



CITY COUNCIL WORKSHOP AGENDA
Monday, October 7, 2013, 4:30 p.m.
Camas City Hall, 616 NE 4th Avenue

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENTS

IV. PUBLIC WORKS DEPARTMENT

A. Utility Rate Discussion

1. Details: Provide follow up information on utility rate comparisons, Utility Manager Position and garbage service.

Department/Presenter: Eric Levison, Public Works Director

Recommended Action: Set public hearing for November 4, 2013

B. Item Title: Miscellaneous and Updates

1. Details: Updates on miscellaneous or emergent items.

Department/Presenter: Eric Levison, Public Works Director

V. COMMUNITY DEVELOPMENT DEPARTMENT

A. Item Title: Project P-881 Community Center Community Development Block Grant (CDBG) Grant Agreement Modification No. 1

1. Details: Clark County CDBG Staff have proposed the attached modification to the City's existing Grant Agreement. The modification excludes a requirement for execution of a Deed of Trust. The modification also proposes to change the contract end date to October 1, 2020.

Department/Presenter: James Carothers, Engineering Manager

Recommended Action: Staff will place this modification to the existing CDBG Grant Agreement on the October 21, 2013, Consent Agenda for Council's consideration.

B. Item Title: Project P-881 Community Center CDBG Parking Improvements

1. Details: Camas received a CDBG Grant in the amount of \$30,000 to be used to purchase property near the existing Community Center on SE Polk Street. The property is owned by the Friends of the Camas Community Center. Consistent with CDBG Program requirements, Camas has been asked to execute the attached Promissory Note as a condition for receipt of the grant funding. The Promissory Note includes specific conditions that must be met after the acquisition of the subject property. Simply stated, Camas is required to use the purchased property for CDBG eligible activities through September 2020..

Department/Presenter: James Carothers, Engineering Manager

Recommended Action: Staff has placed this item on the October 7, 2013, Consent Agenda for Council's consideration.

C. Item Title: Project P-862 Lacamas Lake Lodge Change Order No. 2

1. Details: Change Order No. 2 with JWC LLC for P-862 in the amount of \$15,372.27 (including tax)

Department/Presenter: James Carothers, Engineering Manager

Recommended Action: Staff will place this item on the October 21, 2013, Consent Agenda for Council's consideration.

D. Item Title: Project P-862 Lacamas Lake Lodge Supplemental Agreement No. 2 for J.D. Walsh & Associates.

1. Details: Supplemental Agreement No. 2 with J.D. Walsh & Associates for Project P-862 Lacamas Lake Lodge in the amount of \$11,276.00. Supplemental Agreement No. 2 includes normal construction support administrative services and as built drawings for project site work.

Department/Presenter: James Carothers, Engineering Manager

Recommended Action: Staff will place this item on the October 21, 2013, Consent Agenda for Council's consideration.

E. Item Title: Project S-545C NW 38th/SE 20th Improvements Entry Structure

1. Details: The Phase 1 improvements to NW 38th/SE 20th Street are nearing completion. As part of the overall improvements to this new Camas "Gateway", the Mayor has proposed installation of an entry structure (a welcome sign) to be installed on the east side of the Fisher Swale along NW 38th Avenue. Attached is a proposal from Otak, Inc., to design a masonry and rockery entrance structure to be constructed along the improved NW 38th Avenue near the city limit boundary. This will be funded by the existing street project budget, and is the first of several entry signs proposed along "Gateway" transportation corridors to Camas. Other possible future locations include Lake Road, Pacific Rim Blvd., NW 6th Avenue, and NE 3rd Avenue on the east side. The cost of this work will not exceed \$11,640.00.

Department/Presenter: James Carothers, Engineering Manager

Recommended Action: Staff will include this item on the Consent Agenda for the October 21, 2013, Council Meeting for consideration.

F. Item Title: Commute Trip Reduction (CTR) Interlocal Agreement

Details: The City of Vancouver, through an Interlocal Agreement, has been responsible for administering the Clark County Commute Trip Reduction (CTR) Program, including the use and accounting for of funds the Washington State Department of Transportation (WSDOT) makes available for use in implementing the CTR law. The City of Vancouver also acts for the jurisdictions within the County in

applying for additional grant funds to support the implementation of the CTR law. Attached, you will find an Interlocal Agreement for the Commute Trip Reduction Program and the CTR Work Plan for the 2013-2015 Biennium. The agreement requires the signature of the Mayor/City Manager, and “approval as to form only” by the City Attorney.

Department/Presenter: Phil Bourquin, Community Development Director

Recommended Action: Staff will place this item on the October 21, 2013, Consent Agenda for Council’s consideration.

G. Item Title: WS-709D 544’ Zone Water Improvements – Water Transmission Main

1. Details: Camas received \$8,000,000 from the Washington State Department of Health to construct a slow sand filter system and to replace several miles of old raw water line. Project WS-709D is the first of these projects that is ready to be bid. This project began advertising for bids on Tuesday, October 1st. The bid opening date is currently scheduled for October 15th.

Department/Presenter: James Carothers, Engineering Manager

Recommended Action: This item is scheduled to be on the October 21st Consent Agenda.

H. Item Title: Miscellaneous and Updates

Details: Updates on miscellaneous or emergent items.

Department/Presenter: Phil Bourquin, Community Development Director

VI. POLICE DEPARTMENT

A. Surplus A.M. Radio Transmitter – Emergency Advisory Radio System.

1. Details: In 2007, the City of Camas, with cooperation from the City of Washougal, purchased and installed an A.M. emergency advisory radio system. Operated on A.M. 1670, this low-wattage radio system was intended to be used for localized emergency broadcasts. An ancillary use was to provide public information and safety messages.

In the years since, with the advent of social media, the internet, and quicker means of communication, the need for this system has dwindled. The Federal Communications Commission (FCC) requires that the radio system operate on such low wattage that the frequency makes the reception quality very poor over most parts of the community. This poor reception is another reason why few citizens actually ever hear the broadcasts.

As the system ages, it is in need of repairs and equipment replacement. The system also demands staff time and monthly expenses related to broadcasting. The Police Department feels the useful life of the A.M. radio system has ended and the system should be shut down and all of the equipment declared surplus. Through staff, the

City of Washougal has been consulted and has agreed that the closure of the system is appropriate.

Department/Presenter: Mitch Lackey, Chief of Police

Recommended Action: City Council approves that staff can take the necessary steps to close down the Alert A.M. (emergency advisory radio) System.

VII. FINANCE DEPARTMENT

A. 2014 Mayor's Recommended Budget

1. Details: This presentation is designed to provide a high level overview of the 2014 Mayor's Recommended Budget. The presentation will provide the highlights as well as briefly discuss the major strategic investment options for the City. In addition, the 2014 Recommended Budget with detailed decision packages will be provided to Council with an electronic edition to be provided to the public on the City's website following the meeting. A PowerPoint Presentation will be available at the meeting.

Department/Presenter: Cathy Huber-Nickerson, Finance Director

Recommended Action: Discussion for staff direction.

VIII. HUMAN RESOURCES

A. Association of Washington Cities (AWC) Employee Benefit Trust Resolution and Interlocal

1. Details: The AWC Benefit Trust is going self-insured effective January 1, 2014. Adoption of an interlocal by all entities to participate in the Trust is required by the State. The City of Camas purchases our Regence, dental, vision, Employee Assistance Program (EAP) and supplemental life benefits through this group. The draft interlocal and resolution were generated by the legal counsel to the Trust.

Department/Presenter: Jennifer Gorsuch, Acting City Administrator

Recommended Action: The resolution and interlocal will be placed on the October 21, 2013, Agendas.

IX. CITY ADMINISTRATION

A. Item Title: Miscellaneous and Scheduling

1. Details: Updates on miscellaneous or scheduling items

Department/Presenter: Jennifer Gorsuch, Acting City Administrator

X. COUNCIL COMMENTS AND REPORTS

XI. PUBLIC COMMENTS

XII. ADJOURNMENT

NOTE: The City of Camas welcomes and encourages the participation of all of its citizens in the public meeting process. A special effort will be made to ensure that a person with special needs has the opportunity to participate. For more information, please call 360.834.6864.

Rate Comparisons

Combined Rate Comparisons



Note: 2014 water, sewer, and storm rates for Washougal and Vancouver

Rate Comparisons

Water Rate Comparisons



Note: Bi-monthly bill for 5/8" meter with 20 ccf; 2014 rates for Washougal and Vancouver

Sewer Rate Comparisons



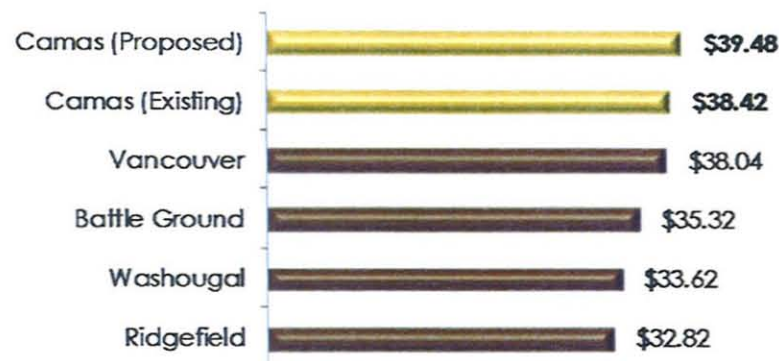
Note: Bi-monthly bill for 15 ccf; 2014 rates for Washougal and Vancouver

Storm Rate Comparisons



Note: Bi-monthly bill; 2014 rates for Washougal and Vancouver

Sanitation Rate Comparisons



Note: Bi-monthly bill for 35 gallon weekly garbage (or similar) and recycling



DEPARTMENT OF COMMUNITY SERVICES

MEMORANDUM

TO: Prosecuting Attorney's Office
FROM: Carleen Pagni, Senior Management Analyst
DATE: September 6, 2013
SUBJECT: Review and Signature

CP

Enclosed for review and signature are two originals of the following:

- Contract Modification with City of Camas, #2012-CDBG-1211.1, to extend the end date from October 31, 2013 to October 1, 2020, and remove the requirement that the City sign a Deed of Trust for the Community Center Parking Improvements project.

If you have any questions, please contact me at ext. 7816. Thank you.

Modification of CDBG Agreement
between

CLARK COUNTY, WASHINGTON
and

CITY OF CAMAS
P O Box 1055
Camas, WA 98607

For

Community Center Parking Improvements

THE CDBG AGREEMENT entered into between Clark County, by and through its Department of Community Services, hereinafter referred to as the County, and the City of Camas, hereinafter referred to as the Contractor, is hereby modified as follows:

WHEREAS, the parties entered into a CDBG Agreement for the period of April 12, 2013 through October 31, 2013 for the Community Center Parking Improvements; and

WHEREAS, the County has budgeted CDBG funds for the project through Fund 1939 (CFDA 14.218);

NOW, THEREFORE, in consideration of payments, covenants, and agreements, hereinafter mentioned, to be made and performed by the parties hereto, the parties covenant and agree as follows:

I. MODIFICATIONS

- A. The Contract end date is extended from October 31, 2013 to October 1, 2020.
- B. The Contract section on page 17 entitled "Promissory Note and Deed of Trust" is amended to read as follows:

PROMISSORY NOTE AND DEED OF TRUST

The Contractor shall enter into a Promissory Note ~~and Deed of Trust~~ with the County that runs with the land for the repayment of the no-interest loan. The facility must meet one of the national objectives found at 24 CFR 570.208 for **at least** seven years.

- If the land does not meet one of the national objectives for five years, the total amount of the loan must be immediately repaid to the County.
- If the land meets the national objective for five or more years but less than six years, half the loan will be repaid without proration for the length of time.
- If the land meets the national objective for more than six years but less than seven years, \$7,500 will be repaid without proration for the length of time.

- After seven years of meeting the national objective, the loan will be forgiven with no repayment **required**.

The Promissory Note will impose conditions, including the maintaining of property insurance to full insurable value of the structure, which the County determines are necessary to protect the CDBG funds. ~~The Contractor shall keep the property free and clear of all other charges, liens, or encumbrances impairing the security of the Deed.~~

- C. These modifications do not alter nor nullify any of the remaining provisions of the original Contract.

II. REASONS FOR MODIFICATIONS:

- A. The Contract period must extend the length of the HUD affordability period, which ends October 1, 2020.
- B. The City will not be required to sign a deed of trust. The promissory note will sufficiently protect the County's \$30,000 investment in the parking lot improvements.

III. ENTIRE AGREEMENT:

This modification incorporates the original Contract by reference. The parties agree that the original Contract and this modification are the complete expression of the terms hereto and any oral representations or understanding not incorporated herein are excluded. Further, any modifications of this Contract shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. Both parties recognize that time is of the essence in the performance of the provisions of this Contract.

IN WITNESS WHEREOF, the parties hereto have caused this Contract modification to be executed by the dates and signatures hereunder affixed.

FOR CLARK COUNTY:

FOR THE CITY OF CAMAS:

County Administrator


Signature

Date

Title

APPROVAL AS TO FORM ONLY:

Date



Deputy Prosecuting Attorney

STATEMENT OF WORK
CITY OF CAMAS
COMMUNITY CENTER PARKING IMPROVEMENTS

PROJECT DESCRIPTION

This project consists of acquisition of a vacant parcel west of the Camas Community Center (the Center) to create approximately 18 new parking spaces for citizens using the Center. The property is located at 717 SE Polk Street in Camas, WA 98607, across the street from the Center. The approximate area is 9,887 sf. Accessible parking is located adjacent at the Center. The property is graveled and ready for use as a parking lot.

In consideration of the benefits to be derived from this Contract, the County agrees to provide CDBG funds to the Contractor for the project described herein and in the Contractor's proposal and according to the project budget and terms in this Contract. The Contractor shall follow the procedures contained in the current edition of the Clark County CDBG Procedures Manual. In the event the Contractor fails to follow these procedures, the County may treat such as a breach of this Contract which shall be handled according to the Corrective Action section in the Basic Interagency Agreement.

PERIOD OF PERFORMANCE, CONTRACT PERIOD AND EXPENDITURE SCHEDULE

- A. The Contract period begins on the date signed by the County through **October 1, 2020**.
- B. The Period of Performance begins on the date signed by the County and ends on **September 30, 2013**. All services must be provided, all CDBG funds shall be expended, and all billable costs incurred within the Period of Performance. Billings shall be submitted in accordance with the schedule in the Payment Procedures section of the Special Terms and Conditions. The Contractor shall have until the final day of the Contract period to submit reports and complete non-billable end of contract activities.

PROJECT BUDGET

The County will provide the Contractor with funds in an amount not to exceed the amount shown on the Agreement face sheet and on the Budget Summary for purposes of completing the project described above. The use of these funds shall be expressly limited to the activities described in this Agreement.

PAYMENT PROVISIONS

- 1. The County will pay the Contractor on a cost reimbursement basis. The Contractor shall submit an invoice, including a quarterly summary of program progress and accomplishments, and other required documentation. The invoice shall include the following:
 - a. A summary of expenses incurred in support of all cost reimbursement statements of work, by statement of work number, and accompanied by general ledger detail. However, the Statement of Work contains details of the specific billable items for this Contract and some of the requirements below may not apply.
 - i. For direct costs, detail will include:

- Salaries and benefits: name or employee ID number, salary/benefits paid, and dates;
 - Other direct costs: vendor names, dates of service and amount.
- ii. For allocated costs, the Contractor shall provide a copy of an allocation method or plan to the County for review and approval by the Department of Community Services Finance Staff prior to the first invoice being reimbursed. Approval will be in writing and copied to both the Contractor and the contract file. The Contractor will submit one of the following documents to meet this requirement:
 - Cost Allocation Plan that defines how direct, shared, and administrative costs are allocated; or
 - A Cost Allocation methodology that defines how direct, shared, and administrative costs are allocated.
 - iii. For administrative costs, the Contractor shall comply with federal, state, and local regulations. The basis for administrative changes shall be OMB Circulars A-122 (Cost Principles for Non-Profits) and A-87 (Cost Principles for Local Governments). No administration costs are covered under this Contract.
- b. For services that are also funded by a third party, the Contractor shall provide a detailed cost itemization by cost center and funding source. Detail shall identify which service or work was funded by the County and by other parties.
2. Match Requirements. Prior to the County's final payment, the Contractor shall document total match expended. At the conclusion of the project, match shall be equal to or greater than the amount shown on the Budget Summary. The required match may be cash or in kind.
 3. Time of Payment. The County will make payment to the Contractor as soon as practicable but not more than 15 days after an invoice is received and approved by the Department of Community Services unless other acceptable payment arrangements are agreed to by the County and Contractor.
 4. The Contractor shall designate one or more representatives who will be legally authorized to sign the Voucher Request Form provided and any other forms that may be required. The names of the liaison and representatives will be specified on the Authorization Signature Form.
 5. Payment Provisions for Construction Projects where Federal Labor Standards Apply. For construction projects subject to Federal Labor Standards Provisions (Davis-Bacon), the County shall reserve the final 10% of grant funds budgeted on the construction line item (as specified in the Budget Summary) pending the County's receipt of a complete and correct set of certified payrolls from project contractor(s).
 - ~~6. Contract Closeout: The Contractor shall complete the Contract closeout within thirty days of the end of the Contract period.~~

Clark County Department of Community Services
CDBG and HOME Programs
1601 E. Fourth Plain Blvd.
PO Box 5000
Vancouver, WA 98666-5000

Attention: Samantha Whitley, (360) 397-2130

CLARK COUNTY WASHINGTON PROMISSORY NOTE

Date: _____, 2013, Vancouver, Washington

Grantor/Borrower: City of Camas
Beneficiary: Clark County by and through its Department of Community Services
CDBG Program, Vancouver WA
Grantee (Trustee): Stewart Title
Legal Description: OAK PARK ADDN WASHOUGAL #4 LOT 2 BLK 3
Address: 717 SE Polk Street Camas, WA 98607
Assessor's Tax ID #: 87903000
Contract No: 2012 CDBG 1211

FOR VALUE RECEIVED, the undersigned (individually and collectively), City of Camas (hereinafter "Borrower") promises to pay to the order of Clark County, by and through its Department of Community Services CDBG Program, Vancouver, Washington the sum of Thirty Thousand Dollars and no cents (\$30,000.00). The CDBG funds shall be a loan at zero percent (0%) interest with no payments due as long as the property is used for an activity that meets a CDBG national objective (24 CFR Part 570.208), is not conveyed and meets the terms of the CDBG Agreement. The Note shall be forgiven on October 1, 2020 if Borrower has performed the obligations, covenants and conditions set forth herein.

If the property is not used for an activity meeting a CDBG national objective (24 CFR Part 570.208), or ownership of the property is transferred on or before September 30, 2018, the County will require immediate full repayment of the loan without proration, with 30 consecutive calendar days' notice or demand. If the property is not used for an activity meeting a CDBG national objective (24 CFR Part 570.208), or ownership of the property is transferred between October 1, 2018 and September 30, 2019, the County will require immediate repayment of \$15,000 (50% of the loan amount) without proration, with 30 consecutive calendar days' notice or demand. If the property is not used for an activity meeting a CDBG national objective (24 CFR Part 570.208), or ownership of the property is transferred between October 1, 2019 and September 30, 2020, the County will require immediate repayment of \$7,500 (25% of the loan amount) without proration, with 30 consecutive calendar days' notice or demand.

The loan documented by this Note is for the purpose of assisting Borrower in the acquisition of Camas Community Center parking lot annex. The parcel will provide approximately 18 new parking spaces for citizens using the Community Center. The property is located at 717 SE Polk Street in Camas, Washington, and with the legal description set forth above hereto (the "Property"). This loan is also documented by a CDBG Agreement between Beneficiary and Borrower (the "Agreement").

Except as otherwise provided herein, this Note may at the option of the Beneficiary become due and payable upon any actual transfer of ownership of the Property, which shall include, but not be limited to, voluntary or involuntary transfers, including by operation of law, or upon the cessation of operations or violation of the security interest in the Property.

"Actual transfer of ownership" as used in the preceding paragraph shall not include any of the following:

1. A transfer of a limited partnership interest in the Borrower or its assigns;
2. The transfer of a security interest in the Property for purposes of financing or refinancing done with the prior knowledge and consent of Beneficiary; or
3. Sale, transfer or assignment of Borrower's interest in the Property, done with the prior knowledge and consent of Beneficiary, to another 501(c)(3) organization or governmental entity reasonably acceptable to Beneficiary.

Said payment shall be made in lawful money of the United States of America at the office of the Clark County Department of Community Services, P.O. Box 5000, Vancouver, WA 98666-5000.

Should Borrower default in the use of the Property, in the payment of any principle or interest as

required in this Note, or if any of the makers, endorsers or guarantors hereof becomes insolvent, commences or becomes subject to bankruptcy, reorganization, receivership, liquidation, conservatorship, assignment for the benefit of creditors or similar proceedings, or if the Property is used for any activity other than permitted by the CDBG Agreement, or if any notice of sale is given or any sale is made of the Property; or if any material statement or representation made by Borrower to Beneficiary shall prove to be false or misleading; or if there occurs a material adverse change in the financial condition of Borrower or any guarantor; then the entire indebtedness evidenced hereby shall at the option of Beneficiary become immediately due and payable, without notice or demand. In addition, Borrower agrees, to pay to Beneficiary all costs and expenses of enforcing Beneficiary's rights hereunder, including reasonable attorney's fees and costs, whether or not suit has been filed and including pre-trial, trial, appellate and bankruptcy proceedings.

The Borrower reserves the right to repay at any time all, or any portion, of the principal amount of this Note in a single payment without the payment of penalties, discounts or premiums. Borrower acknowledges that the repayment of the Note shall not release it from its obligations, conditions and covenants pursuant to the CDBG Agreement.

Borrower and each maker, endorser and guarantor hereof waives presentment, demand, protest and notice of dishonor and agrees to remain bound for payment of this obligation notwithstanding any extension of time, substitution or release of security or any guarantor or any other indulgence granted the maker(s) of any of them, hereby waiving notice of such extension, substitution, release or other indulgence.

Notwithstanding anything to the contrary herein, Borrower shall have no personal liability for payment of the indebtedness evidenced hereby or performance of any other covenants or conditions set forth in this Note or in the CDBG Agreement.

This Note shall be governed and enforced in accordance with the laws of the State of Washington, not including and notwithstanding rules governing conflicts of law. Jurisdiction over and venue of any action to enforce, interpret, construe or otherwise in connection herewith may, at Clark County's option, be held in a court located in Clark County, Washington.

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned Borrower, as of the date above written.

Scott Higgins, Mayor

City of Camas
City

P O Box 1055
Address

Camas, WA 98607

Eric Levison

From: Steve Skinner
Sent: Monday, September 30, 2013 11:32 AM
To: Eric Levison; Pam O'Brien; Susan Wilde
Subject: Equipment

We have these pieces of equipment.

41 – trailer – water – gen set emergency power – unit @ old prune hill fire ststion

130 – trailer – street – paint equipment – unit @ OP'S center

176 – trailer – street - traffic control devices – unit @ OP'S center

179 – trailer – speed watch – unit @ OP'S center not in use.

204 – trailer – water – shoring equipment – unit @ OP's center

225 – lawn tractor – waste water - unit @ waste water treatment plant

304 – trailer – water – mower trailer – unit @ OP'S center

308 – trailer – street – roller trailer – unit@ OP'S center

369 – trailer – water – used for hydrants and equipment – unit @ OP's center

310 – chevy blazer – building dept – unit @ s.e. parking lot city hall

Is there a need for 179-has it been surpluses by the city – can it be disposed of ?



City of Camas
Contract Change Order

Order No. 2 Date October 7, 2013
Contract for P-862 Lacamas Lake Lodge
To JWC LLC
(Contractor)

You are hereby requested to comply with the following changes from the contract plans and specifications:

Description of Changes (Supplemental Plans and Specifications Attached)	Decrease in Contract Price	Increase in Contract Price
A. Parking Lot Construction – Field Adjustments (LS).		\$4,171.52
B. Revised Footing to Bridge Existing Septic Tank (LS)		\$ 792.34
C. Utility Installations – Field Adjustments. (LS)		\$1,740.53
D. Switch to GP Products for Bathroom Accessories (LS)		\$ 984.70
E. Design and Cost Revision Due to Change of Heavy Timber Supplier. (LS)		\$6,491.97
	Totals:	\$14,181.06
	Sales Tax:	1,191.21
	Net Change in Contract Price:	\$15,372.27

NOTES:

- A. Desc: The contractor was required to perform work in excess of the original contract requirements. (Ref. COP 6R1, COP 12, COP 17) Approved by Jerry Acheson.
- B. Desc: Redesigned footing required to bridge existing decommissioned septic tank. (Ref COP 13) Approved by Jerry Acheson
- C. Desc: The contractor was required to perform work in excess of the original contract requirements. (Ref COP 14 and COP 15) Approved by Jerry Acheson.
- D. Desc: City staff specified GP products manufactured locally. (Ref COP 16) Approved by Jerry Acheson.
- E. Desc: Recycled wood proved unsuitable for structural timber necessitating minor design revisions and alternate sourcing. (Ref COP 18R1 and COP 20) Approved by Jerry Acheson.

Continued.

The amount of the contract will be (~~decreased~~) (increased) by the sum of: Fifteen thousand three hundred seventy two and 27/100 dollars (\$15,372.27).

The contract total (including tax) including this and previous change orders will be: One million eight hundred forty three thousand nine hundred eighty three and 44/100 dollars (\$ 1,843,983.19).

The contract period provided for completion will be (~~increased~~) (~~decreased~~) (unchanged): 210 days.

This document will become a supplement to the contract and all provisions will apply hereto.

Requested	_____	_____
	Engineering Manager	Date
Recommended	<u>James Hodges</u>	<u>9/30/2013</u>
	Project Manager	Date
Accepted	_____	_____
	Contractor	Date
Approved	_____	_____
	Mayor	Date

SUPPLEMENTAL AGREEMENT NO. 2

This Supplemental Agreement modifies the Professional Service Agreement between the City of Camas and J.D. Walsh & Associates signed November 5, 2012, for a PROJECT known as Lacamas Lake Lodge.

The following modifications are made to the AGREEMENT and all other terms and conditions remain unchanged:

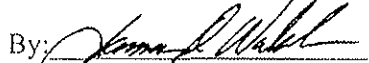
The Scope of Work and Total Contract Amount are modified to include the work as follows: (see scope of work attachment A)

JD Walsh & Associates	\$ 5,371.00
Wallis Engineering	5,360.00
Service Fee	<u>536.00</u>
Total Additional Fee	\$11,276.00
Existing Contract Amount	<u>84,572.00</u>
New Contract Amount	\$95,848.00

IN WITNESS WHEREOF this Supplemental Agreement is made and executed this 18th day of July, 2013.

For: J.D. Walsh and Associates

For: City of Camas

By: 

By: _____

Jim Walsh - President
J.D. Walsh and Associates
215 W. 4th Street, Suite 203
Vancouver, Washington 98660

Firm	JD Walsh and Associates			Wallis Engineering			
Work Tasks	Principal	Associate	Staff	Civil Engineer	Civil Tech	Reimbursable Expenses	Total
<i>Hourly Rate</i>	\$ 115	\$ 85	\$ 75	\$ 124	\$ 80		
I. Construction Administration Support Services							
A. Provide normal construction support administration services							
• Review bids with owner	1			1			
• Pre-construction meeting		4		4			
• Review & coordinate RFI	1	8		8			
• Review & coordinate submittals	1	8		8			
• Review & process change orders (site related)	1	8					
• Review construction progress / meetings (site related)	1	10					
• Substantial completion review / punch-list	1	6		12			
• Final completion walk-through	1	4		4			
<i>Hours Subtotal</i>	7	48	0	37	0	\$ 11.00	
<i>Cost Subtotal</i>	\$ 805.00	\$ 4,080.00	\$ -	\$ 4,588.00	\$ -	\$ 11.00	\$ 9,484.00
II. As-Built Drawings							
A. Based on required contractor submittals							
• Review and approve as-built drawings		4		2	4		
• Submit for City review		1		1	1		
<i>Hours Subtotal</i>	0	5	0	3	5	\$ 50.00	
<i>Cost Subtotal</i>	\$ -	\$ 425.00	\$ -	\$ 372.00	\$ 400.00	\$ 50.00	\$ 1,247.00
Sub-total							\$10,731.00
Service Fee							\$536.00
Total							\$11,267.00



700 washington street, suite 401 • vancouver, washington 98660
wa (360) 737-9613 • or (503) 221-1832 • fax (360) 737-9651
www.otak.com

September 17, 2013

Jim Hodges
City of Camas
616 NE 4th Avenue
Camas, WA 98607

Re: *Scope of Services and Fee Proposal*
Camas Entry Monument — Otak Project No. 17045

Dear Jim:

Thank you for the opportunity to present this proposal. The following describes our scope of services for design of the proposed entry monument to be constructed on the south side of NW 38th Avenue, approximately 1,000 feet east of SE 192nd Avenue in Camas, Washington.

Introduction

We understand the scope of services is to include meeting with City staff to identify aesthetic preferences for the entry monument sign. Development of the design will include studies of the shape, style, finish materials, and illumination of the sign monument. Once the concept for the sign monument is approved, Otak will perform a topographic survey of the site and will develop construction drawings and specifications for sign monument features. Final design will include review by a civil engineer for footing and structural reinforcing elements. We assume all aspects of sign construction will be located within the street right-of-way.

Project Team

- | | |
|------------------------------|---------------------------|
| • City Project Manager | Jim Hodges |
| • Consultant Project Manager | Otak, Inc.; David Haynes |
| • Landscape Architecture | Otak, Inc.; David Haynes |
| • Civil Engineering | Otak, Inc.; Cory Kratovil |
| • Topographic Survey | Otak, Inc.; Jack Carlson |
| • Lighting Design | Otak, Inc.; subconsultant |

Estimated Timeline

The timeline assumes consultant work will be complete by December 2013. The fees associated with this scope are based on the following dates. It is assumed that submittal review turnaround is two weeks. Please note these dates are not intended as schedule deadlines, but are for the purpose of estimating fees:

Estimated notice to proceed	October
Conceptual Design	October/November
Submit 50% design	November
Submit 90% design/Permit application	December
Permit Review by City	December
Submit 100% design/Bid Package	January

General

- Drawings will be prepared in 22"x34" format.
- Drawings will be prepared in AutoCAD R2010.
- Reports will be prepared in MS Word and spreadsheets in MS Excel.

Task 1 – Topographic Survey

- Establish control and base mapping information from title reports (provided by the City) and research existing plat information for right-of-way and adjacent parcels. A boundary survey will not be performed.
- Perform site topographic survey field work (approximately 0.25 acres) to establish horizontal and vertical control and identify existing monumentation on City-approved datum.
- Prepare a base map showing one-foot contours and existing above grade features within project limits.

Deliverables:

- Base map showing one-foot contours and existing above grade features within project limits, tied to City-approved datum.

Task 2 - Conceptual Design

- Attend up to three (3) meetings with City staff during development of design options.
- Based on input from the City, prepare up to three (3) colored sign concept options for consideration. Options will include front and side elevations.
- Prepare a construction cost estimate for each of three concepts for comparison.
- Work with City staff to identify preferred option.

Deliverables:

- Three (3) alternative design concepts, at a scale suitable for discussion with City staff.
- Opinion of Probable Costs.

Task 3 - Electrical Construction Plans, Specifications, and Estimate (PS&E)

- Prepare electrical drawings including connection to existing power, location of light fixtures, circuit plan, light fixture specification, and related details and notes.
- Prepare special provisions in WSDOT format for inclusion in City contract documents.
- Prepare cost estimate.

Deliverables:

- Plan, special provisions, and cost estimate at 50% for City review and 90% for permit application.
- Bid construction documents stamped and signed by the electrical engineer per State of Washington requirements.
- Paper and electronic copies of documents for application submittals and bid package.

Task 4 – Entry Monument Construction Plans, Specifications, and Estimate (PS&E)

- Based on preferred sign monument option identified in Task 2, prepare sign monument layout, grading and drainage, and construction details.
- Civil engineer to prepare concrete footing and structure reinforcing details.
- Prepare special provisions in WSDOT format for inclusion in City contract documents.

- Prepare cost estimate for sign monument and related site work.

Deliverables:

- Plans, special provisions, and cost estimate at 50% level for design review.
- Plans, special provisions, and cost estimate at 90% level for building permit application.
- Bid construction documents stamped and signed by the landscape architect and civil engineer per State of Washington requirements.
- Paper and electronic copies of documents for application submittals and bid package.

Summary of Fees

Task 1 – Topographic Survey	\$ 1,800.00
Task 2 – Conceptual Design	\$ 3,570.00
Task 3 – Electrical PS&E	\$ 3,250.00
Task 4 – Entry Monument PS&E	\$ 2,720.00
<u>Direct Expenses</u>	<u>\$ 300.00</u>
Total Design Fees	\$11,640.00

Additional Services Otak can Provide

- Planting and irrigation plans
- Bid assistance
- Construction Staking
- Construction Observation

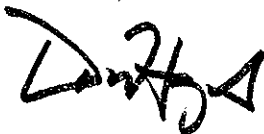
Assumptions

- Base drawing in AutoCAD format will be provided by the City.
- No environmental, geotechnical, or cultural studies are required.
- City turnaround for draft submittal review is two weeks.
- Power connection can be made to existing street light circuit.

Otak proposes to perform the above scope of services for a lump sum amount of \$11,640.00. All in-house reimbursable expenses are included in the lump sum amount. Outsourced direct costs that are not included above are in addition to the lump sum amount and, when approved by the City, will be invoiced at cost plus 10 percent.

We look forward to working with you on this project. If you have any questions regarding our proposal, please don't hesitate to call.

Sincerely,



Otak, Inc.
David Haynes, PLA
Project Manager

INTERLOCAL AGREEMENT
FOR
COMMUTE TRIP REDUCTION

- I. Effective Date: July 1, 2013.
- II. Parties: City of Vancouver, a municipal corporation of the State of
Washington; and

Clark County ("the County"), a municipal corporation of the State of
Washington;

City of Camas, a municipal corporation of the State of Washington;
and,

City of Washougal, a municipal corporation of the State of
Washington
- III. Recitals:
- A. In 1991, the Washington legislature enacted statutory provisions, codified as §70.94.521-.551 RCW to assist in solving transportation related air pollution, energy, and congestion problems by promoting alternatives to single occupancy vehicle miles traveled. This legislation is known as the Commute Trip Reduction Law ("CTR law").
- B. As required by § 70.94.527(1) RCW of the CTR law as amended, the parties have adopted Commute Trip Reduction ordinances and plans for the purpose of reducing the number of commute trips to work in single occupant vehicles, alleviating air pollution, reducing energy consumption, and addressing traffic congestion problems.

- C. As authorized under the CTR law and the Interlocal Cooperation Act, Chapter 39.34 RCW, the parties desire to enter into this Agreement to achieve and maintain compliance with the requirements of the CTR law.

NOW, THEREFORE, BE IT RESOLVED that in consideration of covenants, conditions, performances, and promised hereinafter set forth, the parties hereto agree as follows:

- IV. Purpose. The purpose of this Agreement is to establish a mechanism for ensuring compliance with the CTR law, to enable the parties of this Agreement to meet the statutory requirements by the applicable deadlines, and to specifically provide for the definition and coordination of each of the tasks for which the parties to this Agreement will be responsible in achieving the goals and requirements of the CTR law.

- V. Funding.

- A. The City of Vancouver will utilize funds received from the Washington State Department of Transportation in the manner described in the *2013-2015 Commute Trip Reduction Work Plan* that is attached hereto and incorporated herein, by this reference, as part of this Agreement. The City of Vancouver is authorized to redistribute funds as necessary due to changes in program responsibilities and would do so using an amendment to this agreement if necessary.
 - B. The expenditure of funds is subject to the requirements of Washington State Department of Transportation guidelines.
 - C. The parties to this Agreement shall use best efforts to jointly apply for additional grant funds to support continued and coordinated implementation of the CTR law.

- VI. Service Provisions. Funds provided to the parties under this Agreement shall be used exclusively for activities undertaken to fulfill the requirements of §§70.94.521-.551 RCW and to implement the tasks as described in the *2013-2015 Commute Trip Reduction Work Plan*.

- VII. Agreement Period. The effective date of this Agreement shall be July 1, 2013. The termination date shall be June 30, 2015.
- VIII. Coordination of Work: Each of the parties to this Agreement agree to use its best efforts to coordinate with the other parties hereto in order to best achieve the purposes of the CTR law.
- IX. Disbursement Provisions:
- A. Acting as Program Administrator, the City of Vancouver shall submit an invoice, with an estimate of expenditures by budget categories used by the City for all state CTR funds expended for the purpose of CTR implementation. The period for which these invoices cover all expenses can be determined by the party submitting the invoices, but shall not be submitted more frequently, or cover periods of less than three months.
 - B. The City of Vancouver shall submit progress reports, to be forwarded to the Washington State Department of Transportation, accompanying the invoices for covered expenses. These reports should summarize:
 - 1. Recent CTR events and projects;
 - 2. A detailed summary of implementation assistance provided to affected employers within each jurisdiction;
 - 3. A list of scheduled CTR events, projects, and implementation assistance to be provided to affected employers including all CTR training classes
 - C. All invoiced items shall be exclusively for activities undertaken to fulfill the requirement of §70.94.521-.551 RCW and in accordance with Washington State Department of Transportation guidelines on the expenditure of funds. Such funds may only be used to implement tasks as described in the *2013-2015 Commute Trip Reduction Work Plan*.

- X. Employment Provisions: There shall be no discrimination against any employee who is paid by the funds indicated in the Agreement or against any applicant for such employment because of race, religion, color, sex, marital status, creed, national origin, age, Vietnam era or disabled veterans status, or the presence of any sensory, mental, or physical handicap. This provision shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, lay-off or termination, rate of pay or other forms of compensation, and selection for training.
- XI. Agreement Modifications. The governing bodies of the parties hereto may request modifications to this Agreement. Any such changes that are mutually agreed upon by the parties hereto shall be incorporated herein by written amendment of this Agreement. It is mutually agreed and understood that no alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto and that any oral understanding or agreements not incorporated herein shall not be binding.
- XII. Hold Harmless: It is understood and agreed that this Agreement is solely for the benefit of the parties hereto and gives no right to any other party. No joint venture or partnership is formed as a result of this Agreement. Each party hereto agrees to be responsible and assumes liability for its own negligent acts or omissions, or those of its officers, agents or employees to the fullest extent required by law, and agrees to save, indemnify, defend, and hold the other party harmless from any such liability. In the case of negligence of both parties, any damages allowed shall be levied in proportion to the percentage of negligence attributable to the other party. This indemnification clause shall also apply to any and all causes of action arising out of performance of work activities under this Agreement. Each contract for services or activities utilizing funds provided in whole or in part by this Agreement shall include a provision that neither the State of Washington nor the parties to this Agreement are liable for damage or claims for damages arising from any subcontractor's performance or activities under the terms of the contracts.

XIII. Governing Law and Venue: The Agreement shall be construed and enforced in accordance with, and the validity and performance thereof shall be governed by the laws of the State of Washington. Venue of any suit between the parties arising out of this Agreement shall be the Superior Court of Clark County, Washington.

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

XV. Recapture Provision:

A. In the event that a party fails to expend state funds in accordance with state law and/or the provisions of this Agreement, the City of Vancouver reserves the right to recapture state funds in an amount equal to the extent of noncompliance.

B. Such right of recapture shall exist for a period not to exceed three (3) years following termination of the Agreement. Repayment by the party of state funds under this recapture provision shall occur within thirty (30) days of demand. In the event that the City of Vancouver is required to institute legal proceedings to enforce the recapture provision, the City of Vancouver shall be entitled to its cost thereof, including reasonable attorney's fees, to be compensated by the party.

C. This Agreement shall be subordinate to and governed by all provisions and terms contained in the *Commute Trip Reduction Implementation Agreement* between City of Vancouver and the Washington State Department of Transportation attached hereto

XVI. Reduction in Funds: The City of Vancouver may unilaterally terminate all or part of this agreement, or may reduce its scope of work or budget under this Agreement, if there is a reduction of funds by the source of those funds, and if such funds are the basis for this Agreement.

XVII. Americans with Disabilities Act of 1990, Public Law 101-336 (ADA): Parties to this Agreement must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

XVIII. Termination: Notwithstanding any provisions of this Agreement, any party may terminate their participation in this Agreement by providing written notice of such termination to all other parties, specifying the effective date thereof, at least thirty (30) days prior to such date. Reimbursement for services performed by any party and not otherwise paid for prior to the effective date of such termination shall be made according to the terms of this Agreement.

XIX. Property: All equipment, property, or improvement used to effectuate this Agreement shall become the sole property of the Party who provided the equipment, property, or improvement.

IN WITNESS THEREOF the undersigned entities have executed this Agreement as of the date and year written below.

City of Vancouver

Approved as to Form only:

AUTHORIZED SIGNATURE:

By: _____

Ted H. Gathe, City Attorney

By: _____

Eric Holmes, City Manager

Date

Attest:

By: _____

R. Lloyd Tyler, City Clerk

By: Carrie Lewellen, Deputy City Clerk

Clark County

Approved as to Form only:

AUTHORIZED SIGNATURE:

By: _____

Deputy Prosecuting Attorney

By: _____

Chair, Clark County Commissioners

Date

City of Camas

Approved as to Form only:

AUTHORIZED SIGNATURE:

By: _____

City Attorney

By: _____

Mayor / City Manager

Date

City of Washougal

Approved as to Form only:

AUTHORIZED SIGNATURE:

By: _____

City Attorney

By: _____

Mayor / City Manager

Date

ATTACHMENTS: *2013-2015 Commute Trip Reduction Work Plan*

COMMUTE TRIP REDUCTION WORK PLAN

For the Interlocal Agreement
covering the
2013-2015 Biennium
July 1, 2013 - June 30, 2015

COMMUTE TRIP REDUCTION WORK PLAN

I. Introduction

The purpose of this work plan is to establish commute trip reduction (CTR) task descriptions and responsibilities, and associated budgets for each public agency party to the Interlocal Agreement, effective July 1, 2013 – June 30, 2015, between the City of Vancouver, Clark County, City of Camas and City of Washougal.

The work plan is divided into four sections: Introduction, Agency Task Descriptions and Responsibilities, Major Goals and Budget.

II. Agency Task Descriptions and Responsibilities

City of Vancouver:

- A. Shall provide regular opportunities for an employer's ETC to network with other local Employee Transportation Coordinators ETCs;
- B. Shall supply informational materials (posters, clip art, forms, brochures, webpage) which will assist the employer in implementing a worksite CTR program on requirements of the CTR ordinance to help the employer achieve the CTR goals of the local ordinance;
- C. Shall participate in local implementation of the statewide CTR public awareness and recognition programs developed by WSDOT and others (Wheel Options, Drive Less Save More, Smart Commuter, Bike to Work Week, Rideshare Online);
- D. Shall pursue contact of potential new affected worksites in Clark County region;
- E. Shall provide (ETC) training classes, using the WSDOT provided ETC Handbook or other training materials reviewed and approved by WSDOT;
- F. Shall offer services that contribute to an increase in CTR program participants (Rideshare Online, Rideshare Only Parking Program signs and posts, Emergency Ride Home Program, Transportation Fairs, Vanpools);
- G. Shall be the Clark County Administrator for the regional carpool matching Web site, www.clarkcommute.icarpool.com.

- H. Shall work collaboratively with and provide technical guidance and support to affected employers in developing, implementing, and/or modifying an employer's CTR program;
- I. Shall supply state-supplied employee survey forms and training for employers to achieve a successful survey process;
- J. Shall supply forms for annual progress reports that are consistent with the Task Force requirements and help employers prepare their CTR annual program reports;
- K. Shall offer a grant program (funding contingent) for the addition and/or improvement of trip reduction-related site amenities at commute trip reduction affected employer sites.
- L. Shall analyze county-wide trip reduction goals to determine employer or geographic specific targeted support to decrease single occupant vehicle trips.
- M. Shall submit an annual work plan to WSDOT which outlines the major tasks and activities, including, but not limited to, employer training and networking activities, employer program review, survey activities, and advertising and promotional campaigns to be conducted for the coming year.
- N. Shall serve as a liaison between WSDOT, Clark County, City of Camas and City of Washougal for the purposes of RCW 70.94.521.551.
- O. Coordinate with the Southwest Washington Regional Transportation Council (RTC), the region's Regional Transportation Planning Organization.
- P. Shall submit invoice to WSDOT on WSDOT approved invoice format along with progress reports, in the format provided in Attachment 1 of the State CTR Contract, that accurately assesses the progress made by the county and affected jurisdictions in implementing RCW 70.94.521—.551. These reports and invoices are to be submitted within forty-five (45) days of the end of each six month period.
- Q. Shall distribute funds to affected jurisdictions within the county implementing CTR plans and ordinances as required by RCW 70.94.544 and in accordance with the Interlocal Agreement.

All Parties to this Agreement (as appropriate)

- A. Shall meet as needed with the Commute Trip Reduction Steering Group which is made up of Clark County, the City of Vancouver, the City of Camas, City of Washougal and other city jurisdictional representatives if applicable.
- B. Shall maintain and administer a CTR ordinance and local CTR plans for affected employers in their respective jurisdictions.
- C. Shall provide WSDOT with a public hearing notice and copies of any proposed amendments to the CTR ordinance, local CTR plans, and/or administrative guidelines within the first week of the public review period and final copies of all actions within one (1) month of adoption.
- D. Shall establish and maintain books, records, documents, and other evidence and accounting procedures and practices sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred solely for the performance of this Agreement. To facilitate the administration of the work described in this agreement, separate accounts shall be established and maintained within the existing accounting system or independently set up. Such accounts are referred to herein collectively as the "CTR Account". All costs charged to the CTR Account, including any approved services contributed by the jurisdictions or others, shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers, or products, proving in proper detail, the nature and propriety of the charges.
- E. Shall maintain an appeals process. This process must be consistent with RCW 70.94.534(6) and procedures contained in the Commute Trip Reduction Task Force Guidelines whereby employers in the local jurisdictions may obtain an exemption or modification of CTR requirements, including the establishment of alternative SOV/VMT goals. The county, affected jurisdictions, or their designee, will submit requests for exemptions or modifications including requests for goal modifications, to the WSDOT for review and comment within five (5) days of receiving such requests. The county, affected jurisdictions, or their designee, shall not approve or deny any such request until receiving comment on the request as specified by the Clark County/WSDOT CTR Agreement under WSDOT Task, Section 2 Exemption and Modifications.

Washington State Department of Transportation, SW Region

- A. Washington State Department of Transportation is not a formal signatory to the interlocal Agreement. It has, however, provided support for commute trip reduction activities over the past seven years. It has assisted with training, surveying, developing marketing materials, and has led the effort to make Clark County's CTR program a successful county-wide effort. The Washington State Department of Transportation will be encouraged to continue its involvement and provide its expertise for local commute trip reduction efforts.

III. Major Goals

- Support and encourage worksites to implement carpool parking programs.
- Pursuant to funding, implement an annual grant program based upon the idea of providing monetary incentives for CTR program improvements.
- Systematically contact all sites, particularly those not making goal and who are not making satisfactory efforts to do so. Cultivate new commitments from these sites to the goals of the program.
- Participate in the tri-state Rideshare Online discussions.
- Cultivate private/public partnerships for promotion of CTR to both affected worksites as well as the regional Smart Commuter program.

IV. Budget

There is \$204,011 available for the 2013-2015 biennium as is outlined in this workplan. The projected budget allocation is outlined below:

Project / Task	2013-2015 Budget
<i>Regional CTR Coordination</i>	
ETC Network Meetings	\$5,600
Emergency Ride Home	\$1,700
Program Materials (ex. Brochures, Campaign Rewards, Posters, Carpool Signs, ETC Training, etc.)	\$2,327
Program Administration/Implementation	\$193,000
City of Vancouver Computer/Phone Charge	\$1,384
<i>2013-2015 Biennium Total</i>	\$204,011



1076 Franklin Street SE • Olympia, WA 98501-1346 • 360.753.4137 • 1.800.562.8981

awcnet.org

September 3, 2013

Dear AWC Employee Benefit Trust Member:

On July 25, 2013, after months of research and consideration, the AWC Employee Benefit Trust Board of Trustees voted to move from a fully insured benefit program to a self-insured model. Among a variety of advantages and opportunities that goes along with self-funding, is our projection of a **0% increase for those covered by the Trust's Regence/Asuris Medical, Group Health Medical, WDS Dental, and VSP Vision self-insured plans for 2014.**

In order to conduct business as a self-insured program, we are now required to comply with RCW 48.62 and WAC 200-110. This involves following the state law and rules administered by the Washington State Risk Manager. One of those requirements is that each member must approve, by resolution, an Interlocal agreement authorizing you to participate in the self-insured program.

Enclosed with this letter is the Interlocal Agreement and a sample council/board resolution, and fact sheet. **We ask that you please calendar these items on your next governing-body agenda for adoption, and return signed copies of the Interlocal agreement and the resolution to the AWC Employee Benefit Trust no later than November 15, 2013.**

Documents can be mailed, scanned and emailed, or faxed to Luann Hopkins, AWC Chief Operating Officer, as follows:

Mail: Luann Hopkins, COO
Association of Washington Cities
1076 Franklin Street SE
Olympia, WA 98501

Email: Luannh@awcnet.org

Fax: Luann Hopkins, COO at 360-753-0149

Members who do not return the signed Interlocal Agreement and Resolution will not be eligible to purchase medical, dental, and vision benefits from the Trust as of January 1, 2014, and will not be able to take advantage of the projected favorable rates.

If you have questions, or wish to request a representative from the AWC to attend your council/board meetings to help explain these changes, please contact Luann Hopkins or Carol Wilmes at 360-753-4137.

Sincerely,

Craig George
Chair, AWC Employee Benefit Trust
Board of Trustees

Mike McCarty
Chief Executive Officer
Association of Washington Cities

AWC Employee Benefit Trust

Self-Funded Health Care Program

Fact Sheet

On August 26, 2013, the State Risk Manager approved the AWC Trust's application to self-insure the medical plans through Group Health and Regence Blue Shield, the Vision Service Plan, and Washington Dental Service plan effective January 1, 2014. The remaining insurance products will continue to be fully-insured. This fact sheet is intended to provide background of the Trust and insight into the Board of Trustee conversation ultimately leading to the decision to self-insure.

Trust history

The AWC Employee Benefit Trust is a Voluntary Employees' Beneficiary Association (VEBA), as defined in IRC 501 (c) (9). The Trust was formed in 1970 by the Association of Washington Cities to offer affordable coverage for its cities and towns with participants in Law Enforcement Officers and Fire Fighters Pension Plan 1 (LEOFF 1). Since that time, the Trust has broadened its insured membership to include all walks of municipal government and their families. Today, the Trust serves 275 participating entities and insures approximately 36,000 employees and family members.

The Trust currently offers medical, dental, vision, employee assistance program, life insurance, long-term disability insurance, and long-term care insurance. In 1984, the Board of Trustees proved to be true visionaries in the health care industry and adopted an innovative health promotion project (wellness) as a cost containment tool. Today, the award-winning Total Health Management services of the Trust (available to Regence and Group Health medical subscribers) continues to reduce health care costs and improve quality of life for our insured members.

The AWC Trust, one of the first of its kind as a municipal league pool, is nationally recognized for excellence and innovation. Industry respect and long-term, stable relationships with insurance carriers, vendors, and consultants have benefited the pool members with quality health care programs, trust-worthy technical assistance and financial predictability. Customer advocacy and member-driven decisions continue to be the cornerstone of the Trust mission, vision and goals.

Planning retreat priority – self-insurance

As one of the highest priorities emerging from the 2011 Long Range Strategic Planning Retreat, the Trustees dedicated its 2013 meetings to learning about the world of self-insurance; hearing in-depth analysis from benefit, legal and actuarial consultants; and weighing the pros and cons of self-insuring the health care plans.

Self-Insurance means a formal program of advance funding and management of entity financial exposure to a risk of loss that is not transferred through the purchase of an insurance policy or contract.

On July 25, Trustees instructed staff and consultants to proceed with a self-insurance application to the State Risk Manager. Approval was granted on August 26, and the Trust will transition its **Regence/Asuris, Group Health, WDS and VSP** plans to self-insurance effective January 1, 2014.

Cost savings

One of the overriding factors in the decision is the potential for cost savings to members. Self-insurance allows the Trust to eliminate several taxes mandatory for fully insured plans including a 2% state tax and a 2% – 3% new 2014 federal insurer tax. While our retention and stop loss fees were extremely competitive as a fully insured plan, these fees were also lowered with the aid of a competitive self-insurance marketplace. Along with all these cost savings, we'll be able to focus on our own trend line, which has been lower than carriers' trends for many years. This bodes well for not only this year's rate projections, but future year's as well.

The transition to self-insurance will not change the manner in which plans are rated (i.e., the Trust will continue to pool all member claims rather than develop rates based upon individual employer loss experience). However, the discussion of large city claims rating is slated to be discussed by the Board of Trustees in 2014, and being self-insured certainly enables a broader scope of analysis.

With all these factors considered, the Trust's 2014 rate **projections** are very favorable with 0% increase projected for most plans.

Self-insurance plans

Fully-insured plans

Regence/Asuris Medical	0%	LEOFF I Medicare Advantage Plan	8%
Group Health Medical	0%	Willamette Dental	0%
WDS Dental	0%	Life & LTD	0%
VSP Vision	0%	EAP	0%

Final rates will be adopted by the Board of Trustees on September 26. Look to our website by end of day on Friday, September 27, for an updated posting.

WellCity rate impact

The WellCity discount is 2% less than the base rate. Ongoing WellCity Award recipients – your current rate will be 2% less than the base rate – which means your rate stays the same. For cities earning the 2013 WellCity Award for the first time, you'll get a 2% discount on the 2014 base rate, meaning your rate this year is actually a 2% savings from your 2013 rate.

Employee impacts

For now, know that the impact to employees and their family members is minimal to none:

- Benefit plan designs remain the same, including the mandated benefit changes under the ACA for 2014
- Employees have access to the same provider networks.
- Claims will be processed by the same carriers.
- It is possible that a new ID card will be generated.

Member Employer impacts

Impact to employers is equally minimal:

- Members will still be part of the Trust's large pool, which will now be self-insured.
- The monthly bill will still be generated by NWA and due at the same time as current (by the 10th of the month).
- The most notable change for employers will be the council-adoption by resolution of an Interlocal Agreement between the jurisdiction and the AWC Trust.

Interlocal Agreement

RCW 48.62 authorizes local government entities to self-insure for health care benefits, and delegates rule-making authority and oversight to the Washington State Risk Manager. Chapter 200-110 Washington Administrative Code sets forth that members of the health care program (pool) must be a signatory to the health care program's Interlocal Agreement, and the Interlocal Agreement must be adopted by the local governing body by resolution.

In order for the Trust to meet the state deadlines, member jurisdictions must provide the adopted resolution and Interlocal Agreement no later than **November 15, 2013.**

AWC Employee Benefit Trust Health Care Program Reserve Funding

Self-insured health care programs must establish reserves necessary to fund the termination costs of the program and to insulate the program against unusual severity or frequency of claims. The Board of Trustees have pledged reserve funds pursuant to actuarially established amounts to satisfy this requirement.

Health Care Program 2014 Financials *at a glance*

Beginning Program Deposits/Assets ¹	\$15,420,000
Projected Employer Contributions	\$174,672,167
Projected Employee Contributions	\$19,408,091
Other Projected Revenues	\$308,400
Total Projected Revenues	\$194,388,586
Projected Claims Payments	\$179,155,972
Projected Operational Expenses ²	\$12,334,777
Projected Stop Loss Insurance Policy	\$813,875
Projected Wellness Program Expenses	\$1,775,561
Total Projected Annual Expenses	\$194,080,186
Projected Year-End Program Assets/Reserves	\$15,728,400

¹ Projected reserves as of December 31, 2013 are \$75,471,971 of which \$15,420,000 are pledged as beginning health care program assets.

² Includes claims adjudication, broker fee-for-service, actuary, legal, consultants, and operations.

Questions

As always, the Trust is committed to communicating with members. You can expect ongoing communications in upcoming ***For Your Health*** e-newsletters. If you have any questions regarding the Trust's decision to self-insure, the new rate projections, or the Interlocal Agreement feel free to contact an AWC Trust staff member at 1-800-562-8981 or benefitinfo@awcnet.org.

**ASSOCIATION OF WASHINGTON CITIES EMPLOYEE BENEFIT TRUST
HEALTH CARE PROGRAM
INTERLOCAL AGREEMENT**

This Agreement is made and entered into in the State of Washington by and among the Association of Washington Cities Employee Benefit Trust (the "Trust") and cities and towns, and non-city entities organized and existing under the Constitution or laws of the State of Washington and who are members of the Trust ("Participating Cities and Towns," or "Participating Non-City Entities"), all of whom are signatories to this Agreement.

RECITALS

WHEREAS, the Trust is an entity to which contributions by Participating Cities and Towns and Non-City Entities (defined below) and Participating Employees (defined below) are paid and through which the Board of Trustees provides one or more insured health and welfare benefit plans or programs to Participating Employees, their covered dependents and other beneficiaries ("Beneficiaries"), on whose behalf the contributions were paid; and

WHEREAS, the Trust qualifies as a voluntary employee beneficiary association within the meaning of Section 501(c)(9) of the Internal Revenue Code ("VEBA"), providing for the payment of life, sick, accident or other benefits to Beneficiaries; and

WHEREAS, the Trust and the Participating Cities and Towns have determined that it is in the best interest of Participating Cities and Towns to jointly self-insure certain health benefit plans and programs for Beneficiaries through a designated account within the Trust, while at the same time having the Trust continue as the entity to which health and welfare benefit plan or program contributions are paid and through which insured health and welfare benefit plans and programs are provided to Beneficiaries; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement (defined below) to do so; and

WHEREAS, Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, jointly self-insure health benefit plans and programs, and/or jointly hire risk management services for such plans or programs by any one or more of certain specified methods; and

WHEREAS, each local government entity that is a signatory hereto, as required by WAC 200-110-030, acts upon the authority of a resolution adopting this Agreement and the Health Care Program (defined below) created herein;

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

ARTICLE 1

DEFINITIONS

The following are definitions of terms used in the Agreement. Unless indicated otherwise, other terms are defined where they are first used. Defined terms are capitalized when used in the defined context.

- 1.1 **Agreement** means this Interlocal Agreement entered into under the authority of Chapter 39.34 RCW and as required by RCW 48.62.031(2) between the Trust and Participating Employers.
- 1.2 **Association of Washington Cities** or **AWC** means the Association of Washington Cities, a not-for-profit membership association established pursuant to the laws of the state of Washington for the purpose of providing various services to and on behalf of its member cities.
- 1.3 **Association of Washington Cities Employee Benefit Trust** or the **Trust** means the trust and all property and money held by such entity, including all contract rights and records, established for the sole purpose of providing life, sick accident or other health and welfare benefits to Participating Employees, their covered dependents and other beneficiaries, and which is approved by the Internal Revenue Service as a VEBA.
- 1.4 **Employee Benefits Advisory Committee** or **EBAC** means the committee defined in Article V of the Trust Agreement that may be delegated responsibility by the Board of Trustees, including but not limited to: overseeing the operations of the Health Care Program, analyzing and developing annual premium levels and benefit coverage changes for recommendation to the Board of Trustees and performing other duties necessary to ensure that the needs of Participating Employers are met and the long-term financial health of the Health Care Program is maintained.
- 1.5 **Health Care Program** means the joint self-insurance program offering self-insured health benefit options through the HCP Account.
- 1.6 **HCP Account** means a designated account within the Trust and created by this Agreement, the Trust Agreement and Trust Health Care Program policies all under the authority of Chapter 48.62 RCW to provide self-insured health benefits to Participating Employees, their covered dependents and other beneficiaries and further described in Article 6.
- 1.7 **Non-City Entity** means any public agency, public corporation, intergovernmental agency or political subdivision, within the state of Washington that meets the requirements of Article IX, Section 1(c)(ii) and (iii) of the Trust Agreement for participation in the Health Care Program.
- 1.8 **Participating City** means any city or town within the state of Washington that meets the requirements of Article IX, Section 1(a) or Section 1(b) of the Trust Agreement.

- 1.9 **Participating Employee** means any individual employed by a Participating Employer and for whom the Participating Employer makes contributions to the Trust, and any individual who may have been so employed but is subsequently laid off, terminated, or retired.
- 1.10 **Participating Employer** means a Participating City or Non-City Entity that is also a party to this Agreement.
- 1.11 **Resolution** means the resolution adopted by each Participating City or Non-City Entity that authorizes the Health Care Program.
- 1.12 **State Risk Manager** or **Risk Manager** means the risk manager of the Risk Management Division within the Department of Enterprise Services.
- 1.13 **Stop Loss Insurance** or **Reinsurance** means a promise by an insurance company that it will cover losses of the Health Care Program over and above an agreed-upon individual or aggregated amount, which definition shall be modified by any changes to the definition of stop loss insurance in WAC 200-110-020.
- 1.14 **Third-Party Administrator** means the independent association, agency, entity or enterprise which, through a contractual agreement, provides one or more of the following ongoing services to the Health Care Program: pool management or administration services, claims administration services, risk management services, or services for the design, implementation, or termination of an individual or joint self-insurance program.
- 1.15 **Trust Agreement** means the Trust Agreement Governing the Trust amended and restated July 1, 2013, and any subsequent amendments thereto.
- 1.16 **Trustees** or **Board of Trustees** means the following individuals and their successors, who together, govern the Trust and the Health Care Program:
- 1.16.1 the AWC President and the AWC Vice President;
- 1.16.2 the EBAC Chair and the EBAC Vice Chair; and
- 1.16.3 an individual elected pursuant to the procedures in Article III, Section 5 of the Trust Agreement to serve as the trustee from one of the following regions:
- (a) North East Region (known as the “North East Region Trustee”);
 - (b) North West Region (known as the “North West Region Trustee”);
 - (c) South East Region (known as the “South East Region Trustee”); and
 - (d) South West Region (known as the “South West Region Trustee”).

Individuals from Non-City Entities are not eligible to serve as Trustees.

ARTICLE 2

PURPOSE

This Agreement is entered into for the purpose of authorizing the Health Care Program created by the Trust to provide self-insured health benefits to Participating Employees, their covered dependents and other beneficiaries. The Health Care Program shall comply with the statutory provisions found in Chapters 48.62 and 39.34 RCW and the regulatory requirements contained in WAC 200-110 applicable to joint self-insurance programs.

ARTICLE 3

PARTIES

Each party to this Agreement certifies that it intends to participate in the Health Care Program. Participating Employers are signatories of this Agreement to become effective on a date to be mutually determined (the "Effective Date") and with such other Participating Cities and Non-City Entities as may later be added to and become signatories to this Agreement.

ARTICLE 4

DURATION OF AGREEMENT

- 4.1 This Agreement shall become effective on the Effective Date.
- 4.2 This Agreement shall have perpetual duration unless terminated as hereinafter provided.

ARTICLE 5

MEMBERSHIP COMPOSITION

The Health Care Program shall be open to Participating Cities and Non-City Entities. Participation in the Health Care Program is voluntary and not a requirement of AWC membership. The Board of Trustees shall provide for the reasonable admission of new Participating Cities and Non-City Entities.

ARTICLE 6

HCP ACCOUNT

- 6.1 All premium contributions by Participating Employers, Non-City Entities and Participating Employees for use in the Health Care Program are deposited into the HCP Account.
- 6.2 The HCP Account represents a pool of funds that is independent of all other Trust or AWC funds and independent of all other Participating Employer and Non-City Entity funds. The funds deposited into the HCP Account are held, managed and expended only for the Health Care Program and reasonable expenses, consistent with applicable state

and federal statutes and rules governing joint self-insurance programs and self-insurance programs generally.

- 6.3 The HCP Account is subject to audit by the State Auditor's Office.

ARTICLE 7

TRUSTEE POWERS RELATED TO HEALTH CARE PROGRAM

The Board of Trustees is provided with the powers and functions established under RCW 48.62.031 to accomplish the following:

- 7.1 Promote the economical and efficient means by which health benefits coverage is made available to Participating Employers and Non-City Entities and provided to Participating Employees, their covered dependents and other beneficiaries;
- 7.2 Protect the financial integrity of the Health Care Program through purchase of Stop Loss Insurance or Reinsurance in such form and amount as needed;
- 7.3 Contract for or otherwise provide risk management and loss control services;
- 7.4 Contract for or otherwise provide legal counsel for the defense of claims and other legal services;
- 7.5 Consult with the state insurance commissioner and the State Risk Manager;
- 7.6 Obligate the Participating Employers and Non-City Entities to pledge revenues or contribute money to secure the obligations or pay the expenses of the Health Care Program, including the establishment of a reserve or fund for coverage; and
- 7.7 Exercise all other powers and perform all other functions reasonably necessary to carry out the purposes of the Health Care Program, Chapter 48.62 RCW and Chapter 200-110 WAC.

ARTICLE 8

ORGANIZATION OF HEALTH CARE PROGRAM

- 8.1 The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Trustees or any delegates review and analyze Health Care Program-related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW.
- 8.2 The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110 WAC.

ARTICLE 9

RESPONSIBILITIES OF THE TRUSTEES

- 9.1 The Board of Trustees shall discharge its responsibilities under this Agreement as follows:
 - 9.1.1 Provide for the efficient management and operation of the Health Care Program;
 - 9.1.2 Provide for health benefit coverage options for Participating Employees, their covered dependents and other beneficiaries;
 - 9.1.3 Determine the level of Stop Loss Insurance or Reinsurance coverage for claims expenses above the amounts deemed appropriate for self-insurance;
 - 9.1.4 Ensure that the Health Care Program meets required state and federal statutes and rules;
 - 9.1.5 Contract with vendors required to meet the responsibilities established by the Trust Agreement, Health Care Program policies, and applicable state and federal statutes and rules;
 - 9.1.6 Maintain the balance between meeting the Health Care Program needs of Participating Employers and the long-term financial integrity of the Health Care Program;
 - 9.1.7 Prepare an annual financial report on the operations of the Health Care Program; and
 - 9.1.8 Provide for other services deemed appropriate by the Board of Trustees to meet the purposes of this Agreement.
- 9.2 The Board of Trustees may delegate the responsibilities described in this Article 9 to the EBAC or other delegates at its complete discretion.

ARTICLE 10

RESPONSIBILITIES OF THE PARTICIPATING EMPLOYERS

In order to participate in the Health Care Program, Participating Employers shall:

- 10.1 Be a Participating City or Non-City Entity in good standing and comply with the requirements of admission or qualification as established by the Board of Trustees;
- 10.2 Adopt this Agreement by Resolution, agreeing to its terms and provisions;
- 10.3 Submit the Resolution and Agreement to the Trust;

- 10.4 Read the terms, conditions and representations set forth in the application agreement related to participation in the Health Care Program;
- 10.5 Designate an employee of the Participating Employer to be a contact person for all matters relating to the Participating Employer's participation in the Health Care Program;
- 10.6 Pay premiums for the Health Care Program to the Third-Party Administrator no later than the tenth day of the month in which the premium is due;
- 10.7 By formal action of the legislative body of the Participating Employer, approve policies and procedures necessary to secure protected health information ("PHI") in accordance with Chapter 70.02 RCW and the Health Insurance Portability and Accountability Act ("HIPAA") privacy and security rules, codified at 45 C.F.R. Parts 160-164;
- 10.8 Provide the Health Care Program with such information or assistance as is necessary for the Health Care Program to meet its responsibilities under this Agreement; and
- 10.9 Cooperate with and assist the Health Care Program and any insurer of Stop Loss Insurance or Reinsurance, in all matters relating to the administration and operation of the Health Care Program and all matters relating to this Agreement.
- 10.10 Comply with all bylaws, rules, regulations and policies adopted by the Board of Trustees relating to the Health Care Program.

ARTICLE 11

RESERVE FUND INVESTMENT

All reserve fund investments from the HCP Account shall be made in a manner that is consistent with RCW 48.62.111, Chapter 39.59 RCW, WAC 200-110-090 and the Health Care Program Investment Policy.

ARTICLE 12

FINANCIAL RECORDS

- 12.1 The Board of Trustees shall develop estimated revenue and expenditures to establish a budget for each fiscal year covering January 1 through December 31 annually. Actual Health Care Program revenues and expenditures shall be monitored monthly by the Board of Trustees and reported at its quarterly meetings.
- 12.2 The accounting records of the Health Care Program are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The Health Care Program also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. Once reviewed and approved by the

Office of the State Auditor the year-end financial report is transmitted to the Office of the State Risk Manager.

- 12.3 Financial records of the Health Care Program shall be subject to audit by the Office of the State Auditor. Year-end financial reports and audit results shall be made available to interested parties. The Health Care Program shall provide financial information as required by state statute and rule to the Office of the State Risk Manager.

ARTICLE 13

PARTICIPATING EMPLOYER TERMINATION AND WITHDRAWAL

- 13.1 A Participating Employer must remain in good standing with the Trust and adhere to the requirements of this Agreement. In the event that a Participating Employer fails to be a Participating City or Non-City Entity in good standing, participation in the Health Care Program shall automatically terminate without notice as shall all health and welfare benefits provided through the Health Care Program.
- 13.2 The Board of Trustees may take action to terminate membership or deny membership in the Health Care Program where it determines that such termination or denial is in the best interest of the Health Care Program
- 13.3 When a Participating Employer's eligibility in the Health Care Program is affected due to merger or annexation, the affected Participating Employer may petition the Board of Trustees to remain in the Health Care Program.
- 13.4 A Participating Employer may only withdraw its participation in the Health Care Program at the end of the calendar year and must provide written notice to the Trust at least thirty-one (31) days in advance of the end of the calendar year (December 31st).
- 13.5 In the event of withdrawal or non-renewal, the Health Care Program will cover any of the Participating Employer's remaining outstanding Health Care Program claims expenses incurred prior to the Participating Employer's withdrawal from or non-renewal in the Health Care Program.
- 13.6 No Participating Employer, because of withdrawal or any other reason, has any right or interest in the HCP Account because of its nature as a rate stabilization fund. In the event any Participating Employer withdraws from the Health Care Program, its Participating Employees, their covered dependents and other beneficiaries and any Consolidated Omnibus Budget Reconciliation Act of 1985 as amended (COBRA) participants and contract personnel and dependents approved by the Board of Trustees, shall forfeit all right and interest to the HCP Account.

ARTICLE 14

TERMINATION OF HEALTH CARE PROGRAM

- 14.1 In the event the Health Care Program is terminated, the Board of Trustees shall distribute the remaining funds in the HCP Account to the Trust or any successor association authorized by Chapter 39.34 RCW for like purposes for use in any program with similar purposes.
- 14.2 Upon termination, this Agreement and the HCP Account shall continue for the purpose of paying remaining outstanding claims and expenses and fulfilling all other functions necessary to complete the business of the Health Care Program.

ARTICLE 15

MEETINGS, NOTICES AND COMMUNICATIONS

- 15.1 The Board of Trustees and the EBAC, if any responsibilities for Trust management have been delegated thereto, shall provide notice of their regular and special meetings and hold their meetings in accordance with Chapter 42.30, RCW Open Public Meetings Act.
- 15.2 Communications with Participating Employers may occur using mail, email or posting on the Health Care Program website. The website shall be partitioned to provide information for the general public and information specific to Participating Employers and their employees.
- 15.3 Communications may come directly from the Health Care Program, through the Third-Party Administrator or through another vendor on behalf of the Health Care Program.

ARTICLE 16

AMENDMENTS TO INTERLOCAL AGREEMENT

- 16.1 The Board of Trustees shall review and analyze any proposed amendment to this Agreement. An amendment may be proposed for review by any party to this Agreement.
- 16.2 The Board of Trustees upon its discretion may take action by resolution on any amendment at any regular meeting of the Board of Trustees.

ARTICLE 17

PROHIBITION ON ASSIGNMENT

- 17.1 No Participating Employer may assign any right or claim of interest it may have under this Agreement.

- 17.2 No creditor, assignee or third-party beneficiary of any employer shall have the right, claim or title to any party, share, interest, premium or asset of the Trust, HCP Account or the Health Care Program.

ARTICLE 18

HEALTH CLAIM DISPUTES AND APPEALS

In the event that a dispute arises over a health claim, the procedures, adjudication requirements and administrative remedies shall be found in the Health Care Program's plan document applicable to the Health Care Program covering the claimant.

ARTICLE 19

PLAN ADMINISTRATION DISPUTES AND APPEALS

- 19.1 In the event that a dispute arises between a Participating Employer and the Health Care Program, the Participating Employer shall document the circumstances causing the dispute and submit a written request for review of the disputed circumstances to the Board of Trustees. Upon review of such information, the Board of Trustees shall attempt to resolve the dispute.
- 19.2 If the Board of Trustees' resolution to the dispute is deemed unsatisfactory, then alternative dispute resolution through mediation or binding arbitration may be necessary.

ARTICLE 20

ENFORCEMENT OF TERMS OF AGREEMENT

- 20.1 The Board of Trustees may enforce the terms of this Agreement.
- 20.2 In the event legal action is initiated to enforce any term or provision of this Agreement against any present or previous Participating Employer, the prevailing party shall receive such reimbursement of costs as the court deems reasonable for attorneys' fees and costs related to the relevant legal action.

ARTICLE 21

DEFAULT

- 21.1 If any Participating Employer fails to perform any term or condition of this Agreement and such failure continues for a period of sixty (60) days after the Board of Trustees has given the Participating Employer written notice describing such failure, the Participating Employer shall be considered in default.
- 21.2 Upon default, the Board of Trustees may immediately cancel the Participating Employer's participation in the Health Care Program without additional notice or exercise some other remedy otherwise provided by law.

- 21.3 The rights and remedies of the Board of Trustees are cumulative in nature and pursuit of any particular remedy shall not be deemed an election of remedies or a waiver of any other remedies available hereunder or otherwise available by law.

ARTICLE 22

NO WAIVERS

No waiver or forbearance of a breach of any covenant, term, or condition of this Agreement shall be construed to be a waiver or forbearance of any other or subsequent breach of the same or of any other covenant, term or condition, and the acceptance of any performance hereunder, or the payment of any sum of money after the same has become due or at a time when any other default exists hereunder, shall not constitute a waiver or right to demand payment of all sums owing or a waiver of any other default then or thereafter existing.

ARTICLE 23

CONTRACT MANAGEMENT

The Health Care Program shall designate a person to whom the State Risk Manager shall forward legal process served upon the Risk Manager; **The AWC Chief Executive Officer** (designee or successor). **The Health Care Program Director** shall be responsible for and shall be the contact person for all communications regarding the performance of this Agreement.

ARTICLE 24

SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

ARTICLE 25

COUNTERPART COPIES

This Agreement may be signed in counterpart or duplicate copies and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

ARTICLE 26

HEADINGS

The Article and Section headings in this Agreement are inserted for convenience only and are not intended to be used in the interpretation of the contents of the Articles and Sections they introduce.

ARTICLE 27

AGREEMENT COMPLETE


This Agreement and the documents referenced herein contains all the terms and conditions agreed to by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement.

Association of Washington Cities
Employee Benefit Trust

Participating Employer

Signature: 
Name: Michael A. McCarty

Title: Chief Executive Officer

Date: August 30, 2013

Signature: _____

Name (print): _____

Title: _____

Date: _____

Effective Date: January 1, 2014

[INSERT NAME OF CITY OR TOWN or NON-CITY ENTITY]
RESOLUTION NO. _____

_____, 2013

WHEREAS, the Association of Washington Cities Employee Benefit Trust (the "Trust") is an entity to which contributions by cities and towns and non-city entities organized and existing under the Constitution or laws of the State of Washington and who are members of the Trust ("Participating Cities and Towns," and "Participating Non-City Entities") and their employees can be paid and through which the Board of Trustees of the Trust ("Trustees") provides one or more insured health and welfare benefit plans or programs to Participating Cities and Towns' and Non-City Entities' employees, their dependents and other beneficiaries ("Beneficiaries"), on whose behalf the contributions were paid; and

WHEREAS, the Trust qualifies as a voluntary employee beneficiary association within the meaning of Section 501(c)(9) of the Internal Revenue Code, providing for the payment of life, sick, accident or other benefits to Beneficiaries; and

WHEREAS, the Trust and Participating Cities and Towns and Non-City Entities have determined that it is in the best interest of Participating Cities and Towns and Non-City Entities to jointly self-insure certain health benefit plans and programs for Beneficiaries through a designated account within the Trust, while at the same time having the Trust continue as the entity to which other insured health and welfare benefit program contributions are paid and through which insured health and welfare benefit plans and programs are provided to Beneficiaries; and

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

WHEREAS, Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under chapter 39.34 RCW, jointly self-insure health benefit plans and programs, and/or jointly hire risk management services for such plans or programs by any one or more of certain specified methods; and

WHEREAS, the Association of Washington Cities Employee Benefit Trust Interlocal Agreement (the "Interlocal Agreement") attached hereto creates a joint self-insured health and welfare benefit program (the "Health Care Program") to be administered by the Trustees for the purposes of providing self-insured health benefits to Beneficiaries; and

WHEREAS, WAC 200-110-030 requires every local government entity participating in a joint self-insurance health and welfare benefit program to adopt such program by resolution; and

WHEREAS, Chapter 48.62 requires Health Care Program assets to be managed consistent with existing authority over use of municipal funds in RCW 35.39.030. The Trust will manage Health Care Program reserves in compliance with Chapter 48.62 RCW; RCW 35.39.030, and the Health Care Program Investment Policy; and

WHEREAS, all premium contributions for use in the Health Care Program are deposited into a designated account within the Trust, the Health Care Program Account (the "HCP Account"), and the HCP Account represents a pool of funds that is independent of all other Trust or AWC funds; and

WHEREAS, the Trust intends to manage the HCP Account assets in compliance with federal and state laws and the Interlocal Agreement; and

WHEREAS, **[INSERT NAME OF CITY OR TOWN or NON-CITY ENTITY]** believes it is in the best interest of the Health Care Program to allow the Trust to manage the HCP Account;

NOW THEREFORE RESOLVED, that the Interlocal Agreement creating the Health Care Program is hereby adopted.

RESOLVED, that by adopting such Agreement, **[INSERT NAME OF CITY OR TOWN or NON-CITY ENTITY]** acknowledges that it shall be subject to assessments as required by the Health Care Program.

By: _____

ATTEST:

Dated: _____