5:00 pm – Workshop on the 2019-2020 Preliminary Budget

Call to Order
Pledge of Allegiance
Council Attendance

1) Approval of Agenda – As Presented

2) Comments by the Public on Non Agenda Items

3) Proclamation
   a. Senior Center Month

4) Presentations
   a. Flood Authority Update – Ron Averill

5) Reports
   a. City Council
   b. City Manager

6) Consent Agenda
   a. Voucher Approval – September 25, 2018 #218069, 218081 – 218242 $1,378,552.76
   b. Payroll Approval – September 20, 2018 # 135121-135128 and direct deposits #36451-36540 $126,465.00
   c. Consideration of meeting minutes for August 28 and September 11, 2018 (p 3)
   d. Consideration of small works bid-Paving Lift Station, Compost Pad, and Driveway at Borst Park $18,904.00 (p 10)
   e. Consideration of a bid award-Salzer Substation Transmission Poles $339,541.34 (p 23)
   f. Consideration of a small works bid-Fencing at the Depot $15,229.15 (p 44)
   g. Consideration of change order #1 to the Tree Removal and Trimming contract with Ron’s Tree Service $1,600 (new total $16,067.70) (p 45)

7) Consideration of a resolution declaring certain Real Property to be surplus (p 46)

8) Consideration of a resolution establishing an Interfund Loan between City Light and the Stadium Fund (p 49)

9) Consideration on first and final reading of an ordinance amending CMC Chapter 5.01 General Provisions of Business Licensing (p 51)

10) Consideration on second reading of an ordinance to approve the petition to annex the Far View Lane Area (p 57)

11) Executive Session to discuss Real Estate pursuant to RCW 42.30.110(1)(b) & (c). Expected to last approximately 45 minutes with nothing to report after.

Adjournment
PROCLAMATION

WHEREAS, older Americans are significant members of our communities, providing wisdom and experience to help enrich the lives of younger generations; and

WHEREAS, the City of Centralia has provided support for mobilizing the creativity, energy, vitality, and commitment of the older residents of the City of Centralia, Washington; and

WHEREAS, through a wide array of services, programs, and activities, the senior center empowers the older residents of the City of Centralia, Washington to contribute to their own health and well-being; and

WHEREAS, the senior center (Twin Cities), which serves both the Centralia and Chehalis residents, located in the City of Chehalis, Washington affirms the dignity, self-worth, and independence of older persons;

NOW, THEREFORE, be it resolved, that I, Lee Coumb, Mayor of the City of Centralia, do hereby proclaim September as:

SENIOR CENTER MONTH

in Centralia, Washington and call upon all residents to recognize the tremendous importance that senior centers make in the lives of older adults living within the community.

Signed, Sealed and Dated, this 25th of September, 2018.

_______________________________
Lee Coumb, Mayor
Mayor Coumbs called the meeting to order at 7:01 pm.

Pledge of Allegiance

Councilor Abbarno led the pledge of allegiance.

Attendance

Present: Mayor Coumbs, Mayor Pro-Tem Vogt, Councilor Staebler, Councilor Barnes, Councilor Abbarno, Councilor McGee and Councilor Luond.

Absent: None.

1. Approval of Agenda - As Presented

**COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR LUOND TO APPROVE THE AGENDA AS PRESENTED**...motion **PASSED**...7-0.

2. Comments by the Public on Non Agenda Items

**Ron Averill**, addressed the Council and spoke on Flood Authority issues.

**Commissioner Edna Fund**, Lewis County, addressed the Council and spoke on the trail guide.

3. Presentations

a. **Chehalis Basin Strategy** - Ken Ghalambor

This presentation will take place at the September 11, 2018 meeting.

4. Reports

**Cameron McGee** - had no report.

**Councilor Abbarno** - reported he attended the Lewis County EDC lunch, Chamber Business After Hours, Car Show, the Fair, Garlic Fest and spoke on the Back to School drive.

**Councilor Barnes** - reported she attended the Fair and Car Show.

**Councilor Luond** - asked that the public help in keeping the soccer fields clear of waste and pick up after themselves and their dogs.
Councilor Staebler - reported she attended the CDA and Twin Transit meetings.

Mayor Pro-Tem Vogt - reported he attended the Car Show and spoke on the Back to School Drive.

Mayor Coumbs - reported he attended the Car Show, Garlic Fest, RFA, Solid Waste, Courage Challenge Bike Ride and noted it was his wedding anniversary.

Kim Ashmore - updated the Council on the Borst Avenue project, gave additional information on item 5g on this agenda and announced that the Wastewater Treatment Plant received the Outstanding Performance Award from DOE.

Bret Brodersen - updated the Council on the Fox Theatre funding.

Chief Nielsen - updated the Council on the issue with the Police Property Room.

Emil Pierson - updated the Council on the Borst Church and the tree removal in the parks.

Rob Hill - spoke on how busy the Staff is and noted that they are doing a very good job.

5. Consent Agenda
a. Voucher Approval - August 28, 2018 #217679, 217697, 217715-217880
   $1,809,849.74
b. Payroll Approval - August 20, 2018 #135032-135037 and direct deposits #36195-36287 $128,865.00
c. Consideration of meeting minutes for July 24 & August 14, 2018
d. Consideration to purchase a Kubota Tractor/Flair Mower $30,104.97
e. Consideration of Change Order #1-Borst Ave Sanitary Sewer Replacement $144,860.58 (new contract total $1,067,639.95)
f. Consideration of a Bid Award-Railroad Avenue Sanitary Sewer Project $288,142.01
g. Consideration of Amendment #4 to the Consultant Services Agreement-General Sewer/Facility Plan $66,087.83
h. Consideration of a BPA Land Use Agreement-Fords Prairie Substation Project
i. Consideration of Centralia Municipal Court Judge Contract Renewal

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR LUOND, TO APPROVE THE CONSENT AGENDA AS PRESENTED...motion PASSED...7-0.
6. Consideration of Smart Meter Change Out Program 2019-2023-$1,153,506.60 -
    Clarification and Reconsideration

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR MCGEE, TO APPROVE THE
    CLARIFICATION TO THE CONTRACT FOR THE SMART METER CHANGE OUT PROGRAM
    2019-2023, AS PRESENTED, AND AUTHORIZE THE CITY MANAGER TO SIGN SAID
    DOCUMENT...motion PASSED...7-0.

7. Consideration of a resolution amending the Financial Policies

    Mr. Brodersen reviewed the amendments to the Financial Policies with the Council.
    Councilor Abbarno noted his concern to the proposed caps on certain funds.

MAYOR PRO-TEM VOGT MOVED, SECONDED BY COUNCILOR BARNES, TO APPROVE A
    RESOLUTION AMENDING THE FINANCIAL POLICIES FOR THE CITY OF CENTRALIA...motion
    PASSED...5-2 (Councilor Abbarno and Councilor Luond).

8. Consideration of an Interlocal Agreement with the Centralia/Chehalis Pupil
    Transportation Maintenance Center

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR MCGEE, TO APPROVE THE
    INTERLOCAL AGREEMENT WITH THE CENTRALIA/CHEHALIS REGIONAL PUPIL
    TRANSPORTATION MAINTENANCE CENTER AND AUTHORIZE THE CITY MANAGER TO
    SIGN SAID DOCUMENT...motion PASSED...7-0.

9. Consideration of a resolution approving the 2018 Electric Utility Resource Plan Update

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR LUOND, TO APPROVE A
    RESOLUTION ADOPTING THE CITY OF CENTRALIA 2018 ELECTRIC UTILITY RESOURCE
    PLAN UPDATE...motion PASSED...7-0.

10. Consideration on second reading of an ordinance updating the Comprehensive
    Growth Management Plan and Land Use Map for the City of Centralia

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR LUOND, TO APPROVE ON
    SECOND READING AN ORDINANCE UPDATING THE COMPREHENSIVE GROWTH
    MANAGEMENT PLAN AND LAND USE MAP FOR THE CITY OF CENTRALIA...motion
    PASSED...7-0.
COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR MCGEE, TO ADJOURN THE MEETING AT 8:02 PM...motion PASSED...7-0.

Submitted By:

Deena Bilodeau, City Clerk

Approved By:

Lee Coumbs, Mayor
City of Centralia
Mayor Coumbs called the meeting to order at 7:01 pm.

Pledge of Allegiance

Mayor Pro-Tem Vogt led the pledge of allegiance.

Attendance

Present: Mayor Coumbs, Mayor Pro-Tem Vogt, Councilor Staebler, Councilor Barnes, Councilor Abbarno, Councilor McGee and Councilor Luond.

Absent: None.

1. Approval of Agenda - As Presented

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR LUOND TO APPROVE THE AGENDA WITH THE ADDITION OF ITEM #9 EXECUTIVE SESSION...motion PASSED...7-0.

2. Comments by the Public on Non Agenda Items

Lisa Striedinger & James Lovelady, Centralia, addressed the Council and spoke on homeless issues and their organization Friends Without Homes./Resident Action Project.

Muriel Wheatley, library, addressed the Council and spoke on library events.

3. Presentations

a. Introduction of Officer Aaron Miller and Sergeant Patty Finch

Chief Nielsen introduced Officer Aaron Miller and Sergeant Patty Finch.

b. Chehalis Basin Strategy

Chrissy Bailey, J. VanderStoup and Commissioner Fund updated the Council and audience on the Chehalis Basin Strategy.

4. Reports

Cameron McGee - had no report.

Councilor Abbarno - reported he attended the Centralia College Kick off Breakfast and the Chamber BBQ. He spoke on the new ruling regarding the homeless sleeping on sidewalks.
Councilor Barnes - reported she attended the George Washington Committee BBQ.

Councilor Luond - reported she attended a Centralia Port meeting and requested an update on the bond issue at each Council meeting.

Councilor Staebler - reported she attended the CDA meeting.

Mayor Pro-Tem Vogt - reported he attended the George Washington Committee BBQ and had a quarterly meeting with his constituents.

Mayor Coumbs - reported he attended a Solid Waste Committee meeting, Southwest Washington Clean Air and the George Washington Committee BBQ.

Rob Hill - updated the Council on the bond issue.

5. Consent Agenda
   a. Voucher Approval - September 11, 2018 #217894, 217910-218057, 218070-21807 $3,215,144.67
   b. Payroll Approval - September 5, 2018 #135038-135120 and direct deposits #36288-36450 $1,412,045.25
   c. Consideration of small works bid-Tree Removal in Borst, Washington and Riverside Parks $14,336.50
   d. Consideration of contract amendment #1-Owner Dam Safety Program Audit $32,000
   e. Consideration of Change Orders #1 ($12,411.37) and #2 ($13,178.79) and Final Acceptance-Service Agreement with JR Merit - $97,760.44

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR MCGEE, TO APPROVE THE CONSENT AGENDA AS PRESENTED...motion PASSED...7-0.

6. Consideration to approve the Mayor’s appointments to the Lodging Tax Advisory Committee

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR BARNES, TO APPROVE THE MAYOR’S APPOINTMENT OF TIM BROWNING, JOYCE HOERLING, BRITTANY WALKER AND HEATHER MORROW TO THE LODGING TAX ADVISORY COMMITTEE...motion PASSED....7-0.

7. Consideration to accept a grant for the Washington Lawn Cemetery Preservation Project - $27,238

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR MCGEE, TO APPROVE THE HISTORIC CEMETERY PRESERVATION CAPITAL GRANT AGREEMENT WITH THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION IN THE AMOUNT OF
$27,238.00 AND AUTHORIZE THE CITY MANAGER TO SIGN SAID AGREEMENT...motion PASSED...7-0.

8. Consideration on first reading of an ordinance to approve the petition to annex the Far View Lane Area

City Attorney Shannon Murphy-Olson addressed the Council and reviewed the process of this proposed annexation to date. Norm Chapman thanked staff for all of their work during this process in assisting him through the steps.

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR MCGEE, TO APPROVE ON FIRST READING OF AN ORDINANCE ACCEPTING AND APPROVING THE FAR VIEW LANE AREA ANNEXATION...motion PASSED...7-0.

9. Executive Session to discuss Real Estate pursuant to RCW 42.30.110(1). Expected to last approximately 20 minutes with nothing to report after.

COUNCILOR ABBARNO MOVED, SECONDED BY COUNCILOR MCGEE, TO ADJOURN INTO EXECUTIVE SESSION TO DISCUSS REAL ESTATE PURSUANT TO RCW 42.30.110(1), EXPECTED TO LAST 20 MINUTES WITH NOTHING TO REPORT AFTER...motion PASSED...7-0.

The Executive Session was called to order at 8:02 pm and adjourned at 8:22 pm.

Adjournment

Mayor Coumbs adjourned the meeting at 8:22 pm.

Submitted By:

Deena Bilodeau, City Clerk

Approved By:

Lee Coumbs, Mayor
City of Centralia
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council
Council Meeting Date: September 25, 2018

From: Kim Ashmore, Public Works Director
       Emil Pierson, Community Development Director
Department: Public Works – Fund 403 Parks Department

Subject: Ratification of Small Works Bid Award for Borst Park Paving Projects – PW2018-17

Background: City staff identified three paving projects to be completed in the Borst Park area: Borst Pump Station Odor Control Pavement, Compost Pad Paving and a Parks Department driveway. Three bids were solicited from the Public Works Small Works Roster for the following scope:

1. Borst Pump Station Odor Control Pavement 20’ x 40’ pavement patch and joint seal
2. Compost Pad 40’ x 50’ pavement pad
3. Parks Driveway 13’ x 105’ pavement driveway

The following bids were received excluding sales tax:

<table>
<thead>
<tr>
<th>Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Granite Construction</td>
<td>$20,995.00</td>
</tr>
<tr>
<td>Northfork Paving</td>
<td>$20,500.00</td>
</tr>
<tr>
<td>Lakeside Industries</td>
<td>$18,904.00</td>
</tr>
</tbody>
</table>

Financial Impacts:
$5,610.00 from Wastewater Budget Object 630
$7,902.00 from Wastewater Budget Object 381
$5,392.00 from Parks Budget

<table>
<thead>
<tr>
<th>Implementation</th>
<th>Annual Ongoing</th>
</tr>
</thead>
<tbody>
<tr>
<td>X Funds in Current Budget</td>
<td>$</td>
</tr>
</tbody>
</table>

Alternatives: n/a

Recommendation: Staff recommends that the City Council ratify the Small Works Bid Award for the Borst Park Paving Projects PW2018-17 to Lakeside Industries who was the lowest responsible bidder in the amount of $18,904.00 excluding tax.
PUBLIC WORKS AGREEMENT  
between City of Centralia and  

Lakeside Industries  

Agreement # PW2018-17  

THIS AGREEMENT is made by and between the City of Centralia, a Washington municipal corporation (hereinafter the "City"), and Lakeside Industries organized under the laws of the State of Washington, located and doing business at 2001 NE Johnson Road, Centralia, Washington 98531, Richel Perkins (hereinafter the "Contractor").

AGREEMENT

The parties agree as follows:

I. DESCRIPTION OF WORK.

Contractor shall perform the following services for the City in accordance with the following described plans and/or specifications:

Attached as Exhibit A and incorporated by this reference.

Contractor further represents that the services furnished under this Agreement will be performed in accordance with generally accepted professional practices in effect at the time such services are performed.

II. TIME OF COMPLETION.

The parties agree that work will begin on the tasks described in Section I above immediately upon execution of this Agreement. Upon the effective date of this Agreement, Contractor shall complete the work described in Section I by September 28, 2018.

III. COMPENSATION.

The City shall pay the Contractor a total amount not to exceed $18,904.00, plus any applicable Washington State Sales Tax, for the work and services contemplated in this Agreement. The City shall pay the Contractor fifty percent (50%) of the Contract amount upon completion and acceptance of the work by the City, and the remainder upon fulfillment of the conditions listed below and throughout this Agreement.

A. No Performance Bond. Because this contract, including applicable sales tax, is less than $35,000, and pursuant to Chapter
39.08 RCW, the Contractor, in lieu of providing the City a performance bond, has elected to have the owner retain the final fifty percent (50%) of the Contract amount for a period of sixty (60) days after the date of final acceptance, or until receipt of all necessary releases from the State Department of Revenue and the State Department of Labor & Industries and until settlement of any liens filed under Chapter 60.28 RCW, whichever is later.

B. **Defective or Unauthorized Work.** The City reserves its right to withhold payment from Contractor for any defective or unauthorized work. Defective or unauthorized work includes, without limitation: work and materials that do not conform to the requirements of this Agreement; and extra work and materials furnished without the City’s written approval. If Contractor is unable, for any reason, to satisfactorily complete any portion of the work, the City may complete the work by contract or otherwise, and Contractor shall be liable to the City for any additional costs incurred by the City. “Additional costs” shall mean all reasonable costs, including legal costs and attorney fees, incurred by the City beyond the maximum Contract price specified above. The City further reserves its right to deduct the cost to complete the Contract work, including any Additional Costs, from any and all amounts due or to become due the Contractor.

C. **Final Payment: Waiver of Claims.** THE CONTRACTOR’S ACCEPTANCE OF FINAL PAYMENT (EXCLUDING WITHHELD RETAINAGE) SHALL CONSTITUTE A WAIVER OF CONTRACTOR’S CLAIMS, EXCEPT THOSE PREVIOUSLY AND PROPERLY MADE AND IDENTIFIED BY CONTRACTOR AS UNSETTLED AT THE TIME FINAL PAYMENT IS MADE AND ACCEPTED.

**IV. INDEPENDENT CONTRACTOR.** The parties intend that an Independent Contractor-Employer Relationship will be created by this Agreement and that the Contractor has the ability to control and direct the performance and details of its work, the City being interested only in the results obtained under this Agreement.

**V. TERMINATION.** The City may terminate this Agreement for good cause. “Good cause” shall include, without limitation, any one or more of the following events:

A. The Contractor’s refusal or failure to supply a sufficient number of properly skilled workers or proper materials for completion of the Contract work.
B. The Contractor’s failure to complete the work within the time specified in this Agreement.

C. The Contractor’s failure to make full and prompt payment to subcontractors or for material or labor.

D. The Contractor’s persistent disregard of federal, state or local laws, rules or regulations.

E. The Contractor’s filing for bankruptcy or becoming adjudged bankrupt.

F. The Contractor’s breach of any portion of this Agreement.

If the City terminates this Agreement for good cause, the Contractor shall not receive any further money due under this Agreement until the Contract work is completed. After termination, the City may take possession of all records and data within the Contractor’s possession pertaining to this project which may be used by the City without restriction.

VI. PREVAILING WAGES. Contractor shall file a “Statement of Intent to Pay Prevailing Wages,” with the State of Washington Department of Labor & Industries prior to commencing the Contract work, as well as an “Affidavit of Wages Paid” at the conclusion of the project. Contractor shall pay prevailing wages in effect on the date the bid is accepted or executed by Contractor, and comply with Chapter 39.12 of the Revised Code of Washington, as well as any other applicable prevailing wage rate provisions. The latest prevailing wage rate revision issued by the Department of Labor and Industries is attached.

VII. CHANGES. The City may issue a written change order for any change in the Contract work during the performance of this Agreement. If the Contractor determines, for any reason, that a change order is necessary, Contractor must submit a written change order request to the person listed in the notice provision section of this Agreement, section XIV(D), within fourteen (14) calendar days of the date Contractor knew or should have known of the facts and events giving rise to the requested change. If the City determines that the change increases or decreases the Contractor's costs or time for performance, the City will make an equitable adjustment. The City will attempt, in good faith, to reach agreement with the Contractor on all equitable adjustments. However, if the parties are unable to agree, the City will determine the equitable adjustment as it deems appropriate. The Contractor shall proceed with the change order work upon receiving either a written
change order from the City or an oral order from the City before actually receiving the written change order. If the Contractor fails to require a change order within the time specified in this paragraph, the Contractor waives its right to make any claim or submit subsequent change order requests for that portion of the contract work. If the Contractor disagrees with the equitable adjustment, the Contractor must complete the change order work; however, the Contractor may elect to protest the adjustment as provided in subsections A through E of Section VIII, Claims, below.

The Contractor accepts all requirements of a change order by: (1) endorsing it, (2) writing a separate acceptance, or (3) not protesting in the way this section provides. A change order that is accepted by Contractor as provided in this section shall constitute full payment and final settlement of all claims for contract time and for direct, indirect and consequential costs, including costs of delays related to any work, either covered or affected by the change.

VIII. CLAIMS. If the Contractor disagrees with anything required by a change order, another written order, or an oral order from the City, including any direction, instruction, interpretation, or determination by the City, the Contractor may file a claim as provided in this section. The Contractor shall give written notice to the City of all claims within fourteen (14) calendar days of the occurrence of the events giving rise to the claims, or within fourteen (14) calendar days of the date the Contractor knew or should have known of the facts or events giving rise to the claim, whichever occurs first. Any claim for damages, additional payment for any reason, or extension of time, whether under this Agreement or otherwise, shall be conclusively deemed to have been waived by the Contractor unless a timely written claim is made in strict accordance with the applicable provisions of this Agreement.

At a minimum, a Contractor's written claim shall include the information set forth in subsections A, items 1 through 5 below.

FAILURE TO PROVIDE A COMPLETE, WRITTEN NOTIFICATION OF CLAIM WITHIN THE TIME ALLOWED SHALL BE AN ABSOLUTE WAIVER OF ANY CLAIMS ARISING IN ANY WAY FROM THE FACTS OR EVENTS SURROUNDING THAT CLAIM OR CAUSED BY THAT DELAY.

A. Notice of Claim. Provide a signed written notice of claim that provides the following information:

1. The date of the Contractor's claim;
2. The nature and circumstances that caused the claim;
3. The provisions in this Agreement that support the claim;
4. The estimated dollar cost, if any, of the claimed work and how that estimate was determined; and
5. An analysis of the progress schedule showing the schedule change or disruption if the Contractor is asserting a schedule change or disruption.

B. Records. The Contractor shall keep complete records of extra costs and time incurred as a result of the asserted events giving rise to the claim. The City shall have access to any of the Contractor's records needed for evaluating the protest.

The City will evaluate all claims, provided the procedures in this section are followed. If the City determines that a claim is valid, the City will adjust payment for work or time by an equitable adjustment. No adjustment will be made for an invalid protest.

C. Contractor's Duty to Complete Protested Work. In spite of any claim, the Contractor shall proceed promptly to provide the goods, materials and services required by the City under this Agreement.

D. Failure to Protest Constitutes Waiver. By not protesting as this section provides, the Contractor also waives any additional entitlement and accepts from the City any written or oral order (including directions, instructions, interpretations, and determination).

E. Failure to Follow Procedures Constitutes Waiver. By failing to follow the procedures of this section, the Contractor completely waives any claims for protested work and accepts from the City any written or oral order (including directions, instructions, interpretations, and determination).

IX. LIMITATION OF ACTIONS. CONTRACTOR MUST, IN ANY EVENT, FILE ANY LAWSUIT ARISING FROM OR CONNECTED WITH THIS AGREEMENT WITHIN 120 CALENDAR DAYS FROM THE DATE THE CONTRACT WORK IS COMPLETE OR CONTRACTOR’S ABILITY TO FILE THAT CLAIM OR SUIT SHALL BE FOREVER BARRED. THIS SECTION FURTHER LIMITS ANY APPLICABLE STATUTORY LIMITATIONS PERIOD.

X. WARRANTY. Upon acceptance of the contract work, Contractor must provide the City a one-year warranty bond in a form and amount acceptable to the City. The Contractor shall correct all defects in workmanship and materials within one (1) year from the date of the City’s acceptance of
the Contract work. In the event any parts are repaired or replaced, only original replacement parts shall be used—rebuilt or used parts will not be acceptable. When defects are corrected, the warranty for that portion of the work shall extend for one (1) year from the date such correction is completed and accepted by the City. The Contractor shall begin to correct any defects within seven (7) calendar days of its receipt of notice from the City of the defect. If the Contractor does not accomplish the corrections within a reasonable time as determined by the City, the City may complete the corrections and the Contractor shall pay all costs incurred by the City in order to accomplish the correction.

**XI. DISCRIMINATION.** In the hiring of employees for the performance of work under this Agreement or any sub-contract, the Contractor, its sub-contractors, or any person acting on behalf of the Contractor or sub-contractor shall not, by reason of race, religion, color, sex, age, sexual orientation, national origin, or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.

**XII. INDEMNIFICATION/INSURANCE.** Attached as Exhibit B and incorporated by this reference.

**XIII. WORK PERFORMED AT CONTRACTOR’S RISK.** Contractor shall take all necessary precautions and shall be responsible for the safety of its employees, agents, and subcontractors in the performance of the contract work and shall utilize all protection necessary for that purpose. All work shall be done at Contractor’s own risk, and Contractor shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

**XIV. MISCELLANEOUS PROVISIONS.**

A. **Recyclable Materials.** The City recommends that its contractors and consultants use recycled and recyclable products whenever practicable.

B. **Non-Waiver of Breach.** The failure of the City to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.

C. **Resolution of Disputes and Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of
If the parties are unable to settle any dispute, difference or claim arising from the parties’ performance of this Agreement, the exclusive means of resolving that dispute, difference or claim, shall only be by filing suit exclusively under the venue, rules and jurisdiction of the Lewis County Superior Court, Lewis County, Washington, unless the parties agree in writing to an alternative dispute resolution process. In any claim or lawsuit for damages arising from the parties’ performance of this Agreement, each party shall pay all its legal costs and attorney’s fees incurred in defending or bringing such claim or lawsuit, in addition to any other recovery or award provided by law; provided, however, nothing in this paragraph shall be construed to limit the City’s right to indemnification under Section XII of this Agreement.

D. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the Agreement, unless notified to the contrary. Any written notice hereunder shall become effective three (3) business days after the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

E. Assignment. Any assignment of this Agreement by either party without the written consent of the non-assigning party shall be void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment shall be made without additional written consent.

F. Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and Contractor.

G. Entire Agreement. The written provisions and terms of this Agreement, together with any Exhibits attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement. All of the above documents are hereby made a part of this Agreement. However, should any language in any of the Exhibits to this Agreement conflict with any language contained in this Agreement, the terms of this Agreement shall prevail.

H. Compliance with Laws. The Contractor agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or in the future become applicable to Contractor's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of those operations.
IN WITNESS, the parties below execute this Agreement, which shall become effective on the last date entered below.

<table>
<thead>
<tr>
<th>CONTRACTOR:</th>
<th>CITY OF CENTRALIA:</th>
</tr>
</thead>
<tbody>
<tr>
<td>By: ___________________________</td>
<td>By: _____________________________</td>
</tr>
<tr>
<td>(signature)</td>
<td>(signature)</td>
</tr>
<tr>
<td>Print Name: ____________________</td>
<td>Print Name: Rob Hill</td>
</tr>
<tr>
<td>Its ___________________________</td>
<td>Its City Manager</td>
</tr>
<tr>
<td>(Title)</td>
<td>(Title)</td>
</tr>
<tr>
<td>DATE: __________________________</td>
<td>DATE: ____________________________</td>
</tr>
</tbody>
</table>

NOTICES TO BE SENT TO:

<table>
<thead>
<tr>
<th>CONTRACTOR:</th>
<th>CITY OF CENTRALIA:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Richel Perkins</td>
<td>Deena Bilodeau, City Clerk</td>
</tr>
<tr>
<td>Project Manager</td>
<td>City of Centralia</td>
</tr>
<tr>
<td>Lakeside Industries</td>
<td>118 W. Maple/POB 609</td>
</tr>
<tr>
<td>2001 NE Johnson Rd</td>
<td>Centralia, WA 98531</td>
</tr>
<tr>
<td>Centralia, WA 98531</td>
<td>(360) 330-7670 (telephone)</td>
</tr>
<tr>
<td></td>
<td>(360) 330-7673 (facsimile)</td>
</tr>
<tr>
<td>(360) 736-2847 (telephone)</td>
<td></td>
</tr>
<tr>
<td>(360) 736-0648 (facsimile)</td>
<td></td>
</tr>
</tbody>
</table>
## PROPOSAL CONTRACT AGREEMENT

**To:** City Of Centralia  
**Address:** 1103 N. Tower Ave.  
Centralia, WA 98531  
**Contact:** Jason Schroeder  
**Phone:** 360-330-7512  
**Fax:**  

**Project Name:** Borst Park Patch  
**Project Location:** Borst Park, Centralia, WA  
**Bid Number:**  
**Bid Date:** 9/6/2018  
**Attachments:** Lakeside Provisions Washington.pdf

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Place Up To .45&quot; Class A Hot Mix Asphalt (Compacted Depth) 20' X 40' (avg) Patch - Pave Only And Joint Seal</td>
<td>$5,610.00</td>
</tr>
</tbody>
</table>

**Boat Ramp Pad**  
**Place 3’ Depth Class A Hot Mix Asphalt In One Lift (Compacted Depth) 40’ X 50’**  
**Driveway**  
**13’ X 105’ @ .30’ Depth**  

**Total Bid Price:** $18,904.00

**Notes:**  
- Pave only quote. Area must be ready to receive asphalt.  
- Price is based on flexibility in scheduling.  
- No discounts for combining options apply to this quote.  
- Price based on 1 mobilization.  
- Price Excludes: Layout, Survey, or Engineering; Utility Location and/or Adjustment; Utility Punching; Traffic Control; Premium Pay for Night or Weekend Work; Herbicides; Prime Cost; Rock or Grading; Insurance; Premium over Standard Insurance; Base Repair; Grind; MTV/MTD; Cleaning Between Lifts; Tax; Permits; Bond; Testing; Sawcutting; Curbing; Concrete Protection; Crack Sealing; Seal Coat; Striping.  
- Subgrades must be firm and unyielding.  
- Performance Bond not included in bid price. If required please add 1% to total cost of bid.  
- Bid based on approved contract; This proposal to be a part of all contract documents.  
- Total price to be based on actual quantity or measurement unless otherwise specified.  
- Price based on current petroleum cost. Price escalation to be linked to the WSDOT asphalt binder index.  
- Lakeside Industries Inc. proposed prices herein assume that Lakeside Industries Inc.’s work hereunder will be substantially complete on or before: September 15, 2018.  
- Unless Contracting Party has signed and returned this Agreement with in thirty (30) days of the date first stated above, LAKESIDE INDUSTRIES’ proposal shall be null and void  
- CONTRACTING PARTY’S SIGNATURE ON ONE COPY RETURNED TO LAKESIDE INDUSTRIES INC. WILL RENDER THIS A LEGAL CONTRACT FOR THE PERFORMANCE OF THE ABOVE WORK. CONTRACTING PARTY’S SIGNATURE ALSO ACKNOWLEDGES RECEIPT OF LAKESIDE INDUSTRIES INC. NOTICE TO CUSTOMER’S STATEMENT ATTACHED HERETO.
EXHIBIT B

INSURANCE & INDEMNITY REQUIREMENTS FOR
CONSTRUCTION AND SERVICE CONTRACTS

Indemnification / Hold Harmless

The Contractor 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, arising out of or in connection with the 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 Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor'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.

Insurance

The Contractor shall procure and maintain for the duration of the 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 Contractor, their agents, representatives, employees or subcontractors.

No Limitation

Contractor’s maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor 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

Contractor 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, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 11 85 or an equivalent endorsement. There shall be no endorsement or modification of the Commercial General Liability Insurance for liability arising from
explosion, collapse or underground property damage. The City shall be named as an insured under the Contractor’s Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing equivalent coverage.

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

### B. Minimum Amounts of Insurance

Contractor 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 and $2,000,000 products-completed operations aggregate limit.

### C. Other Insurance Provision

The Contractor’s Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor’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

Contractor 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 Contractor before commencement of the work.

### F. Subcontractors

The Contractor shall have sole responsibility for determining the insurance coverage and limits required, if any, to be obtained by subcontractors, which determination shall be made in accordance with reasonable and prudent business practices.

### G. Notice of Cancellation

The Contractor shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation, within two business days of their receipt of such notice.
H. Failure to Maintain Insurance

Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days notice to the Contractor 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 Contractor from the City.
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council
Council Meeting Date: September 25, 2018

From: M.L. Norton, General Manager
Department: City Light Fund 401

Subject: Bid Award for Salzer 115kV Steel Transmission Poles Contract CCL-18-20GS

Background: Centralia City Light (CCL) worked with the Bonneville Power Administration (BPA) for two years (2015-2017) to complete the construction of a tap point on BPA’s east 69-kV transmission loop. This tap point had been planned for many years to supply power to a new CCL substation located in the vicinity of the south viaduct near the corner of Gold and Summa. The new substation (Salzer Substation) is now planned for construction in 2019. It will be connected to the BPA transmission loop via a 1.5-mile steel structure transmission line that will be underbuilt with a distribution circuit that will be supplied from the new Salzer Substation when it is energized in the last quarter of 2019. The design of this transmission line project called for 31 steel poles to complete the connection.

Five bids were received to furnish steel structures for the referenced project on August 14, 2018. CCL has checked the math on the bid summaries from the five bidders and found a few minor errors. The following is a summary of the corrected totals, listed in order starting with the apparent lowest bid. CCL has also included the total weight of the structures, the average cost of the steel per pound, and the delivery time from each bidder.

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Total Bid Amount with tax included</th>
<th>Total Weight (in tons)</th>
<th>Average Cost/lbs.</th>
<th>Delivery Time (weeks)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TransAmerican Power Products (TAPP)</td>
<td>$339,541.34 (1)</td>
<td>81.0</td>
<td>$1.94</td>
<td>14-18</td>
</tr>
<tr>
<td>Western Utility.Telecom</td>
<td>$464,074.13 (2)</td>
<td>84.9</td>
<td>$2.53</td>
<td>10-12</td>
</tr>
<tr>
<td>Valmont-Newmark</td>
<td>$484,193.92 (3)</td>
<td>79.8</td>
<td>$2.80</td>
<td>18-20</td>
</tr>
<tr>
<td>Sabre-FWT</td>
<td>$594,418.34 (4)</td>
<td>87.7</td>
<td>$3.13</td>
<td>22-26</td>
</tr>
<tr>
<td>Rohn</td>
<td>$653,149.30 (5)</td>
<td>110.7</td>
<td>$2.73</td>
<td>14-16</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$426,486.53 (E)</td>
<td>79.7</td>
<td>$2.47</td>
<td>---</td>
</tr>
</tbody>
</table>

In summary, the apparent lowest bid was from TransAmerican Power Products, Inc. (TAPP) of Houston, Texas. It was commercially and technically compliant with the contract requirements.

Funds for this project are available in the 2018 City Light budget Object 630.

Financial Impacts:

Implementation $339,541.34 (Tax Incl.) Annual Ongoing

X Funds in Current Budget

Appropriation/Amendment Required

Alternatives: N/A
Recommendation: Staff recommends that the City Council award the 115kV Steel Transmission Poles contract CCL-18-20GS to TransAmerican Power Products, Inc. in the amount of $339,541.34 which includes sales tax of 8.2%.
GOODS & SERVICES AGREEMENT
between the City of Centralia and

TransAmerican Power Products, Inc.

Agreement No.CCL-18-20GS

THIS AGREEMENT is made by and between the City of Centralia, a Washington municipal corporation (hereinafter the "City"), and TransAmerican Power Products, Inc. (TAPP) organized under the laws of the State of Texas, located and doing business at 2427 Kelly Lane, Houston, Texas, 77066, (281)444-8277 and Igor Lubisco (hereinafter the "Vendor").

AGREEMENT

I. DESCRIPTION OF WORK.

Vendor shall provide the following goods and materials and/or perform the following services for the City:

Attached as Exhibit A and incorporated by this reference.

Vendor acknowledges and understands that it is not the City’s exclusive provider of these goods, materials, or services and that the City maintains its unqualified right to obtain these goods, materials, and services through other sources.

II. TIME OF COMPLETION.

Upon the effective date of this Agreement, Vendor shall complete the work and provide all goods, materials, and services by January 30, 2019

III. COMPENSATION.

The City shall pay the Vendor an amount not to exceed $313,809.00, does not include applicable Washington State Sales Tax, for the goods, materials, and services contemplated in this Agreement. The City shall pay the Vendor the following amounts according to the following schedule:

Once the contract is fully executed, a purchase order would be issued describing the material to be purchased under this contract.
If the City objects to all or any portion of an invoice, it shall notify Vendor and reserves the option to only pay that portion of the invoice not in dispute. In that event, the parties will immediately make every effort to settle the disputed portion.

A. **Defective or Unauthorized Work.** The City reserves its right to withhold payment from Vendor for any defective or unauthorized goods, materials or services. If Vendor is unable, for any reason, to complete any part of this Agreement, the City may obtain the goods, materials or services from other sources, and Vendor shall be liable to the City for any additional costs incurred by the City. "Additional costs" shall mean all reasonable costs, including legal costs and attorney fees, incurred by the City beyond the maximum Agreement price specified above. The City further reserves its right to deduct these additional costs incurred to complete this Agreement with other sources, from any and all amounts due or to become due the Vendor.

B. **Final Payment: Waiver of Claims.** VENDOR’S ACCEPTANCE OF FINAL PAYMENT SHALL CONSTITUTE A WAIVER OF CLAIMS, EXCEPT THOSE PREVIOUSLY AND PROPERLY MADE AND IDENTIFIED BY VENDOR AS UNSETTLED AT THE TIME REQUEST FOR FINAL PAYMENT IS MADE.

IV. **INDEPENDENT CONTRACTOR.** The parties intend that an Independent Contractor-Employer Relationship will be created by this Agreement and that the Vendor has the ability to control and direct the performance and details of its work, the City being interested only in the results obtained under this Agreement.

V. **TERMINATION.** Either party may terminate this Agreement, with or without cause, upon providing the other party thirty (30) days written notice at its address set forth on the signature block of this Agreement.

VI. **CHANGES.** The City may issue a written amendment for any change in the goods, materials or services to be provided during the performance of this Agreement. If the Vendor determines, for any reason, that an amendment is necessary, Vendor must submit a written amendment request to the person listed in the notice provision section of this Agreement, section XIII(D), within fourteen (14) calendar days of the date Vendor knew or should have known of the facts and events giving rise to the requested change. If the City determines that the change increases or decreases the Vendor's costs or time for performance, the City will make an equitable adjustment. The City will attempt, in good faith, to reach agreement with the Vendor on all equitable adjustments. However, if the parties are unable to agree, the City will determine the equitable adjustment as it deems appropriate. The Vendor shall proceed with the amended work upon receiving either a written amendment from the City or an oral order from the City before actually receiving the written amendment. If the Vendor fails to require an amendment within the time allowed, the Vendor waives its right to make any claim or submit subsequent amendment requests for that portion of the contract work. If the Vendor disagrees with the equitable adjustment, the Vendor must complete the amended work; however, the Vendor may elect to protest the adjustment as provided in subsections A through E.
of Section VII, Claims, below.

The Vendor accepts all requirements of an amendment by: (1) endorsing it, (2) writing a separate acceptance, or (3) not protesting in the way this section provides. An amendment that is accepted by Vendor as provided in this section shall constitute full payment and final settlement of all claims for contract time and for direct, indirect and consequential costs, including costs of delays related to any work, either covered or affected by the change.

VII. CLAIMS. If the Vendor disagrees with anything required by an amendment, another written order, or an oral order from the City, including any direction, instruction, interpretation, or determination by the City, the Vendor may file a claim as provided in this section. The Vendor shall give written notice to the City of all claims within fourteen (14) calendar days of the occurrence of the events giving rise to the claims, or within fourteen (14) calendar days of the date the Vendor knew or should have known of the facts or events giving rise to the claim, whichever occurs first. Any claim for damages, additional payment for any reason, or extension of time, whether under this Agreement or otherwise, shall be conclusively deemed to have been waived by the Vendor unless a timely written claim is made in strict accordance with the applicable provisions of this Agreement.

At a minimum, a Vendor's written claim shall include the information set forth in subsections A, items 1 through 5 below.

**FAILURE TO PROVIDE A COMPLETE, WRITTEN NOTIFICATION OF CLAIM WITHIN THE TIME ALLOWED SHALL BE AN ABSOLUTE WAIVER OF ANY CLAIMS ARISING IN ANY WAY FROM THE FACTS OR EVENTS SURROUNDING THAT CLAIM OR CAUSED BY THAT DELAY.**

A. **Notice of Claim.** Provide a signed written notice of claim that provides the following information:

1. The date of the Vendor's claim;
2. The nature and circumstances that caused the claim;
3. The provisions in this Agreement that support the claim;
4. The estimated dollar cost, if any, of the claimed work and how that estimate was determined; and
5. An analysis of the progress schedule showing the schedule change or disruption if the Vendor is asserting a schedule change or disruption.

B. **Records.** The Vendor shall keep complete records of extra costs and time incurred as a result of the asserted events giving rise to the claim. The City shall have access to any of the Vendor's records needed for evaluating the protest.

The City will evaluate all claims, provided the procedures in this section
are followed. If the City determines that a claim is valid, the City will adjust payment for work or time by an equitable adjustment. No adjustment will be made for an invalid protest.

C. Vendor's Duty to Complete Protested Work. In spite of any claim, the Vendor shall proceed promptly to provide the goods, materials and services required by the City under this Agreement.

D. Failure to Protest Constitutes Waiver. By not protesting as this section provides, the Vendor also waives any additional entitlement and accepts from the City any written or oral order (including directions, instructions, interpretations, and determination).

E. Failure to Follow Procedures Constitutes Waiver. By failing to follow the procedures of this section, the Vendor completely waives any claims for protested work and accepts from the City any written or oral order (including directions, instructions, interpretations, and determination).

VIII. LIMITATION OF ACTIONS. VENDOR MUST, IN ANY EVENT, FILE ANY LAWSUIT ARISING FROM OR CONNECTED WITH THIS AGREEMENT WITHIN 120 CALENDAR DAYS FROM THE DATE THE CONTRACT WORK IS COMPLETE OR VENDOR’S ABILITY TO FILE THAT SUIT SHALL BE FOREVER BARRED. THIS SECTION FURTHER LIMITS ANY APPLICABLE STATUTORY LIMITATIONS PERIOD.

IX. WARRANTY. This Agreement is subject to all warranty provisions established under the Uniform Commercial Code, Title 62A, Revised Code of Washington. Vendor warrants goods are merchantable, are fit for the particular purpose for which they were obtained, and will perform in accordance with their specifications and Vendor's representations to City. The Vendor shall correct all defects in workmanship and materials within one (1) year from the date of the City's acceptance of the Contract work. In the event any part of the goods are repaired, only original replacement parts shall be used—rebuilt or used parts will not be acceptable. When defects are corrected, the warranty for that portion of the work shall extend for one (1) year from the date such correction is completed and accepted by the City. The Vendor shall begin to correct any defects within seven (7) calendar days of its receipt of notice from the City of the defect. If the Vendor does not accomplish the corrections within a reasonable time as determined by the City, the City may complete the corrections and the Vendor shall pay all costs incurred by the City in order to accomplish the correction.

X. DISCRIMINATION. In the hiring of employees for the performance of work under this Agreement or any sub-contract, the Vendor, its sub-contractors, or any person acting on behalf of the Vendor or sub-contractor shall not, by reason of race, religion, color, sex, age, sexual orientation, national origin, or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.
XI. INDEMNIFICATION/ INSURANCE. Attached as Exhibit “B” and incorporated by this reference.

XII. WORK PERFORMED AT VENDOR’S RISK. Vendor shall take all necessary precautions and shall be responsible for the safety of its employees, agents, and subcontractors in the performance of the contract work and shall utilize all protection necessary for that purpose. All work shall be done at Vendor’s own risk, and Vendor shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

XIII. MISCELLANEOUS PROVISIONS.

A. Recyclable Materials. The city recommends that its contractors and consultants use recycled and recyclable products whenever practicable.

B. Non-Waiver of Breach. The failure of the City to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.

C. Resolution of Disputes and Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. If the parties are unable to settle any dispute, difference or claim arising from the parties’ performance of this Agreement, the exclusive means of resolving that dispute, difference or claim, shall only be by filing suit exclusively under the venue, rules and jurisdiction of the Lewis County Superior Court, Lewis County, Washington, unless the parties agree in writing to an alternative dispute resolution process. In any claim or lawsuit for damages arising from the parties' performance of this Agreement, each party shall pay all its legal costs and attorney's fees incurred in defending or bringing such claim or lawsuit, including all appeals, in addition to any other recovery or award provided by law; provided, however, nothing in this paragraph shall be construed to limit the City’s right to indemnification under Section XI of this Agreement.

D. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the Agreement, unless notified to the contrary. Any written notice hereunder shall become effective three (3) business days after the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

E. Assignment. Any assignment of this Agreement by either party without the written consent of the non-assigning party shall be void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment shall be made without additional written consent.
F. **Modification.** No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and Vendor.

G. **Entire Agreement.** The written provisions and terms of this Agreement, together with any Exhibits attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement. All of the above documents are hereby made a part of this Agreement. However, should any language in any of the Exhibits to this Agreement conflict with any language contained in this Agreement, the terms of this Agreement shall prevail.

H. **Compliance with Laws.** The Vendor agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or in the future become applicable to Vendor's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of those operations.

I. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which will together constitute this one Agreement.
IN WITNESS, the parties below execute this Agreement, which shall become effective on the last date entered below.

<table>
<thead>
<tr>
<th>VENDOR:</th>
<th>CITY OF CENTRALIA:</th>
</tr>
</thead>
<tbody>
<tr>
<td>By: ____________________ (Signature)</td>
<td>By: ____________________ (Signature)</td>
</tr>
<tr>
<td>Print Name: ____________________</td>
<td>Print Name: ______ Rob Hill</td>
</tr>
<tr>
<td>Its: ____________________ (Title)</td>
<td>Its: ______ City Manager (Title)</td>
</tr>
<tr>
<td>DATE: ____________________</td>
<td>DATE: ____________________</td>
</tr>
</tbody>
</table>

NOTICES TO BE SENT TO:

<table>
<thead>
<tr>
<th>VENDOR:</th>
<th>CITY OF CENTRALIA:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Igor Lubisco</td>
<td>Deena Bilodeau, City Clerk</td>
</tr>
</tbody>
</table>
TransAmerican Power Products, Inc. (TAPP) | 118 W. Maple/POB 609 |
2427 Kelly Lane | Centralia, WA 98531 |
Houston, TX 77066 | (360) 330-7670 (telephone) |
(281) 444-8277 (telephone) | (360) 330-7673 (facsimile) |
(281) 444-7270 (facsimile) | |
EXHIBIT “A”

QUALITY STEEL POLES, DELIVERED.

CCL-18-20GS
TransAmerican Power Products, Inc.

EXHIBIT “B”

INCLUD/ED

Caisson Bolts
Polyethylene Coating 20 mils thick, applied as specified
Conductor Jims, attachments and detailing
Foundations provisions and name plates
Non-Groover Ladders and their clips as specified

NOT INCLUDED

Ground Screws
Through nuts
PE Stamp

THE PRICE LIST 무

Material of coil and plate for the structures as A871
Full truck (load to destination included in price for Item 1 to Item 22)
Proposal is based on preliminary designs provided in this quotation, if any, change occurs it will result in a fair adjustment to the price.
If Full Scale Testing is required TAPP can procure a third party testing facility for an additional fee.

TAPP STANDARDS NOTES
1. All of our products carry a one (1) year warranty from the Delivery date. Warranty covers only manufacturing defects. At TAPP’s discretion, parts may be repaired or replaced.
2. This proposal is valid for all information, designs and weights listed within the proposal and the provided engineering calculations part of this package referencing dimensions of the material quoted.
3. Please consult your sales representative concerning changes initiated or requested by the customer as they may affect the leadtime and price. A Change Order form signed by customer may be required.
4. Changes to the designs after issuing of PQ, will null and void the proposed schedule (leadtime) and may affect price. TAPP and its representatives are not responsible for delays caused by such changes.
5. If changes are due to errors and/or misinterpretation by TAPP, every effort will be taken not to affect original delivery schedule.
6. Anchor Bolts (AB) will be invoiced separately from poles upon delivery. All drawings will be available for review 3 weeks after delivery of AB is estimated to be 8-9 weeks after All drawing approval.
7. Design Calculations submitted at time of quotation are assumed to be approved in full unless noted at time of purchase. Changes requested after receipt of purchase order, will null and void the proposed schedule.
8. Drawings: Approval Drawings will be provided for review 4-5 weeks after engineering calculations approval and allow 1 week for approval.
9. Fabrication lead time is estimated to be 10-12 weeks after receipt of approved drawings. Total lead time for structures A80 is estimated to be Structures: 14 to 18 weeks
10. TAPP and its representatives are not responsible for unloading or delivery of product to the right of way.
11. This quotation is valid for 60 days.

Pedro Firman
Proposal Mgr.
1/1-8-2479-R3.xlsx

32

9/7/2018 @ 9:36 AM

Index: SAV CONT 010D
Page32of 19
BID PROPOSAL
115 kV STEEL TRANSMISSION POLES
FOR
CITY OF CENTRALIA
CONTRACT NO. CCL-18-20GS

BID SCHEDULE SUMMARY

Transmission Poles Subtotal $313,539.00
Sales Tax (8.2%): $ N/A
Total Price (with sales tax): $ 313,539.00
Delivery Time After Receipt of Order (weeks): 14 to 18 Weeks

(Includes 10 calendar days for Owner review of final calculations and 14 calendar days for Owner review of submittal drawings)

Bidders must acknowledge ALL Addendums to the Bid Documents.

Failure to acknowledge ALL Addendums to the Bid Documents will result in a bid that is considered non-responsive. Addendums to Bid Documents will be made available on the City's website at https://www.ebidexchange.com/Centralia.

Bidder acknowledgment of Addendum # 1 through Addendum # 1.

Signature: ______________________ Date: 7/23/2018
Print Name: Igor Lubisco

Additional Information Required

1. Prices firm for contract period? X Yes _____ No _____ Other
2. Discounts will be allowed as follows: ________________________________
3. Firm delivery ARO (weeks): 14 to 18 Weeks ARO
4. Bidders data sheet enclosed? X Yes _____ No

Pricing and lead-time description

(Included in attachments: X Yes _____ No)

Please reference Attachment 18-2479 R1 for pricing and lead-time.
BID PROPOSAL
115 kV STEEL TRANSMISSION POLES
FOR
CITY OF CENTRALIA
CONTRACT NO. CCL-18-20GS

- Steel pole manufacturer:
  TransAmerican Power Product, Inc. (TAPP)

- Location of manufacture:
  1980 Antigio Camino a la Capilla, Guadalajara, Jalisco, Mexico CP45870

- Bidder Acknowledges Warranty period (one year minimum):
  Yes

- Bidder Acknowledges bid cannot be withdrawn for a period of 60 calendar days beginning with the
day of the bid opening: Yes

- Bidder includes three (3) copies of vendor's preliminary design calculations in sufficient detail to
illustrate adequate understanding of concept and loading requirements: Yes

- Bidders proof of qualifications (per 1.3A in the Technical Specifications):
  - AISC Certified Plant, Category STD 2160310691-10CCR1
  - Complies with AISC's "Code of Standard Practice for Steel Buildings and Bridges:
    Yes
  - Maintains ASCE/SEI 48-11, Section 10.3 Quality Control Program:
    Yes
BID PROPOSAL

115 kV STEEL TRANSMISSION POLES

FOR

CITY OF CENTRALIA

CONTRACT NO. CCL-18-20GS

- Had regularly engaged in designing and fabricating tubular steel structures for a minimum of three (3) years prior to the bid date: Yes

List five references/contacts who have this manufacturer's steel poles in service in the United States. These references will be used during bid evaluation.

- Austin Electric / Jeffery Gauthier
  Phone: 512-505-7048

- PacifiCorp / Anita Patton
  Phone: 503-813-5636

- Basin Electric / Shane Vasbinder
  Phone: 701-557-5779

- OPPD / Shane Hanson
  Phone: 402-636-3323

- City of Riverside / Mike Torelli
  Phone: 951-892-5152
BID PROPOSAL
115 kV STEEL TRANSMISSION POLES
FOR
CITY OF CENTRALIA
CONTRACT NO. CCL-18-20GS

Exceptions and Clarifications to Specifications
Bidder proposes to furnish the steel poles in accordance with the Specifications and Drawings, unless exceptions and clarifications are noted below. Any exceptions must be stated with recommendations and reasons for such exception and resulting price differentials.

(Attach additional pages if necessary.)
# BID PROPOSAL

115 kV STEEL TRANSMISSION POLES  
FOR  
CITY OF CENTRALIA  
CONTRACT NO. CCL-18-20GS

## Affidavit

The undersigned hereby certify to the best of their knowledge and belief that this Proposal has not been prepared in collusion with any other seller or manufacturer of steel poles and that the prices, terms, or conditions have not been communicated by the undersigned to any other seller or manufacturer.

<table>
<thead>
<tr>
<th>Seller:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Signature]</td>
<td>8/10/2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Manufacturer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>TransAmerican Power Product, Inc. (TAPP)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/10/2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bidder:</th>
</tr>
</thead>
<tbody>
<tr>
<td>TransAmerican Power Products, Inc. (TAPP)</td>
</tr>
</tbody>
</table>

By (Printed Name)

Igor Lubisco

Address: 2427 Kelly Lane  
Houston, TX 77066

Phone: 281-444-8277  
Fax: 281-444-7270

Email: igor@tappinc.com
SECTION 5

Goods and Services Contract
Good Morning Greg,

My sincere apologies for our failure to respond to your September 4 request in a timely manner. Per instruction by Dawn Soliz, please find attached a revised quote which reflects the correct price on these structures. In addition, please see our response to your questions below:

1. Freight to Centralia, Washington is included for all goods, and

   Yes, as noted in our customer report, freight is included for all goods.

2. TAPP accepts that if corrections are required in the final structure designs due to Supplier’s errors, omissions, or misinterpretations of the Specifications, the quoted price shall not change.

   TAPP acknowledges and accepts this clause.

Again, I apologize for this oversight and thank you for the opportunity to correct our error.

Regards,

Elizabeth (Beth) Rich
Manager of Contract Administration
TAPP, Inc.
4304 Tate Springs Rd. – Suite 200
Arlington, TX 76016
817-32-552-1069 (office)

“Do what you can, with what you have, where you are.” ~ Teddy Roosevelt

Purchase Orders please send to tapporders@tappinc.com

RFP’s please send to tappfq@tappinc.com

1
From: Greg Huffman <ghuffman@drydenlarue.com>  
Sent: Tuesday, September 4, 2018 1:40 PM  
To: Tapprfq <Tapprfq@tappinc.com>  
Cc: Igor Lubisco <igor@tappinc.com>; Pedro F. Bravo <pf@tappinc.com>; Elizabeth Rich <elizabeth.rich@tappinc.com>; Dawn Soliz <dawn.soliz@tappinc.com>;  
JMNorton@cityofcentralia.com; djohnson@cityofcentralia.com; croe@cityofcentralia.com; doug@dewart.com; mgreen@epsinc.com  
Subject: Re: City of Centralia Steel Transmission Poles, Contract No. CCL-18-20GS | TAPP Quote #18-2479 R1

Thank you for your response to our inquiry. It appears the total cost of the structures, Bid Items #1 - #19, has increase by $268. This is not an acceptable cost adjustment since there has not been any changes to the original bid requirements. There is also a $1,000 math error on TAPP’s revised Bid Schedule for Bid Item #20, Coal Tar Epoxy. TAPP’s unit price is $190.00. The bid quantity is 5 so the corrected extended price is $950.00.

The City is prepared to award this contract to TAPP for a total contract price of $313,809 (= $315,077 - $268 - $1,000) provided they receive written confirmation from TAPP by 12:00 pm Pacific Time, September 5, 2018 that:

1. Freight to Centralia, Washington is included for all goods, and  
2. TAPP accepts that if corrections are required in the final structure designs due to Supplier’s errors, omissions, or misinterpretations of the Specifications, the quoted price shall not change.

We look forward to your reply. Thank you.

Greg Huffman, PE, SE  
(907) 646-5119

---

On Thu, Aug 30, 2018 at 3:54 PM, Tapprfq <Tapprfq@tappinc.com> wrote:

Good Afternoon,

Attached please find TAPP’s revised quote, Technical package, and Bid Documents for City of Centralia Steel Transmission Poles, Contract No. CCL-18-20GS | TAPP Quote #18-2479 R1.

Please see our notes below in response to your questions and clarifications:

1. 8.2% sales tax needs to be included in the Total Price.

As a Texas Corporation, TAPP Inc. is exempt from Washington Sales Tax.

2. Freight to Centralia, Washington needs to be included for all goods, including coal tar epoxy and ladders, Bid Items 20, 21, and 22.

The revised quote includes freight for all items.
3. TAPP’s note that their proposal is based on the preliminary designs provided with their bid, and any changes will result in a fair adjustment to the price. 

3. Paragraph 1.3 6 of the Technical Specifications which states "It is understood that award of this contract does not constitute acceptance of design calculations submitted with the bid and that if corrections are required in the final structure design due to Supplier’s errors, omissions, or misinterpretations of the Specifications, the quoted price shall not change."

In the event TAPP is awarded this contract, the requirements of Paragraph 1.3 6 of the Technical Specifications shall remain valid.

TAPP acknowledges and accepts the clarification of this term as it pertains to TAPP’s errors, omissions, or misinterpretations of the Specifications.

Best Regards,

Pedro Bravo | Elizabeth Rich
Quoting Manager | Contracts Manager | TAPP
2427 Kelly Lane Houston, TX 77066
281-444-8277 (Office)
TappRFQ@tappinc.com (E-mail)

PO orders please send to
tapporders@tappinc.com

RFQ’s please send to
tapprfq@tappinc.com

CAUTION: This email originated from outside the City of Centralia’s network. Do not click links or open attachments unless you are expecting this email and know the contents are safe.
EXHIBIT “B”

INSURANCE & INDEMNITY REQUIREMENTS
FOR SUPPLIERS

Indemnification / Hold Harmless

The Vendor 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, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Insurance

The Vendor shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with products and materials supplied to the City.

No Limitation

Vendor’s maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Vendor 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

Contractor shall obtain insurance of the type described below:

Commercial General Liability insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover products liability. The City shall be named as an insured under the Vendor’s Commercial General Liability insurance policy using ISO Additional Insured-Vendors Endorsement CG 20 15 or a substitute endorsement providing equivalent coverage.

B. Minimum Amounts of Insurance

Vendor shall maintain the following insurance limits:

Commercial General Liability insurance shall be written with limits no less than $1,000,000 each occurrence, $1,000,000 general aggregate and a $2,000,000 products liability aggregate limit.

C. Other Insurance Provision

The Vendor’s Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Vendor’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

Vendor 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 Vendor before goods, materials or supplies will be accepted by the City.

F. Notice of Cancellation

The Vendor 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 Vendor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days notice to the Vendor 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 Vendor from the City.
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council
From: Emil Pierson, Community Development Director
Subject: Ratification of a small works bid award and contract for fencing at the Centralia Train Depot to Express Iron Works, Inc.

Background: In August, staff solicited bids from the Public Works Small Works Roster for the fabrication and installation of fencing and gates that will match the existing fencing at the Centralia Depot. The new fencing will enclose the alcoves. Listed are the companies that were contacted and bided on the project all bids included sales tax:

<table>
<thead>
<tr>
<th>Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Able Fence Company</td>
<td>$0.00</td>
</tr>
<tr>
<td>Pacific Fence &amp; Wire</td>
<td>$0.00</td>
</tr>
<tr>
<td>Southgate Fence, Inc</td>
<td>$0.00</td>
</tr>
<tr>
<td>Express Iron Works, Inc.</td>
<td>$15,229.15</td>
</tr>
</tbody>
</table>

Financial Impacts:  
$15,229.15 from the Building Maintenance/concrete sidewalk

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$ 15,229.15</th>
<th>Annual Ongoing</th>
<th>$ 0.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds in Current Budget</td>
<td>X</td>
<td>Appropriation/Amendment Required</td>
<td></td>
</tr>
</tbody>
</table>

Recommendation:  
Staff recommends that the City Council ratify the Small Works Bid Award for the fencing at the Centralia Train Depot to Express Iron Works, Inc. who is the lowest responsible bidder and authorize the City Manager to execute a Public Works Agreement not to exceed the amount of $15,229.15.
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council  Council Meeting Date: Sept. 25, 2018
From: Emil Pierson, Community Development Director  Department: Community Development
Subject: Ratification of a change order for a small works bid award for tree removal and trimming work to Ron’s Tree Service, LLC in the amount of $16,067.70.

Background: On Tuesday, September 17th in the parking lot behind City Hall a branch from one of the Sweet Gum Trees fell onto a car. City staff immediately reviewed the situation and contact Ron’s Tree Service (who are under contract to remove hazardous trees in a number of City Parks) to evaluate the trees. After meeting with Ron’s Tree Service, City staff made the decision to remove both of the trees and asked Ron’s Tree Service if we could add this removal to our current contract as a Change Order.

Change Order: Bid to remove the hazardous trees: $1,600.00
- City Hall Parking Lot: Removal of 2 hazardous Sweet Gum trees

Original Bid Estimate: $14,336.50
The original bid included the following:
- Washington Lawn Cemetery: Remove dead top on one Douglas Fir tree, remove one hazard tree on south-end
- Washington Park: Remove deadwood from an Oak tree
- Riverside Park: Remove dead top from Douglas Fire and grind 11 stumps along trail (east side of park)
- Borst Park Arboretum:
  - Remove 3 hazardous trees
  - Trim deadwood on 6 other trees

Financial Impacts: Change Order Total $16,067.70 from the Parks Budget

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$ 16,067.70</th>
<th>Annual Ongoing</th>
<th>$ 0.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>Funds in Current Budget</td>
<td>Appropriation/Amendment Required</td>
<td></td>
</tr>
</tbody>
</table>

Recommendation:
Staff recommends that the City Council ratify the small works bid award for the removal of trees in Borst and Riverside parks to Ron’s Tree Service, LLC who is the lowest responsible bidder and authorize the City Manager to execute a Public Works Agreement not to exceed the amount of $16,067.70.
Background:

In October of 2017, JNET seized, under RCW Title 69, property located in Vader, WA. The property was seized as a result of an illegal marijuana grow. RCW Title 69 requires a specific procedural process as to the drafting and filings of papers, notice to parties and trial setting. In this particular matter the parties determined to be the legal owners never responded within the requisite time required under RCW Title 69 and therefore a default was entered. As a result of the default the City was granted legal ownership of the property.

RCW Title 69 requires the City to retain the property for official City use or to dispose of said property. Having no official use for the property, JNET is best served by disposal of the property. The City has retained John L. Scott (LauraLee Zuber Titus) as the City’s Realtor. The property will be put on the market and sold to the highest and best offer.

Funds received from the sale will be allocated between the parties to JNET as outlined in an Interlocal Agreement between the Agencies. Accounting of the proceeds will be done according to RCW Title 69.

Financial Impacts:

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$</th>
<th>Annual Ongoing</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds in Current Budget</td>
<td></td>
<td>Appropriation/Amendment Required</td>
<td></td>
</tr>
</tbody>
</table>

Alternatives:

Recommendation: Approve the Resolution Declaring Real Property Seized by JNET as Surplus
RESOLUTION NO. ________

A RESOLUTION OF THE CITY OF CENTRALIA, WASHINGTON,
DECLARING MULTIPLE PARCELS OF REAL PROPERTY TO BE
SURPLUS AND DISPOSE OF SAID PROPERTY BY SEALED BID

WHEREAS, the City of Centralia is the owner of real property, being more
particularly described on the attached Exhibit “A”, and

WHEREAS, the City Council of the City of Centralia, after consultation with staff,
does not believe that the City has any present or future use or plans for said parcels of
property; and

NOW, THEREFORE, be it resolved by the City Council of the City of Centralia,
as follows:

The parcel of real property owned by the City of Centralia and described on the
attached Exhibit “A” is hereby declared surplus, and staff is authorized and directed to
dispose of said parcel of property to obtain the highest and best price for the same.

ADOPTED by the City Council of the City of Centralia, Washington and executed
by its Mayor at a regularly scheduled meeting thereof this ______ day of August, 2016.

__________________________
MAYOR

ATTEST:

_______________________
City Clerk

APPROVED AS TO FORM:

_______________________
City Attorney
EXHIBIT A

Street Address: 1904 State Route 506, Vader, WA
Parcel No.: 013173-002-002

Legal Description:
That portion of Section 26, Township 11 North, Range 3 West, W.M., Lewis County, Washington lying Northerly of Highway 506 of the following described property:

BEGINNING at the quarter corner between Sections 26 and 35; thence North 1° 20' West 861.3 feet to the centerline of the J.T. Laughlin County Road; thence South 69°26' West along said centerline 420.6 feet; thence south 79°10' West along said centerline 341.8 feet to the True Point of Beginning; thence North 356.1 feet, more or less, to the center of Stillwater Creek; thence along the centerline of said creek, South 56°13' West 14.1 feet and South 84°51' West 178.8 feet and West 71.4 feet and North 1°09' West 477.7 feet and North I°55' West 143.7 feet and North 51°58' West 94.5 feet and North 81°57' West 111.4 feet and South 43°06' West 119.3 feet and South 19°24' West 485 feet and South 4°15' West 218.8 feet and South 20°34' West 266.7 feet and South 41°59' West 304.4 feet; thence leaving said creek, South 49°09' East 381.7 feet, more or less to the centerline of said J.T. Laughlin County road; thence South 40°51' West along the centerline of said road, 552.1 feet; thence South 81°23' East 161.4 feet; thence South 40°30' East 398.2 feet; South 26°43' East 440 feet; thence North 0°22' East 557.5 feet; thence South 0°51' East 440.7 feet to the North line of said Section 35; thence North 635.6 feet, more or less, to the centerline of said County Road; thence South 79°10' West along said centerline of said County Road, 119 feet to the Point of Beginning.

EXCEPT that portion described as follows:
BEGINNING at a point in the center of Highway 506, North 51°39'26" West 994.47 feet from the South quarter corner of said Section 26; Thence North 00°40'17" West 356.00 feet to the center of Stillwater Creek; thence along said creek center the following courses and distances, South75°15'West 128.79 feet; thence South 89°55' West 85.91 feet; thence North 47°19' West 89.5 feet; thence North 00°10' East 71.60 feet; thence North 04°19' East 65.20 feet; thence North 13°46' East 204.53 feet; thence North 33°08' East 100.88 feet; thence North 17°30' East 39.0 feet; thence North 21°20' West 55.0 feet; thence North 64°00' West 49.00 feet; thence North 78°00' West 60.25 feet; thence North 54°07' West 239.38 feet; thence leaving said creek South 02°85' West 1,306.52 feet to the center of said road 506; thence North 52°08' East 358.90 feet; thence around a curve right having a radius of 100.00 feet, an arc distance of 198.53 feet; thence North 78°23' East 21.06 feet to the Point of Beginning.

EXCEPT ALSO the 40 foot strip lying between Tracts 17 and 18 of DELSHEA ACRES in said Section 26.  EXCEPT ALSO Highway No. 506.
Background:

The City Council on May 22, 2018 authorized expending $1,000,000 as part of the restoration of the Fox Theatre. The Fox Theatre building is owned by the city and is leased to the Historic Fox Theatre Restorations Group. The city entered into an agreement with the Fox Theatre Restorations and has issued $300,000 in payment of the $1,000,000. The city council approved on August 14, 2018 a resolution authorizing the finance director to designate certain expenditures for potential reimbursement and to determine the city fund which had the capacity to issue a loan without detriment.

The Light Fund has monies which are not currently scheduled to be used and may be loaned to the Stadium Fund without detriment to the Light Fund.

The terms of the proposed interfund loan will allow for payment and allow time for processing with interest to be paid at the average annual rate being earned through the Local Government Investment Pool (LGIP). The current LGIP net rate of return is 2.02%. Repayment in full is planned upon receipt of the reimbursement from the debt issuance.

This loan is considered short term for purposes of financial reporting.

Financial Impacts: The interfund loan of $700,000 will be repaid with interest to the Light Fund.

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$ 700,000</th>
<th>Annual Ongoing</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>X Funds in Current Budget</td>
<td></td>
<td>Appropriation/Amendment Required</td>
<td></td>
</tr>
</tbody>
</table>

Recommendation: Staff recommends approving the interfund loan resolution and approving the repayment terms.
RESOLUTION NO.____

A RESOLUTION OF THE CITY OF CENTRALIA, WASHINGTON
PROVIDING FOR AN INTERFUND LOAN IN AN AMOUNT NOT TO EXCEED $700,000 FROM THE LIGHT FUND TO THE STADIUM FUND
AND PROVIDING FOR REPAYMENT OF SAID LOAN

WHEREAS, the City Council has approved a debt issuance for capital improvements to the Historic Fox Theatre with repayment via a portion of lodging tax proceeds; and

WHEREAS, The City has adopted a resolution authorizing the finance director to determine and execute a certificate of official intent costs of a particular capital project for reimbursement of prior expenditures; and

WHEREAS, the City of Centralia the finance director determined that the Light Fund had reserves that are available to loan for said capital project; and

WHEREAS, the revenues from a future debt issuance will be available as reimbursement of costs upon completion of said debt issuance; and

WHEREAS, the Light Fund has reserve funds not currently scheduled to be used for capital investment in the near future and are available to loan to the Stadium Fund without a detrimental effect on the Light Fund;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Centralia, that a loan not to exceed $700,000 is hereby authorized from the Light Fund (Fund 401) to the Stadium Fund (Fund 109), which loan shall accrue interest at the average annual rate being received by the City from the State Local Government Investment Pool during the period the loan is outstanding, not to exceed 2.25%. The principle amount of the loan shall be repaid upon receipt of the aforementioned debt issuance. The term of the loan will not exceed 12 months and the loan may be paid in full without pre-payment penalty.

ADOPTED by the City Council of the City of Centralia, Washington and executed by its Mayor at a regularly scheduled meeting thereof this _______ day of September, 2018.

____________________________
MAYOR

ATTEST:

__________________________
City Clerk

APPROVED AS TO FORM:

__________________________
City Attorney
Background:

The attached ordinance is a result of EHB 2005 which established RCW 35.90 pertaining to business licensing. Cities were tasked with developing an ordinance that included a uniform definition of engaging in business and setting a minimum threshold for registration requirements for businesses that do not have a location in the city limits. It is the recommendation of staff to use the definition of “engaging in business” as established in the model business license threshold that was prepared by a work group of various entities and the Association of Washington Cities. In addition, staff recommends establishing an exemption from licensing for those who do not maintain a place of business within the city limits of Centralia and have an income equal to or less than $2,000 from work performed in our city limits.

Initially the deadline to adopt the model business license threshold language was January 1, 2019. However, because we have already partnered with the State, we have an October 17, 2018 deadline. The State requires a 75 day notice for any changes to our business license regulations and in order to make this deadline we need to approve this ordinance on first and final reading.

Financial Impacts:

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$ n/a</th>
<th>Annual Ongoing</th>
<th>$ n/a</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds in Current Budget</td>
<td></td>
<td>Appropriation/Amendment Required</td>
<td></td>
</tr>
</tbody>
</table>

Recommendation:

Approve on first and final reading an ordinance amending Centralia Municipal Code Chapter 5.01 General Provisions of Business Licensing.
ORDINANCE _______

AN ORDINANCE OF THE CITY OF CENTRALIA, WASHINGTON, AMENDING CHAPTER 5.01 GENERAL PROVISIONS UNDER TITLE 5 BUSINESS LICENSES AND REGULATIONS; ADDING SECTION 5.01.015 ENTITLED DEFINITIONS OF “ENGAGING IN BUSINESS”; AMENDING 5.01.060 ENTITLED EXEMPTIONS TO LICENSE REQUIREMENTS AND REPEALING THOSE SECTIONS IN CONFLICT HEREWITH

WHEREAS, EHB 2005, which was adopted in 2017 and codified in Chapter 35.90 RCW imposes requirements to every city’s business licenses, and

WHEREAS, a model business license ordinance has been released and two required components must be incorporated into the City of Centralia’s existing business license ordinance, and

WHEREAS, these required components must be adopted by all cities and towns who have a “general business license” requirement, now therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CENTRALIA AS FOLLOWS:

Section 1

Centralia Municipal Code Chapter 5.01 be amended as follows:

Chapter 5.01
GENERAL PROVISIONS
Sections:
5.01.010 Authority.
5.01.015 Definition of “engaging in business”
5.01.020 License required.
5.01.030 License application, review and denial process.
5.01.040 License types and fees required.
5.01.050 Location change.
5.01.060 Exemptions to license requirement.
5.01.100 License—Revocation.
5.01.110 Violation is misdemeanor.
5.01.120 Civil remedy.
5.01.015 Definition of “engaging in business”

A. The term “engaging in business” means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

B. This section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain types of those activities so that a person who meets the criteria may engage in de minimus business activities in the City without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of “engaging in business” in subsection (1). If any activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.

C. Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license.

1. Owning, renting, leasing, using or maintaining an office, place of business or other establishment in the City.

2. Soliciting sales.

3. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.

4. Providing technical assistance or service including quality control, product inspections, warranty work or similar service on or in connection with tangible personal property sold by the person or on its behalf.

5. Installing, constructing or supervising installation or construction of real or tangible personal property.

6. Soliciting, negotiating or approving franchise, license or other similar agreements.

7. Collecting current or delinquent accounts.

8. Picking up and transporting tangible personal property, solid waste, construction debris or excavated materials.

9. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape...
architectural services, security system services, surveying and real estate services including the listing of homes and managing real property.

10. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

11. Meeting with customers or potential customers, even when no sales or orders are solicited at the meeting.

12. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on the job in the City, acting on its behalf or for customers or potential customers.

13. Investigating, resolving or otherwise assisting in resolving customer complaints.

14. In-store or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

15. Delivering goods in vehicles owned, rented, leased, used or maintained by the person or another acting on its behalf.

D. If a person or its employee, agent, representative, independent contractor, broker or another acting on the person’s behalf engages in no other activities in or with the City but the following, it need not register and obtain a business license.

1. Meeting with suppliers of goods and services as a customer.

2. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

3. Attending meetings, such as board meetings, retreats, seminars and conferences or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of direct member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

4. Renting tangible or intangible property as a customer when the property is not used in the City.

5. Attending but not participating in a “trade show” or “multiple vendor events”. Persons participating at a trade show shall review the City’s trade show or multiple vendor event ordinances.
6. Conducting advertising through the mail.

7. Soliciting sales by phone from a location outside the City.

E. A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (4).

The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the license fee under the law and constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

5.01.060 Exemptions to license requirement.
A. The following shall be exempt from registering and paying the licensing fees set forth in this chapter:
   1. All federal, state, county, city or other public governmental activities, whether same are conducted in a governmental or proprietary capacity;
   2. All bona fide religious organizations;
   3. All garage sales so long as no more than two sales are conducted each year for a total of not more than eight days in such year;
   4. All business conducted by individuals under eighteen years of age;
   5. Persons, sales or services arising out of the farmer’s market located within the city limits of Centralia or any other community event determined by the city manager to be exempt from the requirements of this chapter.
   6. Any person or business whose annual value of products, gross proceeds of sales or gross income of the business in the city is equal to or less than $2,000 and who does not maintain a place of business within the city. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

B. The city manager or their designee shall have the authority to grant exceptions on a case-by-case basis to the requirements for obtaining a city of Centralia business license.

Section 2
That the provisions of this ordinance are declared to be severable and in the event a court of competent jurisdiction declares any portion of this ordinance invalid, the remaining provisions shall be unaffected thereby.

Section 3
That any previously enacted ordinance, or part thereof in conflict herewith be and the same hereby is repealed to the extent of such conflict.
Section 4

This ordinance shall become effective five days after its passage and publication as required by law.

PASSED by the City Council of the City of Centralia, Washington for first reading and final reading on the 25th day of September, 2018.

_____________________________
M A Y O R

ATTEST:

__________________________
City Clerk

APPROVED AS TO FORM:

__________________________
City Attorney
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

<table>
<thead>
<tr>
<th>To:</th>
<th>Council Meeting Date:</th>
<th>September 11, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>From:</td>
<td>Emil Pierson, Community Development Director</td>
<td>Department: Community Development</td>
</tr>
<tr>
<td>Subject:</td>
<td>Approval of Petition to Annex into the City of Centralia by property owners in the Far View Lane area.</td>
<td></td>
</tr>
</tbody>
</table>

BACKGROUND

On February 22, 2017, Mr. Norman Chapman, on behalf of three other property owners submitted a Notice of Intent to Petition for Annexation into the City of Centralia. The proposed annexation contained four parcel equaling 5.61 acres in size.

On July 27, 2017, the petition was resubmitted with verification that no other parcels in the vicinity wanted to participate. The new petition also contained the signature of a new property owner as a parcel had recently sold.

On September 12, 2017, the City Council accepted the petition.

The petition was forwarded to the Lewis County Assessor’s office for certification of the signatures on September 13, 2017. Verification of those certified signatures was received from Lewis County Assessor’s office via email on December 5, 2017. A Certificate of Sufficiency was received on May 24, 2018.

The Planning Commission gave a negative recommendation on the Petition on November 9, 2017.

The Site Plan Review Committee gave a negative recommendation on the Petition on February 5, 2018.

City Council held a public hearing on February 13, 2018, and recommended moving forward with Annexation with the modification to include additional parcels to prevent the creation of a peninsula of Urban Growth Area. The additional parcels brought the total area to be annexed to nine parcels equaling 19.44 acres.

The Lewis County Boundary Review Board reviewed and approved the Petition for Annexation on August 29, 2018.

Annexation Process

Step 1: Is for Council to meet with the applicant and determine:

- Whether the city will accept, reject or geographically modify the proposed annexation;
- Whether it will require the simultaneous adoption of a proposed zoning regulation; and
• Whether it will require the assumption of all or any portion of existing city indebtedness by the area to be annexed.

Step 2: If the application is accepted, is to circulate the petition to the required parties and submit the petition to the Lewis County Assessor for certification of the signatures.

Step 3: Is to schedule a public hearing.

Step 4: Is to conduct the public hearing and make a preliminary finding.

Step 5: Is to submit a resolution to the Boundary Review Board (BRB) of the City Council finding(s).

Step 6: Upon BRB approval, The City Council adopts an ordinance approving the annexation.

Financial Impacts: A census must be completed within 30 days of the annexation. Utility taxes for cable, natural gas and telephones will be levied on the newly annexed area at 6%.

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$</th>
<th>Annual Ongoing</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds in Current Budget</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Alternatives:

1. Approve the Ordinance for the Far View Lane Annexation.
2. Approve the Ordinance for the Far View Lane Annexation with the following modifications:
3. Reject the Ordinance for the Far View Lane Annexation.
4. Postpone the Ordinance of the Far View Lane Annexation for the following reasons:

RECOMMENDATION:

Approve the Ordinance for the Far View Lane Annexation.
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF CENTRALIA, WASHINGTON, ACCEPTING AND APPROVING THE FAR VIEW LANE AREA ANNEXATION

WHEREAS, a Notice of Intent to Annex was initiated by residents of the Far View Lane area on July 27, 2017, pursuant to RCW 35A.14.120 (petition method); and

WHEREAS, the City Council accepted the petition for annexation at a public meeting on September 12, 2017, determined that the City would accept the proposed annexation boundary; determined whether the petition will require the simultaneous adoption of a zoning classification; determined the City will require the assumption of all portions of the existing City indebtedness by the area to be annexed and called for a public hearing after staff analysis is complete; and

WHEREAS, following the public meeting and acceptance of the Notice of Intent to Annex, the Petitioner’s fashioned and circulated for signature a Petition for Annexation which included:

1. The legal description of the property to be annexed.
2. A map that outlines the boundaries of the property sought to be annexed.
3. A statement that the City has required the assumption of all of any portion of existing City indebtedness and/or the adoption of a zoning classification for the area to be annexed.

WHEREAS, the Petition for Annexation was transmitted to the County Assessor on September 13, 2017, for signature verification and determination of sufficiency; and

WHEREAS, the Planning Commission reviewed the proposal on November 9, 2017, and recommended not proceeding with the Annexation to the City Council; and

CC 2018\Far View Annexation Final Ordinance 1
WHEREAS, the City thereafter set a public hearing for February 13, 2018, before the Centralia City Council. Notification of Public Hearing was published in the Chronicle on January 27, 2018. All petitioners and residents within 300 feet of the proposed annexation area, were sent notification in the mail on January 26, 2018; and

WHEREAS, the City Council on February 13, 2018, reviewed the recommendation from the Planning Commission, held a public hearing; and considered testimony for or against the proposed annexation area; and

WHEREAS, the County Assessor has determined the Petition for Annexation to be sufficient; and

WHEREAS, the Lewis County Boundary Review Board reviewed and approved the Petition for Annexation on August 29, 2018;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CENTRALIA, WASHINGTON, HEREBY APPROVES THE PETITION FOR ANNEXATION AS DESCRIBED IN THE LEGAL DESCRIPTION DATED AUGUST 14, 2018, EXHIBIT A.

ADOPTED by the City Council of the City of Centralia, Washington and executed by its Mayor at a regularly scheduled meeting thereof this ___ day of __________, 2018.

_______________________________
MAYOR

ATTEST:

_______________________________
City Clerk

APPROVED AS TO FORM:

_______________________________
City Attorney
Exhibit A

Annexation Description

Lots 1, 2, 3 and 4 of Short Plat No. 97-083, recorded on December 21, 2005 in Volume 2 of Short Plats, Page 203, under Auditor’s File No. 3240381 and that portion of the Northeast One-Quarter, all lying within Section 4, Township 14 North, Range 2 West, W.M., Lewis County, Washington, more particularly described as follows:

Beginning at the Southwest Corner of Lot 6, Plat of Winterwood Estates as filed under Auditor’s File No. 3030718, records of Lewis County, Washington; thence N00°00’00”E along the west line of said Lot 6 a distance of 264.41 feet to the Southeast Corner of Lot 4 of said Short Plat No. 97-083; thence continuing N00°00’00”E along the east lines of said Lots 1-4 a distance of 617.59 feet to the Northeast Corner of said Lot 1; thence N90°00’00”W along the north line of said Lot 1 a distance of 40.00 feet; thence S72°38’56”W along said north line a distance 456.02 feet to the Northwest Corner of said Lot 1; thence S12°05’05”W along the west line of said Lot 1 a distance of 51.68 feet to the beginning of a curve to the left, which radius point bears S77°54’57”E a distance of 285.00 feet; thence Southwesterly along said west line and curve through a central angle of 08°08’00” an arc distance of 40.46 feet to the Southwest Corner of said Lot 1 and the easterly margin at the end of Daniels Road; thence N86°02’57”W radial bearing along the end of said Road a distance of 30.00 feet to the westerly margin of said Road and the Northwest Corner of Lot 2 of said Short Plat; thence Southwesterly along said margin and curve through a central angle of 03°07’10” an arc distance of 17.15 feet; thence S00°49’52”W along said margin, being the west line of said Lot 2 a distance of 89.35 feet to the Southwest Corner of said Lot 2 and the beginning of a curve to the right, which radius point bears N89°10’08”W a distance of 105.00 feet; thence Southwesterly along said west line, margin and curve through a central angle of 43°58’46” an arc distance of 80.60 feet; thence S44°48’36”W along said west line and margin a distance of 18.34 feet to the beginning of a curve to the left, which radius point bears S45°11’22”E a distance of 315.00 feet; thence Southwesterly along said margin and the west line of said Lots 3 and 4 through a central angle of 09°35’56” an arc distance of 52.77 feet to the most westerly Southwest Corner of said Lot 4; thence S89°49’35”W a distance of 81.12 feet to the Northwest Corner of Parcel “A” as described in deed filed under Auditor’s File No. 3438955, records of Lewis County, Washington; thence S00°02’28”E along the west line of said parcel a distance of 511.16 feet to the Southwest Corner thereof and a point on the north line of A.O. Kulien’s Addition; thence N89°49’14”E along the north line of said Addition a distance of 423.91
feet to the Northeast Corner of the Martin Kulien Addition; thence S00°15'22"E along the east line of said Addition a distance of 462.28 feet to the Southwest Corner of Lot "D" as shown on City of Centralia Boundary Line Adjustment Survey filed in Volume 3, of BLAM, Page 194, under Auditor's File No. 3463621, records of Lewis County, Washington; thence N89°49'32"E along the south line of said parcel a distance of 595.77 feet to the Southeast Corner of said parcel; thence N00°00'01"W along the east line of said parcel a distance of 545.37 feet to the Southeast Corner of said Lot 6; thence S90°00'00"W along along the south line of said Lot 6 a distance of 340.00 feet to the Point of Beginning.