- B. Claims Approval:
 - i. Approval of the checks/vouchers/disbursements numbered 63627 to 63667 in the amount of \$76,056.39.
 - ii. Approval of the payroll disbursement of May 18, 2018 in the amount of \$184,146.38.

MOTION (Morton/Johnson) to approve the Consent Agenda. **Passed 6/0.**

REGULAR AGENDA

A. WA State Dept of Transportation Memo of Understanding for State Route 167

Moved to a future study session

B. DM Disposal Rate Increase

Public Works Director Howlett gave an overview of the rate increase being asked for by DM Disposal.

Patrick Sayan from DM Disposal spoke on contamination to recyclables and answered Council questions on the need for a cost increase due to contamination.

MOTION (Johnson/Tompkins) "to accept this amendment to the agreement with DM Disposal Co., Inc. by modifying Exhibit A to the Agreement thus establishing new rates to be effective July 1, 2018" **Passed 6/0.**

COUNCIL REPORTS

Councilmember Whitaker

- Thanked Chief Bud Backer for his presentation.
- Thanked citizens for coming tonight and giving their input.

Councilmember Morton

- Thanked Chief Bud Backer for his presentation.
- Thanked Patrick from DM Disposal for his explanation.

Councilmember Ott

- Thanked fellow Council and community for their outpouring of support during recent health issues.
- Will remain on council for duration of term.

Councilmember Tompkins

- Happy to see Councilmember Ott has returned.
- Thanked citizens for attending meeting.
- Attended Memorial Day event and it was beautiful as always.

Councilmember Johnson

- No report

Mayor Pro Tem Hutson

- Vietnam War Ceremony Commemoration on 6/19/18. Come out and show your support for the Vietnam veterans.

DIRECTOR'S REPORTS

Public Safety Administrator Hernandez

- There was a fatality accident on Pacific Highway last week.
- Traffic calming solutions will be brought to Council.
- There was a burglary at a local business recently. Be vigilant. "See something, say something". The community is the eyes and ears for the police.

Municipal Services Administrator Peretti

- No report

Finance Director Dunford

- Finance Committee is evaluating reserve balances and policy and procedure on reserves.

Public Works Director Howett

- No comment

Attorney Daniel Kenny

- Introduced himself and is "happy to serve the City"

MAYOR'S REPORT

- Welcomed Councilmember Ott back
- Attended VFW Memorial Day Service on Monday and it was very nice.
- Change is difficult but is sometimes necessary for the good of the City.
- Always available to talk with anyone regarding questions they may have or rumors they have heard

ADJOURNMENT

The meeting was adjourned at 8:35 p.m.

Shanna Styron Sherrell, Mayor

ATTEST: _____
City Clerk

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Study Session
Monday, June 11, 2018
7:00 p.m.

CALL TO ORDER

Mayor Styron Sherrell called the to order at 7:00 p.m. and Councilmember Whalen led the flag salute.

ROLL CALL

Present: Mayor Pro Tem Hutson, Councilmembers Whitaker, Ott, Johnson, Morton and Whalen

Absent: Councilmember Tompkins

STAFF PRESENT

Public Safety Administrator Hernandez, Municipal Services Administrator Peretti, Public Works Director Howlett, Finance Director Dunford and Operations Superintendent Barnhart.

STUDY ITEMS

A. Electric Utility Rates

Public Works Director Howlett gave an overview of this item explaining asset inventory, revenues and expenditures, capital projects, rates and challenges the electrical utility faces. Discussed were next steps in a comprehensive evaluation of the rates and running the utility like a self-sustaining business.

Director Howlett added that if the Councilmembers have questions, he and Bill Barnhart would be available to answer them.

The Councilmembers thanked Director Howlett for an informative presentation and asked some clarifying questions. Council is in support of a rate study being done in a timely manner.

B. WSDOT-SR 167 Gateway Project Memorandum of Understanding

Public Works Director Howlett gave an overview of this item and explained the terms under which WSDOT and the affected cities will work together to achieve this funding. The City of Milton will not be responsible for funding, as a Tier 3 city, but will partner with WSDOT by supporting the project and grant requests and continue to participate in project meetings. The project is slated to be entirely concluded in 2030.

Councilmembers asked some clarifying questions and again verified that the City of Milton was not a financially committed partner in the project. Director Howlett verified that the city is not financially liable in any way.

C. Speed Limits and Camera Options

Public Safety Administrator Hernandez gave an overview of this item. Traffic calming measures to help reduce speeds and minimize vehicular traffic on local neighborhood streets was discussed. Redflex traffic systems was discussed and Administrator Hernandez has asked them to come and do a comprehensive traffic study of the City of Milton. Council will be given results of the traffic study as soon as it is complete.

Councilmembers asked verifying questions and gave suggests as to their ideas for traffic calming measures. Speed bumps, roundabouts, speed limit reduction and radar signs/trailers were all ideas that council would like to discuss.

ADJOURNMENT

The meeting was adjourned at 8:50p.m.

Shanna Styron Sherrell, Mayor

ATTEST: _____
Trisha Summers, City Clerk

CITY OF MILTON
PAYROLL and CLAIMS VOUCHER APPROVAL
June 18th, 2018

Claim Vouchers:

Dates	Check #	Amount
5/29/2018	63668	311.31
5/31/2018	63671-63703	98,143.68
6/1/2018	EFT	220,872.51
6/4/2018	63710-63726 & EFT	37,819.12
6/1/2018	63727-63757	59,964.69

Payroll Disbursements:

Date	Check #	Amount
6/5/2018	ACH	228,682.53
6/5/2018	63669-63670, 63704-63709	8,813.03

Total Accounts Payable:

\$ 417,111.31

Total Payroll:

\$ 237,495.56

Voids - none

Printer Error Checks - none

CHECK REGISTER

City Of Milton
MCAG #: 0590

05/26/2018 To: 06/11/2018

Time: 10:26:59 Date: 06/12/2018
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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3239	05/29/2018	Claims	1	63668	PATRICK G MENDIOLA	311.31	Vehicle License Tabs
3390	05/31/2018	Claims	1	63671	AHBL, INC	5,715.00	Planning Services; Planning Services
3391	05/31/2018	Claims	1	63672	ANIXTER INC	12,922.91	Electric Material - Autumn Village; Electric Material; Electric Material
3392	05/31/2018	Claims	1	63673	BIG JOHN'S TROPIES INC	76.41	Name Plates
3393	05/31/2018	Claims	1	63674	BUDGET BATTERIES	83.08	Water Material
3394	05/31/2018	Claims	1	63675	CANNON CONSTRUCTION INC	7,883.67	Training; Services
3395	05/31/2018	Claims	1	63676	CHUCKALS	561.96	PW Supplies; PW Supplies; PW Supplies; PW Material; Office Supplies; PW Material
3396	05/31/2018	Claims	1	63677	CODE PUBLISHING COMPANY	378.69	Code Update
3397	05/31/2018	Claims	1	63678	DATA BAR INCORPORATED	4,091.08	Print & Mail; Print & Mail
3398	05/31/2018	Claims	1	63679	EXCEL SUPPLY COMPANY, INC	1,666.17	PW Material; PW Material
3399	05/31/2018	Claims	1	63680	FERGUSON ENTERPRISES, INC. #1539	1,246.27	Water Material; Water Material
3400	05/31/2018	Claims	1	63681	FIRE KING OF SEATTLE INC.	27.45	PW Material
3401	05/31/2018	Claims	1	63682	JCI JONES CHEMICALS INC.	1,828.70	Water Material
3402	05/31/2018	Claims	1	63683	BAUTISTA, LESLIE KAEWETT, NELSON	253.75	001182 - 604 11TH AVE
3403	05/31/2018	Claims	1	63684	LANE A. & DEBE L LOEBER	144.50	001228 - 503 12TH AVE CT
3404	05/31/2018	Claims	1	63685	NAVIA BENEFIT SOLUTIONS	163.74	FSA Claims
3405	05/31/2018	Claims	1	63686	NORTHWEST ABATEMENT SERVICES, INC	13,757.64	Boiler Demo
3406	05/31/2018	Claims	1	63687	OGDEN MURPHY WALLACE	1,350.00	Legal Services
3407	05/31/2018	Claims	1	63688	OLDCASTLE PRECAST INC.	793.63	Electric Material
3408	05/31/2018	Claims	1	63689	PIERCE CO BUDGET & FINANCE	317.56	PCRC Membership Dues
3409	05/31/2018	Claims	1	63690	PNWIG LLC	1,885.00	Inspection
3410	05/31/2018	Claims	1	63691	RANGLES SAND & GRAVEL INC	175.72	PW Material
3411	05/31/2018	Claims	1	63692	ROBINSON AND NOBLE, INC.	6,610.98	Consulting Services
3412	05/31/2018	Claims	1	63693	SCORE	4,725.00	Jail Services
3413	05/31/2018	Claims	1	63694	RAY & FELICIA SHAVIRI	104.81	001135 - 809 10TH AVE
3414	05/31/2018	Claims	1	63695	SHRED-IT USA LLC	146.12	Shredding Services
3415	05/31/2018	Claims	1	63696	SUNNYSIDE, CITY OF	1,350.00	Jail Services
3416	05/31/2018	Claims	1	63697	SUPPLYWORKS	285.74	PW Material
3417	05/31/2018	Claims	1	63698	TACOMA CITY TREASURER	192.68	Police Services
3418	05/31/2018	Claims	1	63699	UNIFIRST CORPORATION	337.54	Uniforms; Uniforms
3419	05/31/2018	Claims	1	63700	UNITED RENTALS NORTHWEST, INC.	451.00	PW Material
3420	05/31/2018	Claims	1	63701	TREASURY DIV.-MONEY CENTE US BANK N.A. - CUSTODY TREASURY	30.00	Safekeeping Fees
3421	05/31/2018	Claims	1	63702	WEBB AUTO GROUP (W59283)	20,587.16	Mini Van
3422	05/31/2018	Claims	1	63703	WEST COAST CODE CONSULTANTS	7,999.72	Plan Review
3448	06/01/2018	Claims	1	EFT	BONNEVILLE POWERADMINISTRATION	215,997.00	Monthly Power
3449	06/01/2018	Claims	1	EFT	CIT TECHNOLOGY (QDS)	730.30	Copier Lease; Copier Lease
3450	06/01/2018	Claims	1	EFT	COMCAST	10.57	Cable PW
3451	06/01/2018	Claims	1	EFT	COMCAST	409.17	Phone & Internet
3452	06/01/2018	Claims	1	EFT	LAKEHAVEN UTILITY DISTRICT	954.24	Water Intertie

CHECK REGISTER

City Of Milton
MCAG #: 0590

05/26/2018 To: 06/11/2018

Time: 10:26:59 Date: 06/12/2018
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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3453	06/01/2018	Claims	1	EFT	PUGET SOUND ENERGY	147.61	Electric
3454	06/01/2018	Claims	1	EFT	PUGET SOUND ENERGY	96.14	Natural Gas
3455	06/01/2018	Claims	1	EFT	VERIZON WIRELESS	145.32	Data Line For Flexnet
3456	06/01/2018	Claims	1	EFT	VERIZON WIRELESS	121.17	PW Cell Phone
3457	06/01/2018	Claims	1	EFT	VERIZON WIRELESS	2,260.99	Smart Phones
3459	06/04/2018	Claims	1	63710	YURLY AFICHUK	168.58	002034 - 88 22ND AVE CT
3460	06/04/2018	Claims	1	63711	DATA BAR INCORPORATED	587.97	Stormwater Press Brochure
3461	06/04/2018	Claims	1	63712	DARLENE DEYO	236.09	DRS Reimbursement
3462	06/04/2018	Claims	1	63713	EAST PIERCE FIRE & RESCUE DISTRICT #22	383.57	City Utilities; Credit Utilities
3463	06/04/2018	Claims	1	63714	BETTY GARRISON	35.50	DRS Reimbursement
3464	06/04/2018	Claims	1	63715	TERESA M HICKAM	250.00	Facility Rental Deposit Refund
3465	06/04/2018	Claims	1	63716	LOCKE SYSTEMS INC	8,774.42	IT Services
3466	06/04/2018	Claims	1	63717	CITY OF MILTON	10,308.24	Utility Bill
3467	06/04/2018	Claims	1	63718	NAVIA BENEFIT SOLUTIONS	50.00	FSA Monthly Admin Fee
3468	06/04/2018	Claims	1	63719	ESTATE OF CHRISTINE L. PEDRO	13,764.02	Safekeeping Funds Reimb
3469	06/04/2018	Claims	1	63720	MARCIA PRATER	209.20	002886 - 2500 ALDER ST #326
3470	06/04/2018	Claims	1	63721	STEPHANIE PURTEE	987.86	Conservation Incentive; Conservation Incentive
3471	06/04/2018	Claims	1	63722	ROB REED	429.10	DRS Reimbursement
3472	06/04/2018	Claims	1	63723	JILL SCHWERZLER	312.75	DRS Reimbursement
3473	06/04/2018	Claims	1	63724	ANDREW FRANCIS TORRES	1,200.00	Conservation Incentive
3474	06/04/2018	Claims	1	63725	LISA TYLOR	21.84	DRS Reimbursement
3475	06/04/2018	Claims	1	63726	ALLEN F ZUCK	99.98	003429 - 210 70TH AVE E 212
3554	06/11/2018	Claims	1	EFT	US BANK	66.86	Copier Lease
3555	06/11/2018	Claims	1	63727	AMERICAN SECURITY CABINETS	489.00	Drop Box Pedestal
3556	06/11/2018	Claims	1	63728	MALIA AMISONE	350.00	Facility Rental Deposit Refund
3557	06/11/2018	Claims	1	63729	ANIXTER INC	1,231.99	Electric Materials; Electric Materials Credit
3558	06/11/2018	Claims	1	63730	ASSOCIATED PETROLEUM PRODUCTS INC	1,318.67	Fuel
3559	06/11/2018	Claims	1	63731	BRIGHTVIEW LANDSCAPES, LLC	20,393.77	Monthly Grounds Maintenance June; Monthly Grounds Maintenance May; Monthly Grounds Maintenance April; Monthly Grounds Maintenance March
3560	06/11/2018	Claims	1	63732	CDW GOVERNMENT, INC.	2,731.02	IT Materials; Toner
3561	06/11/2018	Claims	1	63733	CHUCKALS	170.14	Office Supplies
3562	06/11/2018	Claims	1	63734	COLUMBIA RIDGE LANDFILL	2,011.00	Waste Disposal
3563	06/11/2018	Claims	1	63735	COPY WRIGHTS INC	36.27	Copies
3564	06/11/2018	Claims	1	63736	EDGEWOOD SECURITY & LOCK	98.91	Alarm Monitoring
3565	06/11/2018	Claims	1	63737	EXERCISE SCIENCE CENTER	45.00	Physical
3566	06/11/2018	Claims	1	63738	FEDERAL WAY POLICE LIEUTENANTS ASSC.	400.00	Training Registration
3567	06/11/2018	Claims	1	63739	FERGUSON ENTERPRISES, INC. #1539	2,599.14	Water Materials; Water Materials; Water Materials
3568	06/11/2018	Claims	1	63740	HD FOWLER CO INC.	12.81	Irrigation Supplies
3569	06/11/2018	Claims	1	63741	KENT D BRUCE CO, LLC	286.78	PD Fleet Materials
3570	06/11/2018	Claims	1	63742	KORUM AUTOMOTIVE GROUP	871.66	PD Fleet Maintenace
3571	06/11/2018	Claims	1	63743	LLOYD ENTERPRISES, INC.	759.79	Waste Disposal; Waste Disposal; Waste Disposal

CHECK REGISTER

City Of Milton
MCAG #: 0590

05/26/2018 To: 06/11/2018

Time: 10:26:59 Date: 06/12/2018
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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3572	06/11/2018	Claims	1	63744	LOADMANNW LLC	4,615.80	PW Equipment
3573	06/11/2018	Claims	1	63745	LONG PEST CONTROL INC.	163.75	Quarterly Rodent Control
3574	06/11/2018	Claims	1	63746	MCCARTHY & CAUSSEAUX, PS	600.00	Hearing Examiner
3575	06/11/2018	Claims	1	63747	THOMAS MOE	281.13	002087 - 1707 23RD AVE
3576	06/11/2018	Claims	1	63748	NAVIA BENEFIT SOLUTIONS	254.73	FSA Claims; FSA Claims
3577	06/11/2018	Claims	1	63749	CITY OF PUYALLUP	16,882.36	Jail Services; Court Services
3578	06/11/2018	Claims	1	63750	NANCY SHATTUCK	30.00	Court Services
3579	06/11/2018	Claims	1	63751	SHRED-IT USA LLC	147.75	Shredding
3580	06/11/2018	Claims	1	63752	SYSTEMS FOR PUBLIC SAFETY, INCL.	1,364.96	PD Fleet Maintenance
3581	06/11/2018	Claims	1	63753	UNIFIRST CORPORATION	337.54	Uniforms; Uniforms
3582	06/11/2018	Claims	1	63754	TREASURY DIV.-MONEY CENTE US BANK N.A. - CUSTODY TREASURY	72.00	Safekeeping Fees
3583	06/11/2018	Claims	1	63755	UTILITIES UNDERGROUND LOC CENT	90.86	Excavation Notifications
3584	06/11/2018	Claims	1	63756	WA ASSN SHERIFFS & CHIEFS	300.00	Conference Registration
3585	06/11/2018	Claims	1	63757	WATER MANAGEMENT LABORATORIES	951.00	Water Testing; Water Testing; Water Testing; Water Testing
001 General Fund						47,052.08	
101 Street Fund						5,173.19	
107 Criminal Justice Fund						20,375.26	
310 Capital Improvement Fund						21,790.31	
401 Electric Utility Operations Fund						230,162.40	
402 Electric Capital Improvement Fund						11,720.99	
403 Water Utility Operations Fund						20,778.15	
404 Water Capital Improvement Fund						7,857.25	
405 Water Utility Asset Replacement Fund						20,587.16	
406 Stormwater Operations Fund						4,833.95	
407 Stormwater Capital Fund						587.97	
501 Vehicle Repair & Maintenance Fund						273.14	
503 Information Technology						10,701.69	
631 Trust / Suspense Funds						15,217.77	
* Transaction Has Mixed Revenue And Expense Accounts						417,111.31	Claims: 417,111.31

Payroll Disbursements – 06/05/2018

001 General Fund	21,707.17	
101 Street Fund	10,517.51	
107 Criminal Justice Fund	73,743.56	
310 Capital Improvement Fund	127.79	
401 Electric Utility Operations Fund	35,711.37	
402 Electric Capital Improvement Fund	2,899.98	
403 Water Utility Operations Fund	47,755.11	
404 Water Capital Improvement Fund	3,493.41	
406 Stormwater Operations Fund	26,039.76	
501 Vehicle Repair & Maintenance Fund	4,207.95	
503 Information Technology	1,114.31	
631 Trust / Suspense Funds	10,177.64	
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	237,495.56 Payroll:	237,495.56

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To: Mayor Styron Sherrell and City Council Members
From: Mark Howlett, P.E., Public Works Director/City Engineer
Date: June 18, 2018
Re: Washington State Department of Transportation Memorandum of Understanding for State Route 167 Gateway Project – Local Funding and Phasing

ATTACHMENTS: 1) Memorandum of Understanding
2) Construction Stages Map
3) Grant and Match Financial Plan

TYPE OF ACTION:

Information Only Discussion Action Expenditure Required

Recommendation/Action: “I move to authorize the Mayor to sign the Memorandum of Understanding between the City of Milton and the Washington State Department of Transportation for the Local Funding component of the SR-167 Gateway Project.”

Fiscal Impact/Source of Funds: There will be no Budgetary Impact as a result of this Memorandum of Understanding.

Issue: The Puget Sound Gateway Project has a local funding component. The Cities affected by the Gateway Project are required to agree on a method of raising the local funds required by the State Legislature. This Memorandum of Understanding spells out the terms under which WSDOT and the affected cities will work together to achieve this funding.

Discussion: For over 20-years the Washington State Department of Transportation (WSDOT) has been planning the extension of the State Route 167 from Puyallup to Interstate 5 with a connection to the Port of Tacoma (See Attachment 2). WSDOT has also been working on the completion of the State Route 509 Project from near SeaTac airport to Interstate 5 and south to Federal Way.

In 2015 the Washington State Legislature enacted legislation to fully fund these projects over the next 12 years. This legislation also required that \$130 million of the \$1.875 billion project cost be provided by local agencies.

The City of Milton is not required to provide any funding for this project but is identified on the Grant and Match Financial Plan (See Attachment 3) as a signatory to the MOU with the agreement that we will support other jurisdictions in the funding process.

The attached Memorandum of Understanding outlines the terms under which WSDOT and the affected cities will work together to achieve this funding.

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Puget Sound Gateway Program SR 167 and SR 509 Completion Projects

Local Funding and Phasing Memorandum of Understanding

1. Participating Parties

In addition to the Washington State Department of Transportation (WSDOT), the following Local Agency Partners constitute those parties currently participating in this Memorandum of Understanding pertaining to the local contribution requirement for the Puget Sound Gateway Program (Gateway Program):

- Port of Seattle
- Port of Tacoma
- King County
- Pierce County
- City of Algona
- City of Auburn
- City of Des Moines
- City of Edgewood
- City of Federal Way
- City of Fife
- City of Kent
- City of Milton
- City of Pacific
- City of Puyallup
- City of SeaTac
- City of Sumner
- City of Tacoma

2. Background and Purpose of MOU

In July 2015, the Washington State Legislature and Governor Inslee acted to fund the Gateway Program through the Connecting Washington revenue package. The Gateway Program is comprised of two projects: the State Route 167 Completion Project and the State Route 509 Completion Project. These projects provide essential connections to the ports of Tacoma and Seattle and will help ensure that people and goods move more reliably through the Puget Sound region.

WSDOT is the lead project sponsor and is responsible for the planning, design and construction of the Gateway Program, as well as for its overall financial management. The program has been guided from its beginning by a Joint SR 167/SR 509 Executive Committee (Executive Committee), comprised of elected and appointed representatives of local jurisdictions served by the Gateway Program (Algona, Auburn, Burien, Des Moines, Edgewood, Federal Way, Fife, Kent, Milton, Pacific, Puyallup, SeaTac, Sumner, Tacoma, King County, Pierce County, Port of Seattle, and Port of Tacoma) as well as Federal Highway Administration, Washington State Transportation Commission, Washington State Department of Transportation, Puget Sound Regional Council, Sound Transit, Pierce Transit, and the Freight Mobility Strategic Investment Board.

Funding for the Gateway Program has been approved to come from the state gas tax, tolls, local contributions, and potential federal and state grants. Total funding for the Gateway Program, from the 2015 Connecting Washington transportation funding package, is \$1.875 billion, which includes local contributions of \$130 million. The program has been funded over a 16-year

timeline. Based on the legislative funding plan, major construction for a first stage would occur from 2019 through 2025, and a second stage from 2026 through 2030. Local contributions will be needed to construct both stage one and stage two projects.

In the 2017 Legislative session new language was enacted (Engrossed Senate Bill 5096 § 306(20)(b)) requiring development of a Memorandum of Understanding (MOU) between the Local Agency Partners and WSDOT. The legislature directed that:

The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status.

To this end, the Executive Committee of the Gateway Program convened a Funding and Phasing Subcommittee (Subcommittee) to develop a MOU that summarizes their planned future commitments and planned timing of those commitments to contribute to the SR 167 and SR 509 projects.

The Subcommittee goals include:

- Support efforts to build the Gateway projects on or ahead of schedule
- Create successful local partnerships
- Obtain sufficient local funding to build the Puget Sound Gateway projects
- Time grant-funding projects to support the project delivery schedule

The construct of local funding participation, when authorized by the legislative bodies of the relevant agencies through a series of forthcoming interlocal agreements, is based on the following projections:

	SR 167	SR 509	TOTAL
Port contributions	\$30 million	\$30 million	\$60 million
Federal INFRA grant	\$10 million	\$10 million	\$20 million
Local agency partner match	\$10 million	\$10 million	\$20 million
Other Grants (PSRC, FMSIB, TIB)	\$20 million	\$10 million	\$30 million
Total	\$70 million	\$60 million	\$130 million

3. Local Funding Strategy

A key element of the local funding strategy is to identify projects within the Gateway Program that provide clear and measurable benefits to local jurisdictions. In the Gateway Program, these are called “Local Nexus Projects,” designed to:

- Create a positive business case for Local Agency Partners by focusing on the parts of the program that are most relevant and important to local jurisdictions
- Leverage the potential to access significant grant funding to support local funding assumptions

In support of the local funding strategy, Local Agency Partners shall:

- Participate, co-fund match, and submit grant applications with support from Subcommittee staff, as identified in Section 6 of this MOU
- Combine local monetary and in-kind contributions and project funds to ensure fully-funded applications, as identified in Section 6 of this MOU
- Support the grant effort and avoid competition with the local projects in the year of application

The following Local Nexus Projects have been identified within the north (SR 509) and south (SR 167) segments of the Gateway Program:

Gateway North (SR 509)	Gateway South (SR 167)
188 th South Ramps	Meridian West Ramps
SeaTac Access, with Ramps to 28 th /24 th Avenue South	54 th Avenue East Ramps
Veterans Drive Extension	Interurban Trail
Lake to Sound Trail	Valley Avenue West Ramps
	Port of Tacoma Access/SR 509 Spur
	70 th Avenue E Bridge Relocation

If Local Nexus, INFRA, and any other pending grant projects become fully funded, these projects will contribute substantially toward the Legislative requirement for local match. Funding commitments will be achieved via an interlocal agreement from each signing party up to the amounts presented in this MOU. Local Agency Partner signatories to this MOU understand that once the local contribution requirements set forth in ESB 5096 (\$130 million) is achieved, that Local Agency Partners will not be required to commit to additional funds beyond what is outlined in this MOU. If additional grant funding or additional funds from other sources are obtained that fulfill the \$130 million local contribution requirement, the Secretary of Transportation and the Executive Committee will review and determine to either reduce local agency partner match payments, or recommend expanding scope of the Gateway Program, and amend each signing party’s interlocal agreement accordingly.

4. Local Participation Policy

The Joint Executive Committee has agreed to a funding and phasing policy that structures local agency partner match requirements to be commensurate with the benefits accrued from the project at a local level. This policy states that:

All local agency partners accrue some benefit from the Puget Sound Gateway Program. Partners receiving fewer benefits, however, are not expected to contribute as much as partners who receive more benefits. Direct benefits are those that most quantifiable, but there are other components of value that include indirect, strategic and policy/social benefits. Both direct and indirect benefits will be assessed as part of the consideration of local contributions, because they are more easily quantifiable than strategic and policy/social benefits.

All Local Agency Partner signatories of this MOU expect to seek approval of interlocal agreements to contribute a match to be applied to Local Nexus Projects at a level that reflects their respective anticipated level of benefit, as identified in Section 6 of this MOU.

5. Benefit Assessment Methodology

The proposed financial participation by each partner is based on a general, qualitative assessment of the net benefits expected to be received by full completion of the Gateway Program. The assessment includes the following metrics, based on available project data and transportation modeling outputs:

- **Direct transportation linkages.** The location of direct access points for new limited access highways or other transportation infrastructure that benefits the community.
- **Effects on local sales taxes.** The impacts of the projects to sales tax receipts, both in terms of one-time construction sales taxes for the project, and ongoing sales taxes from impacts to commercial uses.
- **Travel time savings.** Overall travel time savings for local car and truck traffic associated with the projects.
- **Traffic diversion from local streets.** The diversion of, or increase in, traffic on local arterials due to the project, with associated positive impacts to traffic safety and local road maintenance.
- **Effects on local employment.** The potential effects of improved accessibility are reviewed, particularly in the context of access to new or potential employment uses.
- **Effects on developable residential lands.** The potential impacts of changes in traffic flow and accessibility on residential land development, with a focus on areas within the jurisdiction that are available for redevelopment.
- **Effects on developable employment lands.** The potential impacts of changes in traffic flow and accessibility on the development or redevelopment of commercial and industrial lands.
- **Achievement of local policy goals.** The alignment of the WSDOT Gateway Program with local plans and policies.
- **Environmental and social benefits.** Environmental and social benefits specifically linked to these projects, including upgrades to pedestrian and cycling infrastructure, and wetlands and riparian restoration.

The approach and findings of the benefits assessments have been provided to the Local Agency Partners.

6. Local Jurisdiction Anticipated Contributions to the Program

Based on results from the benefit assessment described in Section 5, contributions for each of the Local Agency Partners were determined by project stage in the tables below. Following execution of this MOU, interlocal agreements will be drafted for subsequent approval. Anticipated contributions only become binding commitments when embedded in interlocal agreements, and the conditions therein are approved by the proposed funding entity. Interlocal agreements between WSDOT and the respective Local Agency Partner must be in place for a project prior to issuance of the Request for Proposals (RFP) for any proposed construction contract. The Interlocal agreements will become binding commitments, within the statutory authority of the Local Agency Partner, and will define the schedule of local match payments expected over the duration of each construction project stage.

WSDOT will exercise due diligence to develop and construct each project on schedule within the Gateway Program to the best of its abilities. Local Agency Partners will participate in project development reviews and project meetings in support of the Gateway Program.

If grant pursuits identified in the Stage 1 and Stage 2 tables below are not achieved sufficient to meet the \$130 million local contribution, additional grants will be pursued from the funding programs listed or from other funding programs that may become available over the life of the Gateway Program. If Local Nexus Projects go to construction without planned grants, the Local Agency Partner match funds will still be provided by agreement with WSDOT. If it is determined that a Local Nexus Project cannot be fully funded, WSDOT will review options with the Executive Committee. If an official decision is determined by the Executive Committee and the Secretary of Transportation that the Local Nexus Project is not to be included in a construction project, the Local Agency Partner match may be withdrawn.

Stage 1 Grant Pursuits for Local Nexus Projects

Project	Estimated Construction Cost	Funding Program	Grant Target Amount	Target Due Mo/Year	Anticipated Construction Expenditure	Local Agency Partner Match	Partner Nexus
70 th Avenue E/Interurban Trail	\$32,245,600	FMSIB	\$5,000,000	Mar 2018	2019-2021	\$800,000 \$500,000 \$3,000,000	Fife Tacoma Port of Tacoma
		TIB	\$5,000,000	Aug 2018	2019-2021		
		State Capital & Transportation	\$1,400,000	Mar 2018	2019-2021		Fife
Veterans Drive/ SR516 Interchange	\$33,800,000	PSRC	\$4,500,000	Apr 2018	2021-2025	\$1,000,000	Kent
		TIB	\$5,000,000	Aug 2020	2021-2025	\$1,000,000	Kent
SeaTac Access	\$176,883,500	PSRC	\$4,500,000	Apr 2018	2021-2025	\$2,000,000 \$500,000	SeaTac (ROW in lieu) Des Moines

Port of Tacoma Access/509 Spur	\$323,042,000	PSRC	\$4,500,000	Apr 2018	2021-2025	\$1,500,000 \$3,000,000 \$800,000	Tacoma Port of Tacoma Fife
		FMSIB	\$5,000,000	Mar 2020	2021-2025		
All Gateway Program		INFRA	\$20,000,000*	Nov 2017	2019-2021		
SR 167 Stage 1		Port of Tacoma		Jan 2021	2021-2025	\$9,000,000	Port of Tacoma
SR 509 Stage 1		Port of Seattle		Jan 2021	2021-2025	\$15,000,000	Port of Seattle (expected in 2023-2025)
Total Stage 1			\$54,900,000			\$38,100,000	\$93,000,000

Stage 2 Future Grant Pursuits for Local Nexus Projects

Project	Estimated Construction Cost	Funding Program	Grant Target Amount	Target Due Mo/Year	Anticipated Construction Expenditure	Local Agency Partner Match	Partner Nexus
Meridian Avenue Interchange		TBD	\$3,000,000	2022	2026-2030	\$2,000,000	Puyallup
Valley Avenue Interchange		TBD	\$3,000,000	2022	2026-2030	\$2,000,000	Pierce County
188 th Street Interchange improvements		TBD	TBD	2023	2026-2030	TBD	
SR 167 Stage 2		TBD	\$4,000,000	2022	2026-2030	\$500,000 \$500,000	Edgewood (ROW in lieu) Sumner
		Port of Tacoma		Jan 2026	2026-2030	\$15,000,000	Port of Tacoma
SR 509 Stage 2		TBD	\$4,000,000	2024	2026-2030		
		Port of Seattle		Jan 2026	2026-2030	\$15,000,000	Port of Seattle
Total Stage 2			\$14,000,000			\$35,000,000	\$49,000,000
Total Stages 1 & 2			\$68,900,000			\$73,100,000	\$142,000,000

* – If no INFRA, apply for FHWA BUILD grant for Port of Tacoma Access (SR 509 Spur)

TBD – grant funding program pursuit to be determined in future

7. Terms and Termination

7.1. Amendments

This MOU shall be periodically reviewed and evaluated regarding the need for modifications or amendments by mutual determination of WSDOT and Local Agency Partners. Amendments to the MOU shall be required if program funding assumptions need to be adjusted that affect the ability to construct the identified Local Nexus Projects or the ability to achieve the \$130 million local contribution. Such amendments shall only be binding if they are in writing and signed by authorized personnel from all of the Local Agency Partners. Except as set forth in an amendment, the MOU will be unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict

between an amendment and the MOU or any earlier amendment, the terms of the most recent amendment will prevail.

If there is a conflict between subsequent Interlocal Agreements and the MOU or any earlier amendments, the terms of the Interlocal Agreements will prevail.

Changes that do not affect the ability to construct the identified Local Nexus Project or achieve the \$130 million local contribution shall be addressed through the Interlocal Agreement between WSDOT and the relevant Local Agency Partner.

7.2. Dispute Resolution

Should any signatory to this MOU object at any time to any actions proposed or the manner in which the terms of this MOU are implemented, the Executive Committee shall hear the dispute first and if the disputant(s) is/are not satisfied with the Committee's proposed decision, the Committee will send to the Secretary of Transportation its proposed solution and all documentation relevant to the dispute. The Secretary of Transportation shall provide the Executive Committee with his/her advice on how to resolve the dispute within thirty (30) calendar days of receiving adequate documentation. Prior to reaching a final decision on the dispute, the Executive Committee shall prepare a written response that considers any timely advice or comments regarding the dispute from the Secretary of Transportation, signatories and other interested parties, and provide them with a copy of this written response. WSDOT will then proceed according to this final decision.

7.3 Conditions for Termination of Participation

Subject to legislative appropriation and all applicable laws, each signatory shall ensure that the Gateway Program is carried out in accordance with the terms of the MOU and subsequent Interlocal Agreements. A signatory may terminate its participation in this MOU if its terms cannot be met and by providing written notice to the Secretary of Transportation and the Executive Committee a minimum of 180 calendar days before a project issues an RFP that relies on that local agency partner funding. Prior to providing written notice terminating participation, however, the signatories shall consult with WSDOT to determine whether an amendment to the MOU might be feasible. If a signatory terminates its participation, WSDOT will then consult with the Executive Committee to determine if project scope elements need to be removed if contributions are not realized in accordance with this understanding.

8. Period of Agreement.

This MOU will commence on (July 1, 2018 proposed date) and will dissolve when the \$130 million of local contribution have been secured, or when the Local Nexus Projects have been constructed and are complete.

9. Signatories

Stephen P. Metruck
Executive Director
Port of Seattle

Date

John Wolfe
Chief Executive Officer
Port of Tacoma

Date

Dow Constantine
County Executive
King County

Date

Bruce Dammeier
County Executive
Pierce County

Date

David E. Hill
Mayor
City of Algona

Date

Nancy Backus
Mayor
City of Auburn

Date

Michael Matthias
City Manager
City of Des Moines

Date

Daryl Eidinge
Mayor
City of Edgewood

Date

Jim Ferrell
Mayor
City of Federal Way

Date

Pat Hulcey
Councilmember
City of Fife

Date

Dana Ralph
Mayor
City of Kent

Date

Shanna Styron-Sherrell
Mayor
City of Milton

Date

Leanne Guier
Mayor
City of Pacific

Date

Kevin Yamamoto
City Manager
City of Puyallup

Date

Joseph Scorcio
City Manager
City of SeaTac

Date

William L. Pugh
Mayor
City of Sumner

Date

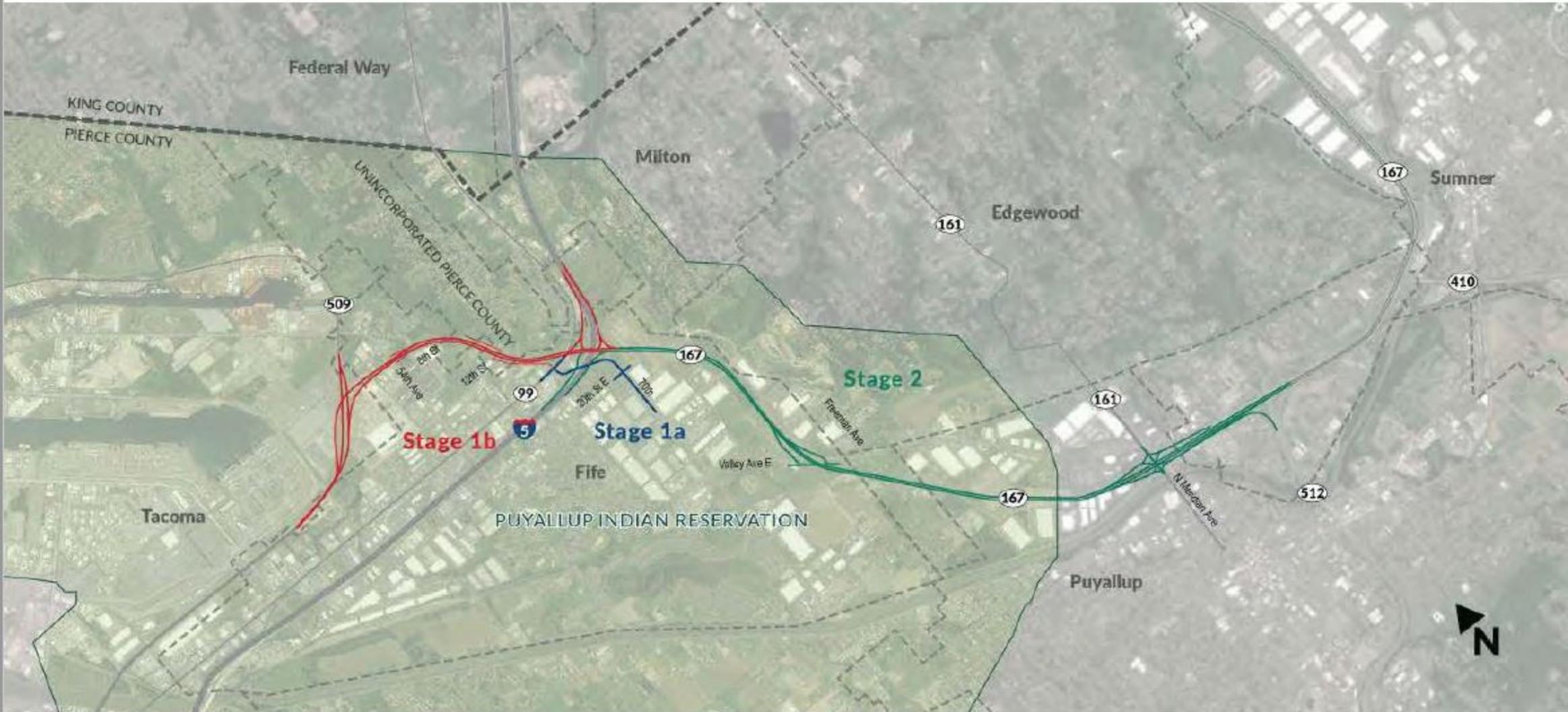
Elizabeth A. Pauli
City Manager
City of Tacoma

Date

Roger Millar
Secretary of Transportation
Washington State Department of Transportation

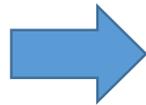
Date

SR 167 Construction Stages



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Grant and Match Financial Plan:



Partner Commitments and Status			
Partner Agency	Status	Amount	Total
City of Fife	Committed by Letter	\$1,800,000	
City of Tacoma	Committed by Resolution	\$2,000,000	
City of Kent	Committed \$1m by Letter	\$2,000,000	
City of SeaTac	Pending	\$2,000,000	
City of Puyallup	Concurred by City Manager	\$2,000,000	
City of Des Moines	Committed by Letter	\$500,000	
City of Edgewood	Concurred by Mayor	\$500,000	
City of Sumner	Requested		
Pierce County	Committed (Executive)	\$2,000,000	
King County	Requested		
Port of Seattle	Concurred pending MOU	\$30,000,000	
Port of Tacoma	Committed \$6m by Letter	\$30,000,000	
City of Pacific	Agreed to Sign	-	
City of Algona	Agreed to Sign	-	
City of Federal Way	Agreed to Sign	-	
City of Milton	Agreed to Sign	-	
Partner Total			\$72,800,000

Stage 1 Grant Assumptions			
Federal INFRA	Application filed	\$20,000,000	
Interurban Trail	Awarded	\$1,400,000	
FMSIB 70 th Avenue E	Application filed	\$5,000,000	
FMSIB Port of Tacoma Spur	Apply 2020	\$5,000,000	
PSRC Veterans Extension	Application filed	\$4,500,000	
PSRC SeaTac Access (SR 509)	Application filed	\$4,500,000	
PSRC Port of Tacoma Spur	Application filed	\$4,500,000	
TIB 70 th Avenue E	Application due August 17	\$5,000,000	
TIB Veterans Extension	Apply 2020	\$5,000,000	
Stage 1 Grant Total			\$54,900,000

Stage 2 Grant Assumptions			
SR 167/Valley Avenue	2022	\$3,000,000	
SR 167/Meridian Avenue	2022	\$3,000,000	
SR 167 Stage 2 Mainline	2022	\$4,000,000	
SR 509 Stage 2 Mainline	2024	\$4,000,000	
Stage 2 Grant Total			\$14,000,000
Total Financial Strategy			\$141,700,000

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To: Mayor Styron Sherrell and City Council Members
From: Bill Barnhart, Public Works Operations Superintendent
Date: June 18, 2018
Re: Electric Rate Study - Consultant Services Agreement

ATTACHMENTS: 1) Professional Services Agreement
2) Scope of Work

TYPE OF ACTION:

Information Only Discussion Action Public Hearing Expenditure

Recommendation/Action: “I move to authorize the Mayor to sign a Professional Services Agreement with EES Consulting, Inc. for \$27,000 for the Electric System Cost of Service and Rate Design Study.”

Fiscal Impact/Source of Funds: This project was included in the Electric Capital Improvement Fund in the 2018 budget.

Issue: As was discussed at the June 11, 2018 City Council Study Session, the City is evaluating the electric utility to implement a long-range plan to ensure the continued viability of the utility.

Discussion: The City of Milton has made great strides over the past year implementing a new asset management system called Cartegraph. This system is helping us track our utility assets and is being utilized to evaluate the age, condition and remaining service life of those assets.

For the electric utility we are in process of performing a comprehensive evaluation of our rates to ensure that we have the funding necessary for the continued viability of the utility. This effort is in-line with our goal of running our utilities like self-sustaining businesses.

Execution of a contract with EES Consulting, Inc. is the next important step in this evaluation. Under this contract EES will perform a comprehensive cost of service analysis and rate design study.

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CITY OF MILTON PROFESSIONAL SERVICES AGREEMENT
Electric Cost of Service and Rate Design Study(Project #125)

THIS Agreement is made effective as of the _____ day of June, 2018, by and between the **City of Milton, Washington** ("City") and **EES Consulting, Inc.** ("Consultant").

WHEREAS, the City desires to accomplish the above-referenced project; and

WHEREAS, the City does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a Consultant to provide the necessary services for the project; and

WHEREAS, the Consultant has represented to the City that the Consultant is in compliance with the professional registration statutes of the State of Washington, if applicable, and has signified a willingness to furnish consulting services to the City, NOW, THEREFORE,

IN CONSIDERATION OF the terms and conditions set forth below, or attached and incorporated and made a part hereof, the parties agree as follows:

1. General Purpose and Intent.

Provide professional services to assist in the Electric Cost of Service and Rate Design Study.

2. Services by the Consultant.

A. The City hereby retains the Consultant to provide professional services as defined in this Agreement and as necessary to accomplish the Scope of Work attached hereto as **Exhibit A** and incorporated herein by this reference as if set forth in full. The Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this Agreement. The services performed by the Consultant shall not exceed the Scope of Work without prior written authorization from the City.

B. The City may from time to time require changes or modifications in the Scope of Work. Such changes, including any decrease or increase in the amount of compensation, shall be agreed to by the parties and incorporated in written amendments to the Agreement.

3. Schedule of Work.

The Consultant shall not begin any work under the terms of this Agreement until authorized in writing by the City. The parties agree that work will begin on the tasks described in Section I above immediately upon the effective date of this Agreement. Consultant shall complete the work described in Section I by **December 31, 2018**. A failure to complete the work within the specific timeframe, except where such failure is due to circumstances beyond the control of the Consultant, shall be deemed a breach of this Agreement. The established completion time shall not be extended because of any delays attributable to the Consultant, but may be extended by the City, in the event of a delay attributable to the City, or because of unavoidable delays caused by circumstances beyond the control of the Consultant. All such extensions shall be in writing and shall be executed by both parties.

4. Compensation.

TIME AND MATERIALS NOT TO EXCEED – Compensation for the services described in the Scope of Work shall not exceed \$27,000 without written authorization and will be based on the list of billing rates and reimbursable expenses attached hereto as **Exhibit A**.

A. The Consultant shall be paid by the City for satisfactorily completed work and services satisfactorily rendered under this Agreement as provided in **Exhibit A**, attached hereto and incorporated herein by this reference as if set forth in full. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work attached. If the services rendered do not meet the requirements of the Agreement, the Consultant will correct or modify the work to comply with the Agreement. The City may withhold payment for such work until the work meets the requirements of the Agreement. Correction of typographical and other clerical errors made by the Consultant shall be made at no cost to the City.

B. The Consultant shall be entitled to invoice the City no more frequently than once per month during the course of the completion of work and services by the Consultant. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. The City shall pay all such invoices within 45 days of submittal, unless the City gives notice that the invoice is in dispute. In no event shall the total of all invoices paid exceed the maximum amount payable set forth above, if any, and the Consultant agrees to perform all services contemplated by this Agreement for no more than said maximum amount. The Consultant shall keep cost records and accounts pertaining to this Agreement available for inspection by the City representatives for three (3) years after final payment unless a longer period is required by a third-party agreement. Copies shall be made available on request.

5. Corrective Changes in Work.

The Consultant shall promptly make such changes and revisions in the complete work provided by this Agreement as may be necessary to correct errors made by the Consultant and appearing therein when required to do so by the City. The Consultant shall make such corrective changes and revisions without additional compensation from the City. Should the City find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the Consultant shall make such revisions as directed by the City. This work shall be considered as extra work and will be paid for as negotiated through a written amendment to the Agreement as provided in Section 2.B.

6. Coordination of Contract Documents.

This Agreement consists of this Professional Services Agreement form and **Exhibit A**. If there is any inconsistency between this Professional Services Agreement form and the Exhibit, the Professional Services Agreement form shall take precedence. Any limitations on liability and indemnification expressed in the attached Exhibit beyond those specified in Sections 11 and 12 shall be null and void.

7. Discrimination and Compliance with Laws.

A. The Consultant agrees not to discriminate against any employee, or applicant for employment, subcontractor, supplier or materialman, or any other person in the performance of this Agreement because of race, creed, color, religion, national origin, marital status, sex, sexual orientation,

age, disability, or other circumstance prohibited by federal, state, or local law or ordinance, except for a bona fide occupational qualification.

B. In the performance of work under this Agreement, the Consultant shall comply with all federal, state and municipal laws, ordinances, rules and regulations that are applicable to the Consultant's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations. The Consultant shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this Agreement.

C. Consultant shall obtain a City of Milton business license pursuant to the provisions of Chapter 5. 04 MMC prior to receipt of written authorization to proceed.

D. Violation of this paragraph shall be a material breach of this Agreement and grounds for cancellation, termination, or suspension of the Agreement by the City, in whole or in part, and may result in ineligibility for further work for the City.

8. Termination.

A. The City reserves the right to terminate this Agreement at any time upon ten (10) days written notice to the Consultant. Any such notice shall be given to the address specified in Section 15(A). In the event that this Agreement is terminated by the City other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for all services satisfactorily performed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the notice to terminate. In the event that services of the Consultant are terminated by the City for fault on part of the Consultant, the amount to be paid shall be determined by the City with consideration given to the actual cost incurred by the Consultant in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the City at the time of termination, the cost of the City of employing another firm to complete the work required, and the time which may be required to do so.

B. The City may suspend this Agreement, at its sole discretion, upon one week's advance notice to the Consultant. Such notice shall indicate the anticipated period of suspension. Any reimbursement for expenses incurred due to the suspension shall be limited to the Consultant's reasonable expenses, and shall be subject to verification. The Consultant shall resume performance of services under this Agreement without delay when the suspension period ends.

9. Standard of Care.

The Consultant represents and warrants that it has the requisite training, skill and experience necessary to provide the services under this Agreement and is appropriately accredited and licensed by all applicable agencies and governmental entities. Services provided by the Consultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing in similar circumstances.

10. Ownership of Work Product.

Any and all documents, drawings, reports, and other work product produced by the Consultant under this Agreement shall become the property of the City upon payment of the Consultant's fees and charges therefore. The City shall have the complete right to use and re-use such work product in any manner deemed appropriate by the City, provided, that use on any project other than that for which the

work product is prepared shall be at the City's risk unless such use is agreed to by the Consultant. Electronic versions of all work products shall be provided to the City in a format compatible with the City software, except to the extent expressly waived in the attached Exhibit.

11. Indemnification/Hold Harmless.

The Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees (collectively, "Claims"), specifically including without limitation Claims resulting from injuries, sickness, or death of employees of the Consultant and/or damage to property, arising out of or resulting from the acts, errors or omissions of the Consultant, its officers, agents, sub-Consultants or employees, in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.

It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

The provisions of this section shall survive the expiration or termination of this Agreement.

12. Insurance.

The Consultant shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. The Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. Minimum Scope of Insurance

The Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

4. Professional Liability insurance appropriate to the Consultant's profession.

B. Minimum Amounts of Insurance

The Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.

3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

C. Other Insurance Provisions

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, the City will be named on all insurance as an additional insured. The Consultant shall submit a certificate of insurance to the City evidencing the coverages specified above, together with an additional insured endorsement naming the City, within fifteen (15) days of the execution of this Agreement and prior to the performance of any work specified hereunder. The certificates of insurance shall cover the work specified in or performed under this Agreement. The certificate and endorsement must be project and/or site specific. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the City.

The Consultant's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

E. Verification of Coverage

The Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

F. Notice of Cancellation

The Consultant shall provide the City with written notice of any policy cancellation, within two business days of their receipt of such notice.

G. Failure to Maintain Insurance

Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days' notice to the Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

13. Assigning or Subcontracting.

The Consultant may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City. Any sub-Consultants approved by the City at the outset of this Agreement are named on **Exhibit A** attached hereto and incorporated herein by this reference as if set forth in full.

14. Independent Contractor.

The Consultant is an independent contractor for the performance of services under this Agreement. The City shall not be liable for, nor obligated to pay to the Consultant, or any employee of the Consultant, sick leave, vacation pay, overtime or any other benefit applicable to employees of the City, nor to pay or deduct any social security, income tax, or other tax from the payments made to the Consultant which may arise as an incident of the Consultant performing services for the City. The City shall not be obligated to pay industrial insurance for the services rendered by the Consultant.

15. Notice.

A. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth below. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph. Such notices or communications shall be given to the parties at their addresses set forth below:

City of Milton:

Attn: Mayor Shanna Styron Sherrell
1000 Laurel Street
Milton, WA 98354

Consultant:

EES Consulting, Inc.
Attn: Gary Saleba, President
570 Kirkland Way, Suite 100
Kirkland, WA 98033

B. Either party may change its contact information by sending its new contact information to the other party in the same manner as is provided for sending the other party notice under the provisions of Section 15.A.

16. Non-Waiver.

Payment for any part of the work or services by the City shall not constitute a waiver by the City of any remedies of any type it may have against the Consultant for any breach of the Agreement by the Consultant, or for failure of the Consultant to perform work required of it under the Agreement by the City. Waiver of any right or entitlement under this Agreement by the City shall not constitute waiver of any other right or entitlement

17. Resolution of Disputes; Governing Law and Venue.

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. If any dispute arises out of or in connection with this Agreement, including any question regarding its existence, enforceability, interpretation, or validity, the parties will, if practicable, meet and confer in good faith for a period of fourteen (14) days to attempt to resolve such dispute without an adversary proceeding. If at the end of the fourteen (14) day period such attempt at resolution is unsuccessful, the parties may resort to litigation. The exclusive venue for any litigation arising out this Agreement shall be the Pierce County Superior Court. The substantially prevailing party in any such litigation shall be entitled to an award of its reasonable attorneys' fees.

18. Taxes.

The Consultant will be solely responsible for the payment of any and all applicable taxes related to the services provided under this Agreement and if such taxes are required to be passed through to the City by law, the same shall be duly itemized on any billings submitted to the City by the Consultant.

19. Entire Agreement.

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

20. Risk of Loss.

The Consultant shall be solely responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at the Consultant's own risk, and the Consultant shall be solely responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

CITY OF MILTON, WASHINGTON

By: _____
Shanna Styron Sherrell, Mayor

Date: _____

ATTEST:

By: _____
Trisha Summers, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

By: _____
Ogden Murphy Wallace

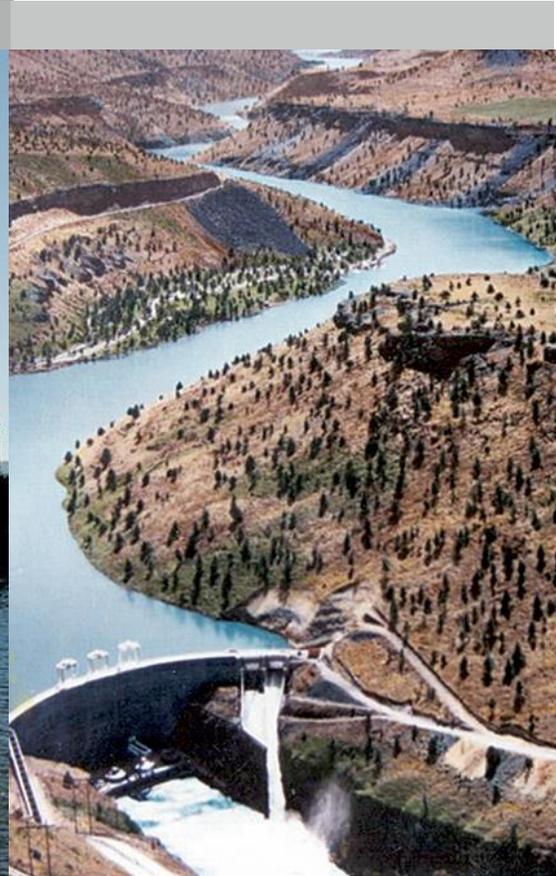
CONSULTANT:

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

City of Milton

Proposal to Provide Electrical System Cost of Service and Rate Design Study

May 2018



A registered professional engineering and management consulting firm with offices in Kirkland, WA, Portland, OR and La Quinta, CA

570 Kirkland Way, Suite 100
Kirkland, Washington 98033

Telephone: (425) 889-2700

www.eesconsulting.com



May 22, 2018

Mr. Mark Howlett, P.E.
Public Works Director
City of Milton Public Works
1000 Laurel Street
Milton, Washington 98354

SUBJECT: Electric Utility Cost of Service and Rate Design Study

Dear Mr. Howlett:

Please find attached a proposal from EES Consulting, Inc. (EES) to perform a comprehensive electric utility cost of service and rate design study for the City of Milton (City).

After you have reviewed this proposal, the EES team would welcome the opportunity to discuss our collective thoughts on this proposal and finalize all details.

Thanks for selecting EES for this interesting project and we look forward to commencing work.

Very truly yours,

A handwritten signature in blue ink that reads "Gary S. Saleba". The signature is fluid and cursive.

Gary Saleba
President

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Introduction and Background

EES Consulting, Inc. (EES) is pleased to offer a proposal in response to the City of Milton's (City's) Request for Proposal to perform a cost of service and rate design study. EES is a firm with offices in Kirkland, WA; Portland, OR; and La Quinta, CA. The EES team has professional staff members with backgrounds in the areas of economics, finance, financial analysis, engineering, design, public administration, operations, research, environmental, permitting and general management.

EES is a multidisciplinary management consulting and registered professional engineering firm that provides a variety of project solutions to clients involved with electric power, natural gas, telecommunications, water, wastewater and other energy and natural resource related businesses.

EES has assisted public utility clients in meeting the challenges of evolving competitive, regulatory and technical environments. We have a proven track record of success in arenas where the results of a particular project may have far reaching effects on the viability of an organization or the local community.

Because of the size of our firm and our highly-qualified staff, we are able to deliver results in less time and with less expense to our clients. We are responsive and focused on cost-effective solutions for our clients' needs, and always recommend the most direct and efficient means of carrying out a project. The success of our project approach has resulted in the large volume of repeat business that the firm enjoys, roughly 75 percent.

EES offers a variety of services to its diverse clients: rate and cost-of-service studies, strategic planning, integrated resource planning, regulatory analysis, comprehensive planning, design and construction engineering, expert witness testimony, general management consulting services, and review/development of capital budgets.

EES has performed over 300 electric, water, wastewater, natural gas, stormwater and telecommunication rate studies throughout the U.S. and Canada. We have assisted many utilities, major industrial customers and regulatory commissions in developing automated average embedded and marginal cost of service computer programs, and in analyzing various cost allocation structures and frameworks.

EES has analyzed Bonneville Power Administration (BPA) rates and contracts for 22 public agency utilities in Washington State. In just the past two years, EES staff has developed over 35 cost of service analysis (COSA) studies for BPA public agency customers. These COSA studies explored not only cost allocations and rate design, but also the BPA Tiered Rate Methodology (TRM) environment utilities have faced since October 2011, net metering implications, and new large load issues. EES staff also actively participates as experts in industry forums, conferences, roundtable discussions and courts of law on power supply and BPA issues in the Region.

Scope of Services

The EES staff has performed over three hundred electric, natural gas, water, wastewater and stormwater rate studies throughout the United States and Canada. Based on our experience we have prepared a proposed scope of services that summarizes the analysis and data to be provided to the City within this project.

In order to accomplish this project successfully, it is necessary to develop a detailed scope of services at the beginning. This helps clarify both the needs of the City and the approach to be used by EES to ensure that the client receives the desired study results. The proposed scope of work is based on our discussion at the preliminary meeting on Thursday, May 10, 2018 and our experience providing cost of service and rate design studies.

The primary components of a **cost of service and rate design study** include:

- Update background data and identifying project goals
- Development of forecast revenue requirements/budgets
- Allocating forecast revenue requirements to customers by performing a cost of service analysis (COSA)
- Developing fair, equitable and just retail rates that collect the City's revenue needs
- Evaluating alternatives, making recommendations and presenting results to the City's senior staff and policymakers

The scope of work for this project involves analyzing and developing the City's annual revenue requirement. Also proposed is an analysis of utility customers, their user characteristics and system design data, to be able to allocate costs to customers based on their use of the system. EES will also develop new retail rates based on the cost of service analysis results and goals of the City. The following summarizes the study analysis and results to be provided to the City.

Proposed Scope for Gathering Background Data and Project Goals

Objective: To determine the scope of work, and the City's policy goals and objectives.

1. Key issues and changes identified by the City from the most recent COSA, and the City's project goals and objectives were discussed during our initial planning meeting.
2. An initial data request has been included in this proposal. Additional data request items will be provided to the City, as necessary, and a process to obtain the information necessary to complete the study will be developed.

Proposed Scope for Updating Revenue Requirements Task

Objective: Identify the current and projected revenues and expenses for the City's electric system.

1. The appropriate basis (cash vs. accrual) for determining the annual revenue requirement for the City will be identified.
2. A test period for the study will be selected. For the study, a test period of CY 2019 - 2023 is proposed.
3. The load and customer forecast will be updated and re-evaluated based on the most recent information available. The BPA load forecast will be used for this task.
4. The City's financial records will be analyzed to evaluate the current and budgeted system revenues from current rates and resources available to finance the annual revenue requirement for the desired test period.
5. The current and projected power supply cost will be evaluated based on the City's contracts and agreements, and our knowledge of BPA wholesale rate levels. Transmission charges will also be determined for each year of the study period.
6. Appropriate reserve fund levels will be suggested based on current and projected utility industry standards.
7. The impact of projected revenues and expenses on the City's debt-related financial ratios will be determined, if any.
8. The cost of power supply and transmission expenses, other operation and maintenance expenses, taxes, any debt service expenses, capital improvements funded from revenues, margins, reserve fund requirements and all other necessary costs associated with the efficient operation of the electric system will be analyzed to determine the annual revenue requirement for each year of the study period.
9. Projected revenues will be compared to the annual revenue requirement to identify the need for a rate change from existing monthly rates and charges. If necessary, a plan can be developed to phase-in rate changes over time, should large adjustments be required.

Proposed Scope for Updating Cost of Service Analysis (COSA) Task

Objective: Determine an equitable allocation of the annual revenue requirement to the various customer classes using generally accepted cost allocation methods. A key concept in this process is the "cost causation" nature of each expense incurred by the City.

1. Costs will be functionalized by itemizing plant investments and related expenses by the following functions: production, transmission, distribution, customer services, and administrative and general (A&G).
2. Costs will be classified to determine whether each individual plant investment or cost was incurred to meet a customer's demand, energy or customer related need. This item will be very important to ensure fair and equitable rates.
3. Costs will be allocated to the City's rate classes by developing allocation factors based on customer information, historic load data and projected usage by rate class. Where data is not available, industry standard data will be applied. A review of the planning, design, and operational data for the system will help to determine the facilities in place and how each rate class benefits from and uses these facilities. Some costs may be directly assigned to a specific rate class where appropriate.
4. Average unit costs by functional category will be provided based on the allocated costs and billing determinants developed for each rate class. Unbundled unit costs will be presented for energy (¢/kWh), demand (\$/kW), and customer related (\$/Customer/Mo.) charges for each customer class. Power supply costs will be time differentiated where applicable. The average unit costs represent cost of service rates and can be used as an input in the rate setting process.
5. Any subsidies that may exist between rate classes will be identified in this task and addressed before starting any rate design.

Proposed Scope for the Development of Rate Design Options

Objective: Develop reasonable rate options using a variety of approaches, ranging from the current rate design to strict cost based rates. While average unit costs provide the cost basis for setting rates, other criteria will also be considered in designing rate options.

1. Different rate options based upon the goals and objectives identified by the City will be analyzed. Rate options can include both bundled and unbundled pricing.
2. Alternative rate designs including blocks, time of use, seasonal, and other appropriate charges may be developed, if desired by the City.
3. Revenues for each of the rate options will be compared to the system-wide and individual customer class revenue requirements.
4. Customer bill comparisons will be developed to determine the rate impacts on different customer classes for different rate alternatives.
5. A power cost adjustment mechanism will be developed.

Deliverables

EES will provide the City's staff frequent project status reports to ensure a timely product. A draft report with the results of the cost of service study will be provided after the preliminary cost of service study is finalized. Once the City has reviewed the draft report, EES will incorporate any comments or suggestions into a final report.

Presentations

EES will present results and make recommendations to the City's management staff and policymakers, as desired by City management. This proposal includes one meeting on-site to present results and get feedback from staff and another public meeting with the City Council before finalizing rates. Any additional on-site public meetings will be billed at the hourly rates discussed later in this proposal, plus any out-of-pocket expenses.

Experience and References

The following summarizes examples of work performed by EES. Particularly for those clients for whom EES has completed recent revenue requirement, cost of service and rate studies.

Client Reference #1	
Client Name	Consumers Power, Inc.
Contact Name	Roman Gillen
Phone Number	(541) 929-3124
Email Address	romang@cpi.coop
Type of Services Provided	Cost of Service and Rate Design, Net Metering, New Large Single Load
Client Reference #2	
Client Name	Blachly-Lane Cooperative
Contact Name	Carole Phillips
Phone Number	(541) 688-8711
Email Address	phillipsc@blachlylane.coop
Type of Services Provided	Cost of Service and Rate Design, Capital Credits COSA
Client Reference #3	
Client Name	Central Electric Cooperative
Contact Name	Dave Markham
Phone Number	541-312-7764
Email Address	dmarkham@cec.coop
Type of Services Provided	Retail Revenue Requirement, Cost of Service and Rate Design Study
Client Reference #4	
Client Name	Fall River REC, Inc.
Contact Name	Bryan Case
Phone Number	(208) 652-7002
Email Address	Bryan.case@fallriverelectric.com
Type of Services Provided	Cost of Service and Rate Design, Propane Valuation
Client Reference #5	
Client Name	Northern Lights, Inc.
Contact Name	Annie Terracciano
Phone Number	(208) 263-5141
Email Address	annie.terracciano@nli.coop
Type of Services Provided	Electric Cost of Service and Rate Design, Pole Attachment

Project Personnel

Staff

EES has a staff of consultants experienced in the area of cost of service and rate design analysis. For this project, EES has a large diversified staff of senior consultants experienced in the areas of revenue requirement, cost of service and rate design analysis.

Project Management

EES's collective experience working on revenue requirements, COSA and financial studies for numerous publicly-owned utilities have shown us that the key to success is a well-conceived, carefully controlled management/communications plan that emphasizes leadership, responsiveness, communication, and accountability. For this project, clearly defined communication protocols and roles and responsibilities are critical.

The most crucial activities – those that will dictate the degree of success of a project – are planned during the kickoff phase. We will work with the City's staff to prepare a solid work plan and schedule, a communication protocol, and a clear path to project delivery during this kickoff phase. EES will provide the City's staff with monthly updates on the project and EES senior staff will answer questions or provide additional support as requested.

Gary Saleba, President/CEO

As both a management and strategic planning consultant, Mr. Saleba is a principal and President/CEO of EES. He provides overall quality control and insight for comprehensive financial, rates and power supply planning studies. As a founding member of EES, Mr. Saleba has over 35 years of experience with electric, natural gas, water, wastewater, telecommunication, and disposal utilities. He has overseen more than 300 cost of service and rate design studies. He also has taught Northwest Public Power Association, American Public Power Association and American Water Works Association cost of service and rate design schools. Finally, Mr. Saleba has apprised virtually all of EES's clients in how to deal with fundamental changes in the energy and natural resource industries. These changes include increased competition, more emphasis on public input in major decision making, and strategic planning under an uncertain future.

Anne Falcon, Senior Associate

Anne Falcon's primary responsibility with EES includes providing project management and technical support for all types of economic studies. Ms. Falcon has over 20 years' experience in managing projects concerning cost of service and rate analyses, financial planning and regulatory proceedings for electric, water, wastewater, and natural gas utilities. Her area of expertise includes restructuring, strategic planning, forecasting, unbundled cost-of-service studies, optimization research and specialized statistical studies.

Through her research and analysis of the current state of the industry, she has assisted many west coast clients in preparing for the changes that are taking place. Ms. Falcon's work with utilities has included developing unbundled rates, average embedded and marginal cost-of-service studies, analysis of stranded costs, development of customer choice and conservation programs, market-based and green rate designs.

Ms. Falcon, who has a graduate degree from Stanford in operation research, also provides technical assistance for EES's clients by applying modeling techniques for our client needs. This includes modeling in the following areas: dispatch modeling, least-cost planning, load forecasting, demand-side management studies, and cost of service studies.

Steve Andersen, Manager, Project Evaluations

Mr. Andersen is responsible for providing economic analysis for electric utility clients and for analysis of issues related to power transmission and scheduling. Since joining EES, Mr. Andersen has been involved in monitoring Bonneville Power Administration (BPA) rates and contract activities and analyzing their long-term impact on clients. He has experience working with BPA rates and penalties as they apply to all BPA contract customers. He is familiar with Pacific Northwest energy markets and how they function on a daily basis. Mr. Andersen is also responsible for managing resource feasibility studies and integrated resource plans.

Gail Tabone, Senior Associate

Ms. Tabone has applied her skills in cost of service analysis, integrated resource planning, resource evaluation, load forecasting, economic feasibility studies, conservation planning, and surveys in the many work products related to financial and power supply planning. A strong educational background combined with over 20 years of experience in the utility industry provide her with the skills to assess the needs of the client, to develop an approach to meet the need, provide the expertise necessary to conduct the economic analysis, and to make recommendations on future actions. Ms. Tabone has a bachelor's and master's degree in economics.

Amber Nyquist, Senior Project Manager

Amber Nyquist provides analytical expertise for EES in support of economic and financial studies. Ms. Nyquist's background includes research in electric utilities and rates and also intensive analytical work and forecasting in various fields. She also brings to EES knowledge in mergers and acquisitions among other competition theory and practices. Ms. Nyquist assists in Integrated Resource Planning for small and large utilities. Specifically, she analyzes and models conservation and other demand side management resources. In addition to resource planning, she uses her background in econometrics and data analysis to collect quality data and develop load forecasts. Also, she utilizes her research skills to amass current utility information, support survey projects, and to prepare presentation and reference material.

Colin Cameron, Senior Analyst

Mr. Cameron provides analytical expertise for EES on economic and regulatory issues. He brings experience in least-cost and econometric model development, benefit-cost analysis, and regulatory research. Prior to joining EES, Mr. Cameron worked in energy system modeling at

the U.S. Environmental Protection Agency and International Institute for Applied Systems Analysis.

Time Schedule and Fees

Time Schedule

It is anticipated that initial results of the revenue requirement and cost of service study can be available in 6-8 weeks after EES initiates this project. The proposed schedule assumes the study will begin on June 1, 2018 thru September 15, 2018. We can modify the schedule to meet the City’s goals, as necessary. A preliminary schedule to complete the work is provided below.

	June	July	August	September
Data Gathering and Review				
Revenue Requirement				
COSA				
Rate Design				
Reports/Meetings			X	X

Because of our experience in performing cost of service and rate design studies, EES is confident that the scope of services presented can be achieved within the time frame required by the City.

Basic Fee Estimates

EES charges the following hourly billing rates. The fee estimates for this project have been developed based on the following billing rates:

President	\$200
Manager/Senior Associate	\$195
Senior Project Manager	\$185
Project Manager	\$180
Senior Analyst/Engineer	\$175
Analyst/Engineer.....	\$170
Senior Administrative Assistant.....	\$120

Based upon the above hourly billing rates and proposed scope of work, the following labor fee budget is estimated for the scope of services presented. Out-of-pocket and travel expenses will be billed separately at their actual cost to EES. If the scope of services is modified, EES will discuss any required changes to the budget prior to proceeding with additional work.

Task	Estimated Not-to-Exceed Labor
Data Gathering and Review	\$ 3,000
Revenue Requirements	6,000
Cost of service Analysis	10,000
Rate Design	6,000
Report/Meeting (2 meetings on-site)	2,000
Total Labor	\$27,000

Additional public meetings onsite and out-of-pocket and travel expenses will be billed separately at their actual cost and in addition to the labor budget above.

Electric COSA Data Request

This data request addresses the major areas of data needed for a cost of service study. As the study progresses, we will let you know if further data is necessary. If you have difficulty gathering the information, or it will require an unusually large amount of time to collect, please call and we can discuss the significance of the information. For purposes of organizing the material that you gather for us, it would be helpful if you labeled each item in accordance with the number on this data request.

Plant Data

1. Plant account balances, by FERC account number, as of the end of fiscal year 2017.
2. Accumulated depreciation, by account number, as of the end of FY 2017.

Financial Data

3. A copy of the budget for CY 2019. Copies of any budgets or expense estimates for FY 2019-2023.
4. Annual operating expenses, by FERC account number for CY 2017.
5. Copies of the monthly purchased power bills for CY 2017.
6. Detail of monthly rate revenues, by class of service, for FY 2017. Please provide revenues separated into demand charge, energy charge and customer charge revenues, if possible.
7. Detail of miscellaneous revenue sources, for the same 12-month periods. Will these revenue levels continue into the future?
8. Annual capital improvements from 2019-2023.
9. Detail on annual debt service, if any, for 2019-2023.
10. Copy of CY 2017 balance sheet and income statement.

Consumption Data

11. For FY 2017, provide the monthly kWh sales by rate schedule (e.g. Residential, Commercial, Industrial, etc.).
12. For the same 12-month period above, provide the actual metered kW demand and billed or adjusted demand for those customers with demand meters. Please separate by rate schedule.
13. Please provide the number of street/yard lights, with and without pole, by size for your lighting classes, if available.
14. Please obtain a copy of the BPA load forecast of kWh sales, by rate schedule by month.

15. Provide the number of customers, by class of service, for a recent period ended.
16. Please provide BPA's RIM model if available. If not available, please provide BPA contract information including CDQ (MW by month) and HWM (annual aMW).

Miscellaneous Data

17. Please provide a copy of the current rate schedules.
18. Please provide a copy of the current line extension policy.



To: Mayor Styron Sherrell and City Council Members
From: Jamie Carter, P.E., Stormwater Compliance Inspector
Date: June 18, 2018
Re: Yuma Street Overlay Consultant Services Agreement

ATTACHMENTS: 1) Informational map
2) Professional Services Agreement

TYPE OF ACTION:

Information Only Discussion Action Public Hearing Expenditure

Recommendation/Action: " I move to authorize the Mayor to sign the Professional Services Agreement with Skillings/Connolly for \$48,470.53 for the design of the Yuma Street Transportation Improvement Board (TIB) Overlay Project."

Fiscal Impact/Source of Funds: This project was included in the Capital Improvement Fund in the 2018 budget. The grant will require City of Milton matching funds in the amount of \$48,033 which will be funded out of the City's Asphalt Overlay Project.

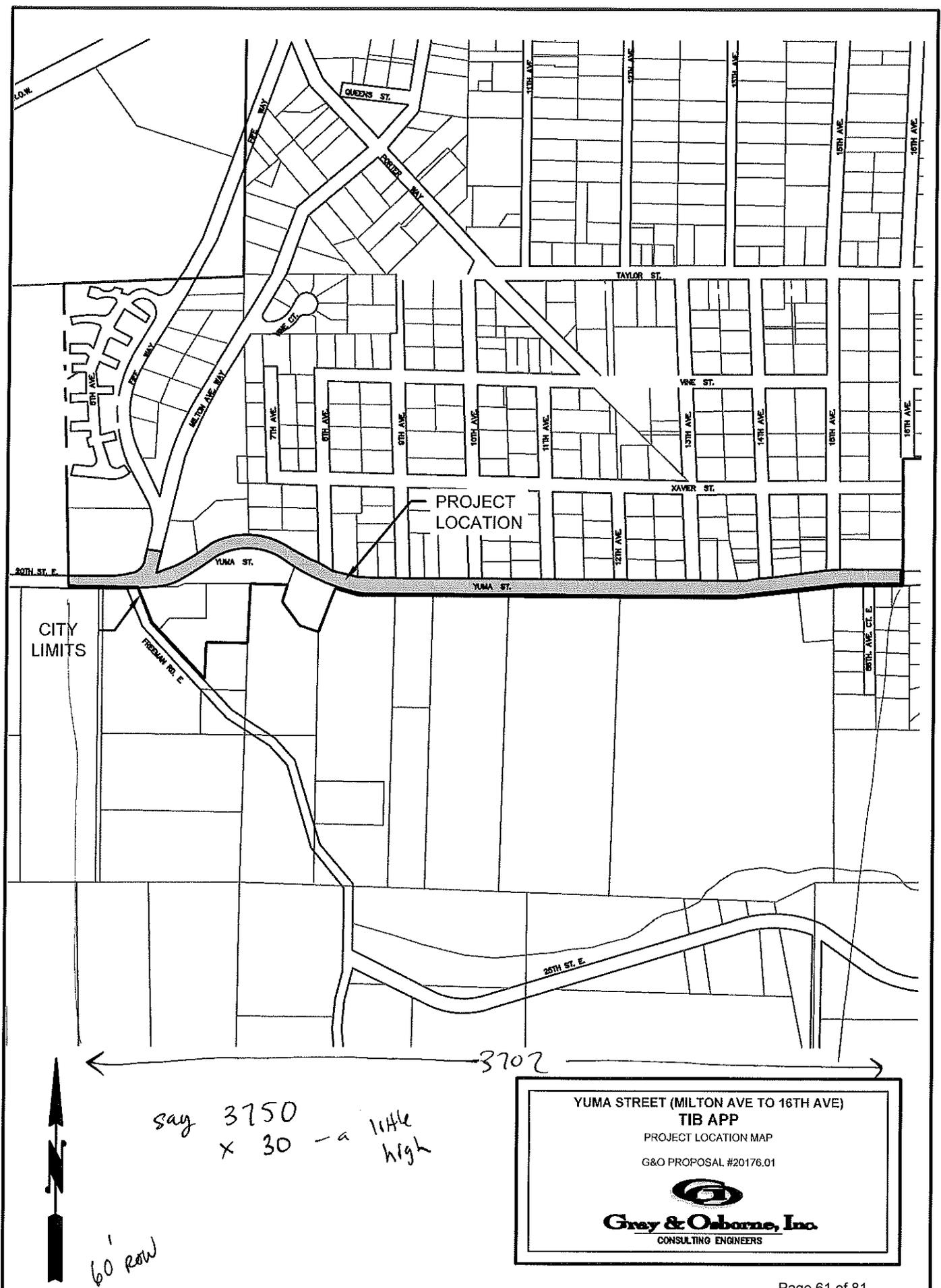
Issue: The city was successful in obtaining a Transportation Improvement Board grant for the overlay of Yuma Street in between city limits (see informational map). An overlay is a way to preserve the road by grinding it down and repaving it.

The design of this project needs to be completed in a timely manner to honor the intent of the grant. Construction is slated for 2019.

Discussion: This project will build upon work done in 2016 by Puget Sound Energy. When they put in new gas main lines they did half street overlays. This project completes those overlays and will repave the intersection of Milton Way and Yuma Street which will match up nicely with the new construction done on Freeman Rd.

Because of several other large projects, most notably a large housing development being built in Edgewood, the Transportation Improvement Board, City Staff, and the Design Consultant all agree that the project should not be constructed until mid-2019 to better coordinate the work.

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PROJECT LOCATION

CITY LIMITS



say 3750
x 30 - a little high

60' ROW

3702

YUMA STREET (MILTON AVE TO 16TH AVE)
TIB APP
 PROJECT LOCATION MAP
 G&O PROPOSAL #20176.01



Gray & Osborne, Inc.
 CONSULTING ENGINEERS

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CITY OF MILTON PROFESSIONAL SERVICES AGREEMENT
(Project #141)

THIS Agreement is made effective as of the ____ day of June, 2018, by and between the **City of Milton, Washington** ("City") and **Skillings Connolly, Inc.** ("Consultant").

WHEREAS, the City desires to accomplish the above-referenced project; and

WHEREAS, the City does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a Consultant to provide the necessary services for the project; and

WHEREAS, the Consultant has represented to the City that the Consultant is in compliance with the professional registration statutes of the State of Washington, if applicable, and has signified a willingness to furnish consulting services to the City, NOW, THEREFORE,

IN CONSIDERATION OF the terms and conditions set forth below, or attached and incorporated and made a part hereof, the parties agree as follows:

1. General Purpose and Intent.

Provide professional services to assist in Design of the Yuma Street Overlay project (#141).

2. Services by the Consultant.

A. The City hereby retains the Consultant to provide professional services as defined in this Agreement and as necessary to accomplish the Scope of Work attached hereto as **Exhibit A** and incorporated herein by this reference as if set forth in full. The Consultant shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this Agreement. The services performed by the Consultant shall not exceed the Scope of Work without prior written authorization from the City.

B. The City may from time to time require changes or modifications in the Scope of Work. Such changes, including any decrease or increase in the amount of compensation, shall be agreed to by the parties and incorporated in written amendments to the Agreement.

3. Schedule of Work.

The Consultant shall not begin any work under the terms of this Agreement until authorized in writing by the City. The parties agree that work will begin on the tasks described in Section I above immediately upon the effective date of this Agreement. Consultant shall complete the work described in Section I by **December 31, 2018**. A failure to complete the work within the specific timeframe, except where such failure is due to circumstances beyond the control of the Consultant, shall be deemed a breach of this Agreement. The established completion time shall not be extended because of any delays attributable to the Consultant, but may be extended by the City, in the event of a delay attributable to the City, or because of unavoidable delays caused by circumstances beyond the control of the Consultant. All such extensions shall be in writing and shall be executed by both parties.

4. Compensation.

TIME AND MATERIALS NOT TO EXCEED – Compensation for the services described in the Scope of Work shall not exceed \$48,470.53 without written authorization and will be based on the list of billing rates and reimbursable expenses attached hereto as **Exhibit B**.

A. The Consultant shall be paid by the City for satisfactorily completed work and services satisfactorily rendered under this Agreement as provided in **Exhibit A**, attached hereto and incorporated herein by this reference as if set forth in full. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work attached. If the services rendered do not meet the requirements of the Agreement, the Consultant will correct or modify the work to comply with the Agreement. The City may withhold payment for such work until the work meets the requirements of the Agreement. Correction of typographical and other clerical errors made by the Consultant shall be made at no cost to the City.

B. The Consultant shall be entitled to invoice the City no more frequently than once per month during the course of the completion of work and services by the Consultant. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. The City shall pay all such invoices within 45 days of submittal, unless the City gives notice that the invoice is in dispute. In no event shall the total of all invoices paid exceed the maximum amount payable set forth above, if any, and the Consultant agrees to perform all services contemplated by this Agreement for no more than said maximum amount. The Consultant shall keep cost records and accounts pertaining to this Agreement available for inspection by the City representatives for three (3) years after final payment unless a longer period is required by a third-party agreement. Copies shall be made available on request.

5. Corrective Changes in Work.

The Consultant shall promptly make such changes and revisions in the complete work provided by this Agreement as may be necessary to correct errors made by the Consultant and appearing therein when required to do so by the City. The Consultant shall make such corrective changes and revisions without additional compensation from the City. Should the City find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the Consultant shall make such revisions as directed by the City. This work shall be considered as extra work and will be paid for as negotiated through a written amendment to the Agreement as provided in Section 2.B.

6. Coordination of Contract Documents.

This Agreement consists of this Professional Services Agreement form and **Exhibit A** and **B**. If there is any inconsistency between this Professional Services Agreement form and any of the Exhibits, the Professional Services Agreement form shall take precedence. Any limitations on liability and indemnification expressed in the attached exhibits beyond those specified in Sections 1.1 and 12 shall be null and void.

7. Discrimination and Compliance with Laws.

A. The Consultant agrees not to discriminate against any employee, or applicant for employment, subcontractor, supplier or materialman, or any other person in the performance of this Agreement because of race, creed, color, religion, national origin, marital status, sex, sexual orientation,

age, disability, or other circumstance prohibited by federal, state, or local law or ordinance, except for a bona fide occupational qualification.

B. In the performance of work under this Agreement, the Consultant shall comply with all federal, state and municipal laws, ordinances, rules and regulations that are applicable to the Consultant's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations. The Consultant shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this Agreement.

C. Consultant shall obtain a City of Milton business license pursuant to the provisions of Chapter 5.04 MMC prior to receipt of written authorization to proceed.

D. Violation of this paragraph shall be a material breach of this Agreement and grounds for cancellation, termination, or suspension of the Agreement by the City, in whole or in part, and may result in ineligibility for further work for the City.

8. Termination.

A. The City reserves the right to terminate this Agreement at any time upon ten (10) days written notice to the Consultant. Any such notice shall be given to the address specified in Section 15(A). In the event that this Agreement is terminated by the City other than for fault on the part of the Consultant, a final payment shall be made to the Consultant for all services satisfactorily performed. No payment shall be made for any work completed after ten (10) days following receipt by the Consultant of the notice to terminate. In the event that services of the Consultant are terminated by the City for fault on part of the Consultant, the amount to be paid shall be determined by the City with consideration given to the actual cost incurred by the Consultant in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the City at the time of termination, the cost of the City of employing another firm to complete the work required, and the time which may be required to do so.

B. The City may suspend this Agreement, at its sole discretion, upon one week's advance notice to the Consultant. Such notice shall indicate the anticipated period of suspension. Any reimbursement for expenses incurred due to the suspension shall be limited to the Consultant's reasonable expenses, and shall be subject to verification. The Consultant shall resume performance of services under this Agreement without delay when the suspension period ends.

9. Standard of Care.

The Consultant represents and warrants that it has the requisite training, skill and experience necessary to provide the services under this Agreement and is appropriately accredited and licensed by all applicable agencies and governmental entities. Services provided by the Consultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing in similar circumstances.

10. Ownership of Work Product.

Any and all documents, drawings, reports, and other work product produced by the Consultant under this Agreement shall become the property of the City upon payment of the Consultant's fees and charges therefore. The City shall have the complete right to use and re-use such work product in any manner deemed appropriate by the City, provided, that use on any project other than that for which the

work product is prepared shall be at the City's risk unless such use is agreed to by the Consultant. Electronic versions of all work products shall be provided to the City in a format compatible with the City software, except to the extent expressly waived in the attached exhibits.

11. Indemnification/Hold Harmless.

The Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees (collectively, "Claims"), specifically including without limitation Claims resulting from injuries, sickness, or death of employees of the Consultant and/or damage to property, arising out of or resulting from the acts, errors or omissions of the Consultant, its officers, agents, sub-Consultants or employees, in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.

It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

The provisions of this section shall survive the expiration or termination of this Agreement.

12. Insurance.

The Consultant shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. The Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. Minimum Scope of Insurance

The Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

4. Professional Liability insurance appropriate to the Consultant's profession.

B. Minimum Amounts of Insurance

The Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.

3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

C. Other Insurance Provisions

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, the City will be named on all insurance as an additional insured. The Consultant shall submit a certificate of insurance to the City evidencing the coverages specified above, together with an additional insured endorsement naming the City, within fifteen (15) days of the execution of this Agreement and prior to the performance of any work specified hereunder. The certificates of insurance shall cover the work specified in or performed under this Agreement. The certificate and endorsement must be project and/or site specific. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the City.

The Consultant's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

E. Verification of Coverage

The Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

F. Notice of Cancellation

The Consultant shall provide the City with written notice of any policy cancellation, within two business days of their receipt of such notice.

G. Failure to Maintain Insurance

Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days' notice to the Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

13. Assigning or Subcontracting.

The Consultant may not assign or subcontract any portion of the services to be provided under this Agreement without the express written consent of the City. Any sub-Consultants approved by the City at the outset of this Agreement are named on **Exhibit A** attached hereto and incorporated herein by this reference as if set forth in full.

14. Independent Contractor.

The Consultant is an independent contractor for the performance of services under this Agreement. The City shall not be liable for, nor obligated to pay to the Consultant, or any employee of the Consultant, sick leave, vacation pay, overtime or any other benefit applicable to employees of the City, nor to pay or deduct any social security, income tax, or other tax from the payments made to the Consultant which may arise as an incident of the Consultant performing services for the City. The City shall not be obligated to pay industrial insurance for the services rendered by the Consultant.

15. Notice.

A. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth below. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph. Such notices or communications shall be given to the parties at their addresses set forth below:

City of Milton:

Attn: Mayor Shanna Styron Sherrell
1000 Laurel Street
Milton, WA 98354

Consultant:

Skillings Connolly, Inc.
Attn: Michael Horton, Project Manager
5016 Lacey Blvd.
Lacey, WA 98503

B. Either party may change its contact information by sending its new contact information to the other party in the same manner as is provided for sending the other party notice under the provisions of Section 15.A.

16. Non-Waiver.

Payment for any part of the work or services by the City shall not constitute a waiver by the City of any remedies of any type it may have against the Consultant for any breach of the Agreement by the Consultant, or for failure of the Consultant to perform work required of it under the Agreement by the City. Waiver of any right or entitlement under this Agreement by the City shall not constitute waiver of any other right or entitlement

17. Resolution of Disputes; Governing Law and Venue.

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. If any dispute arises out of or in connection with this Agreement, including any question regarding its existence, enforceability, interpretation, or validity, the parties will, if practicable, meet and confer in good faith for a period of fourteen (14) days to attempt to resolve such dispute without an adversary proceeding. If at the end of the fourteen (14) day period such attempt at resolution is unsuccessful, the parties may resort to litigation. The exclusive venue for any litigation arising out this Agreement shall be the Pierce County Superior Court. The substantially prevailing party in any such litigation shall be entitled to an award of its reasonable attorneys' fees.

18. Taxes.

The Consultant will be solely responsible for the payment of any and all applicable taxes related to the services provided under this Agreement and if such taxes are required to be passed through to the City by law, the same shall be duly itemized on any billings submitted to the City by the Consultant.

19. Entire Agreement.

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

20. Risk of Loss.

The Consultant shall be solely responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at the Consultant's own risk, and the Consultant shall be solely responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

CITY OF MILTON, WASHINGTON

By: _____
Shanna Styron Sherrell, Mayor

Date: _____

ATTEST:

By: _____
Trisha Summers, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

By: _____
Ogden Murphy Wallace

CONSULTANT:

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

EXHIBIT A-1 SCOPE OF WORK

Prepared for:

CITY OF MILTON YUMA STREET OVERLAY PROJECT May 30, 2018

General Description

The City of Milton (CITY) has retained Skillings Connolly, Inc. (CONSULTANT) to provide professional services to assist in the design of the Yuma Street Overlay Project, which will be funded through a grant from the Washington State Transportation Improvement Board (TIB).

The Yuma Street Overlay Project provides for a 2-inch grind and overlay of the intersection of Yuma Street and Milton Way to include 350 feet west of the intersection (west CITY limit) and 120 feet north of the intersection to match into the previous Milton Way rehabilitation project. This project will also provide a half street 2-inch grind and overlay along Yuma Street that was not included in the recent gas main project. Other work includes pedestrian ramps at the intersection of 10th and Yuma Street, pedestrian ramps at the intersection of Milton Way and Yuma Street and re-installing the traffic loop.

Assumptions

This scope of work is based on the following general assumptions:

- The CITY will provide the CONSULTANT a copy of the TIB grant agreement including any conditions or agreements between funding agency and the City
- Geotechnical investigations are not included in this Scope of Work
- Hydrologic site analysis, modeling, and evaluation are not included in this Scope of Work
- Drainage improvements are not included in this Scope of Work
- The entire project area is within right-of-way
- Right-of-way research is not required
- Public involvement/public outreach is not included in this Scope of Work
- The CITY will submit all permit applications to the regulatory authorities. CONSULTANT will support CITY. The level of effort for a given work element is limited to the amount of labor and expenses indicated in Exhibit D-2. Out-of-scope services beyond these limits may be considered as Extra Work.
- The Project is to be advertised in 2018 and constructed in summer 2019.
- The City will provide all permanent signs. Only planned signs are "No Pedestrian Crossing" warning signs at west leg of 20th St and Milton Way.
- The City will coordinate with all utilities within the construction limits of the Project and complete any necessary documents/agreements.
- No formal detour plans will be provided. The City will provide two message signs that will be used to provide advance notification of the construction.
- The level of effort for various tasks are estimates and may vary. The contract will be managed to the contract maximum, not the task level budgets.

The CONSULTANT will perform services set forth in this SCOPE OF WORK on behalf of the CITY using procedures specified by the CITY and in compliance with the standards and requirements set forth in the following procedures, regulations and most current (at the time of execution of this agreement) adopted manuals which by reference, are made a part of this Agreement.

Current (as of the date of execution of the agreement) versions of the following publications and manuals will be applicable when specifically cited in the City of Milton Standards or when required by state or federal funding authorities:

- Washington State Department of Transportation/American Public Works Association (WSDOT), Standard Specifications for Road, Bridge, and Municipal Construction (M41- 10), 2018 edition, as amended
- Local Agency General Special Provisions
- WSDOT/APWA, Standard Plans for Road, Bridge, and Municipal Construction, (M21-01)
- Materials Laboratory Outline
- Construction Manual
- Local Agency Guidelines Manual
- Design Manual (M22-01)
- Hydraulics Manual (M23-03)
- Highway Runoff Manual (M31-16)
- Right of Way Manual
- General Special Provisions
- Traffic Manual (M51-02)
- AASHTO (A Policy on Geometric Design of Highways and Streets)
- MUTCD as revised by Washington State
- WSDOT Plans Preparation Manual

CITY agrees to the following:

- Provide roadway as-builts within the project limits.
- Provide utility as-built drawings within the project limits.
- Provide all public information for development that is adjacent to the project and will provide improvements and/or impacts to the project.
- Provide existing roadway right of way plans
- Provide the “Boiler Plate” contract information for the bid documents
- Advertise the project
- Environmental permits are not required for this project
- The proposed project will not utilize federal funding and will not require completion of a Section 106 Cultural Historical Evaluation; therefore, the project will require evaluation under Executive Order 05-05. The City will prepare and submit all environmental documentations (SEPA and Executive Order 05-05).
- CONSULTANT will prepare construction contract documents using WSDOT Standard Specifications
- Construction Contract Administration is not included in this scope of work and will be negotiated as a supplement to this agreement.

Scope of Work

The following tasks are anticipated as part of the CONSULTANT's work for the project.

Task 100	Project Management
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This task includes CONSULTANT management of staff and Subconsultants, invoices and progress reporting, progress meetings, QA/QC, and internal staff team progress meetings.

Assumptions:

- Project is scheduled for advertisement in 2018
- Project design including review is anticipated duration is 8 weeks.
- CONSULTANT and CITY will work together to identify an advertisement date in late 2018 that is acceptable to the CITY and TIB.

Task Descriptions:

1. Prepare a project schedule with one update.
2. Provide two monthly invoices and earned value reports
3. Provide project update reports.
4. Provide QA/QC of all documents being formally submitted to the City
5. Weekly design staff meetings
6. Weekly Meetings with CITY via phone or in person

Deliverables:

- Project update reports.
- Updated schedule with updates if required
- Monthly invoices.

Task 300	Design (60% Plans)
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The 60% submittal is being completed and submitted for review by the CITY to ensure Project Design is addressing the Project Scope requirements.

Assumptions:

- A design report will not be required.
- An aerial photo may be used to show paving limits, striping, utility casing adjustments, monuments, digouts, and location of traffic loops and ADA upgrades.
- Task 4 effort is limited to the time shown in the budget.

Task Description:

1. CONSULTANT and CITY to walk project and identify project features.
2. Call for utility locates at ADA locations.
3. Topographic survey at ADA locations if required.
4. Use aerial photo for base map.
5. Coordinate with City on affected utilities.
6. Review existing documents provided by others (e.g. as-builts).
7. Prepare 60% Paving Plans & Details (up to 2 sheets).
8. Prepare 60% Dig-Out Details (up to 2 sheets).

9. Prepare 60% Striping Plan (up to 1 sheet).
10. Prepare 60% ADA details (up to 2 sheets).
11. Identify utility casings to be adjusted.
12. Prepare Quantities Notebook.
13. Prepare 60% Engineers Estimate.
14. Fill out EZ-1 Form.
15. Set-up and update Design Notebook.
16. Submit 60% Plans

Deliverables:

- 60% Plans & Details
- 60% Engineer's estimate of probable cost to construct
- EZ-1 Form
- Exhibits for permit submittals if required.

Task 500 Construction Documents

The 60% submittal is being finalized for final approval by TIB and bidding by contractors. During project advertisement the CONSULTANT will assist the CITY with contractor requests for information, prepare addendums if needed, and review the bids and make an award recommendation.

Assumptions:

1. The CITY shall submit one set of 60% comments to the CONSULTANT.
2. The CONSULTANT shall submit the 100% bid documents for the CITY to Advertise.
3. No additional comments will be provided by the CITY to the CONSULTANT.
4. Up to one addendum during advertisement.
5. No detour plans will be required.
6. Work zone traffic controls plans will be based on the WSDOT former K plans with minor modifications.
7. CITY to coordinate with transit providers and school districts during construction.

Task Description:

1. Address and respond to CITY's 60% comments.
2. Prepare 100% Plan Sheets.
3. Prepare 100% Details.
4. Prepare 100% ADA details.
5. Prepare 100% Striping Plan.
6. Prepare 100% Work Zone Traffic Control Plan (up to 4 sheets).
7. Prepare 100% Specifications / Special Provisions.
8. Finalize Quantities Notebook.
9. Prepare 100% Engineers Estimate.
10. Finalize Design Notebook.
11. Prepare State prevailing wage documents.
12. Complete a Constructability review.
13. Bid support, attend bid opening, review bids, and make recommendations for award:
 - a. Respond to Requests for Information,
 - b. Issue addenda if needed,
 - c. Attend bid opening with CITY,

- d. Prepare bid tab, review bids,
- e. State debarment check for low bidder,
- f. Recommendation to award, Prepare Award Letter for CITY signature,
- g. CITY to award contract,
- h. Prepare Notice to Proceed for CITY Signature,
- i. CITY issue Contractor Notice to Proceed,
- j. Take preconstruction photos,
- k. Prepare Record of Materials (ROM), and
- l. Set up progress payment ledger

Deliverables:

- Response to CITY'S 60% comments.
- Bid Documents (100% Plans, Specifications, and Estimate).
- Requests for Information response(s).
- Addenda, if needed.
- Prepare bid tab.
- State debarment check for low bidder.
- Award Letter for CITY signature.
- Notice to Proceed for CITY Signature.
- Preconstruction photos.
- Record of Materials.
- Progress payment ledger.

END SCOPE OF WORK

Task 600 Construction Contract Administration, Record Drawings (not currently in Scope of Work)

Construction contract administration and observation services Scope of Work will be negotiated as a supplement to this Scope of Work.

Prepared by: Mike Horton

Date: May 30, 2018

Reviewed by: Thomas E. Skillings, PE

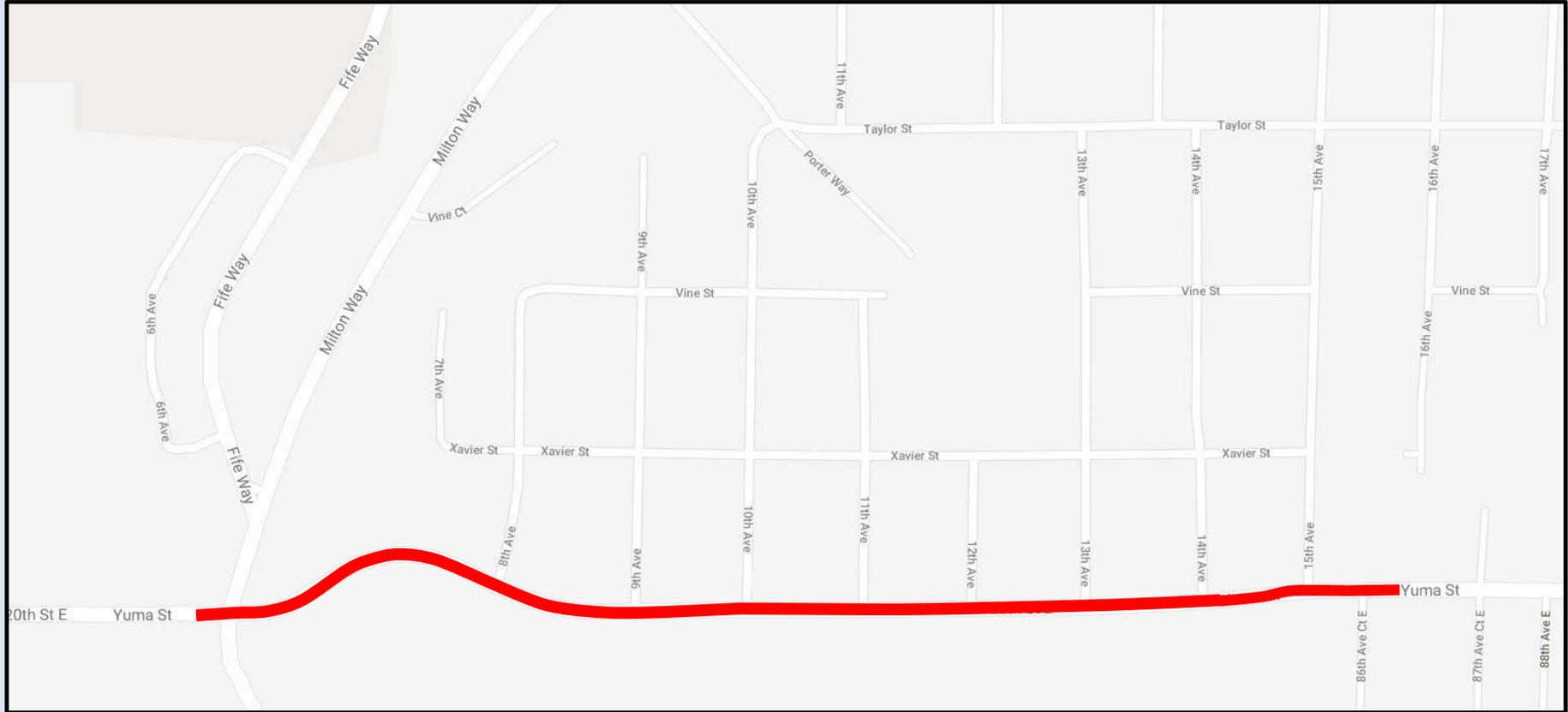
Date: May 30, 2018

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**EXHIBIT B-2
CONSULTANT COST COMPUTATION – SUMMARY**

NEGOTIATED HOURLY RATE (NHR):					
Classification	Man Hours	X	Rate	=	Cost
PRINCIPAL-IN-CHARGE	10	X	\$72.12	=	\$721.20
SENIOR PROJECT MANAGER	76	X	\$69.50	=	\$5,282.00
PROJECT ENGINEER	95	X	\$47.25	=	\$4,488.75
ENGINEER	154	X	\$32.00	=	\$4,928.00
TECHNICIAN	17	X	\$36.00	=	\$612.00
CONSTRUCTION INSPECTOR	16	X	\$35.00	=	\$560.00
PROJECT ADMINISTRATOR	2	X	\$33.08	=	\$66.16
Total Hours =	370				Total NHR = \$16,658.11
OVERHEAD Including Salary Additives (OH):					
OH Rate X DSC	152.89%	X	\$16,658.11	=	Overhead = \$25,468.58
FIXED FEE (FF):					
FF Rate X (DSC+OH)	35%	X	\$16,658.11	=	Fixed Fee = \$5,830.34
REIMBURSABLES:					
Mileage	700	X	\$0.545	=	\$381.50
Miscellaneous Expenses	\$120.00	X	10%	=	\$132.00
			SUB TOTAL		Reimbursables = \$513.50
SUBCONSULTANT COST (See Exhibit E):					
			SUB TOTAL		Subconsultants = \$0.00
MANAGEMENT RESERVE FUND					
	SUB TOTAL	\$48,470.53	X	0%	= \$0.00
GRAND TOTAL					
					GRAND TOTAL = \$48,470.53
PREPARED BY: Mike Horton, PE			DATE: 05/30/2018		
REVIEWED BY: Thomas E. Skillings, PE			DATE: 05/30/2018		

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Yuma Street Overlay – Location Map

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To: City Council Members
From: Mayor Styron Sherrell
Date: June 18, 2018
Re: **Appointment to Finance Committee**

ATTACHMENTS: None

TYPE OF ACTION:

Information Only Discussion Action Expenditure Required:

Recommendation/Action: I move to appoint (insert name) as a replacement for Councilmember Morton to the Finance Committee for the remainder of fiscal year 2018.

Fiscal Impact/Source of Funds: N/A.

Background: 2018 member Morton has stepped down due to a change in his employment schedule. He is no longer able to attend meetings.

Discussion: Section 20.4 of Resolution 08-1752, Council Procedures, reads that "Membership of each Committee shall be for a one (1) year term and reviewed annually. Membership will be determined by deliberation of the full Council arrival at consensus or by majority vote."