



**PACIFIC CITY COUNCIL MEETING AGENDA**  
**Council Chambers - City Hall. 100 3<sup>rd</sup> St. SE**

**October 15, 2013**  
**Tuesday**

**Regular Meeting**  
**6:30 p.m.**

- 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL OF COUNCIL MEMBERS**
- 3. ADDITIONS TO/APPROVAL OF AGENDA**
- 4. AUDIENCE COMMENT**  
(Please limit your comments to 3 minutes for items not up for public hearing. When recognized by the Mayor, please state your name and address for the official record. It is asked that you do not speak on the same matter twice.)
- 5. Recognition of Lt. Massey, Stephanie Shook and Officer Kim with Commendations**
- 6. PRESENTATION: Valley Regional Fire Authority presentation of two Automated External Defibrillators (AEDs)**
- 7. REPORTS**
  - A.** Mayor
  - B.** Finance
  - C.** Court
  - D.** Public Safety Department
  - E.** Public Works/Community Development Departments
  - F.** Community/Senior/Youth/Services
  - G.** City Council Members
  - H.** Boards and Committees
    - i. Park Board
    - ii. Public Works
    - iii. Civil Service
    - iv. Planning Commission
    - v. South County Area Transportation Board (SCATBd)
    - vi. Pierce County Regional Council (PCRC)
    - vii. SCA
    - viii. VRFA
- 8. PUBLIC HEARING**

**9. OLD BUSINESS**

- A. Adoption of Resolution 2013-072 authorizing the purchase of a laptop computer for Judge Rochon and allowing the court administrator to sign the purchase reimbursement agreement with the AOC, obtain a purchase order from Finance, and authorize the purchase and set up of software for the computer by Auburn's IT department.
- B. Adoption of Resolution No. 2013-073 authorizing the execution of an interlocal agreement with Association of Washington Cities for participation in AWC's self-insured Employee Benefit Trust.

**10. NEW BUSINESS**

- A. Adoption of Resolution No. 2013-074 authorizing the execution of Skillings Connolly Proposed Contract Amendment No. 11 for Stewart Road Design Services in the amount of \$93,200 paid from the Transportation Improvement Board grant
- B. Adoption of Resolution No. 2013-075 accepting the two-year Department of Ecology Coordinated Prevention Grant (CPG), in the amount of \$19,102 paid from a King County grant, for waste reduction and recycling of hard to recycle items.
- C. Authorizing the expenditure of up to \$250 to secure the City of Pacific's internet domain name and website.

**11. CONSENT AGENDA**

*(The Mayor shall place matters on the Consent Calendar which are so routine or technical in nature that passage is likely.)*

- A. Claim Voucher & Payroll Approval
- B. Approval of the minutes of September 16, 2013, workshop and September 23, 2013, regular meeting
- C. Approval of the minutes for meetings: March 11, 2013; March 25, 2013; April 1, 2013; April 8, 2013; April 15, 2013; April 22, 2013; May 13, 2013; May 20, 2013; May 20, 2013 Special Meeting, May 28, 2013; June 3, 2013

**12. EXECUTIVE SESSION**

**13. ADJOURN**

***Council may add and take action on other items not listed on this agenda unless specific notification period is required.***

Please turn off cell phones during meeting and hold your questions for staff until the meeting has been adjourned.

Meeting materials are available on the City's website at: [www.cityofpacific.com](http://www.cityofpacific.com) or by contacting the City Clerk's office at (253) 929-1105.



**Agenda Staff Report**

**TO:** Mayor Guier and City Council Members  
**FROM:** Kelly Rydberg  
**MEETING DATE:** 10/15/13  
**SUBJECT:** Court equipment reimbursement from AOC

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**ATTACHMENTS:** Resolution 2013-072, Purchase Reimbursement Agreement; Computer specifications from AOC; estimates for laptop purchase, set up & configuration, software.

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**Previous Council Review: October 7, 2013**

**Summary:** AOC has a schedule and program for courts to update equipment used in daily activities. For FY2014, Pacific Municipal Court qualifies for a laptop for the Judge's use. We can either buy it ourselves which would make the laptop City property and allow other programs be installed on the laptop, or receive a laptop from AOC for the Judge's use only while in the courtroom, the laptop cannot be altered in any way and is the State's property. I would like to purchase it for the City and add Microsoft Office so the Judge will have use of the laptop and court forms when at home for officer phone calls and bail hearings. He will also be able to use it at conferences, as written materials are no longer being provided.

**Recommendation/Action:** Allow Court Administrator to sign the Purchase Reimbursement Agreement, obtain a Purchase Order from finance, order the laptop through Auburn IS, allow Auburn IS to setup the laptop with Microsoft Office.

**Motion for Consideration:** "I move to adopt Resolution 2013-072 authorizing the purchase of a laptop computer for the municipal court and allowing the court administrator to sign the documents required to purchase the computer and software and obtain reimbursement from the AOC for said computer."

**Budget Impact:** Purchase of Microsoft Office license at approximately \$325.00; set up fees from Auburn IS at approximately \$150.00; purchase laptop at approximately \$1170.00

**Alternatives:** Request AOC provide a laptop for the Judge's use while in the courtroom only, as it will not be able to be altered in any way with any other software or programs of any kind.



CITY OF PACIFIC  
WASHINGTON

RESOLUTION NO. 2013-072

**A RESOLUTION OF THE CITY OF PACIFIC, WASHINGTON, AUTHORIZING THE PURCHASE OF A LAPTOP COMPUTER FOR THE MUNICIPAL COURT AND ALLOWING THE COURT ADMINISTRATOR TO SIGN THE DOCUMENTS REQUIRED TO PURCHASE THE COMPUTER AND SOFTWARE AND OBTAIN REIMBURSEMENT FROM THE ADMINISTRATIVE OFFICE OF THE COURTS FOR SAID COMPUTER**

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**WHEREAS**, the Washington State Administrative Office of the Courts (AOC) provides equipment to courts in the state of Washington; and

**WHEREAS**, some equipment provided to the Pacific Municipal Court by the AOC is now eligible for replacement; and

**WHEREAS**, the Pacific Municipal Court has need of a laptop computer for use by the judge and the AOC will provide reimbursement up to \$1,100 for a laptop for the judge; and

**WHEREAS**, additional software that must be purchased by the Municipal Court will be required to be added to the laptop computer and installed by Auburn's Innovation & Technology Department,

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

**Section 1.** The Pacific City Council hereby authorizes the Court Administrator to purchase the requested laptop computer and software and to execute the Purchase Reimbursement Agreement with The Washington Administrative Office of the Courts (Exhibit A).

**Section 2.** This Resolution shall take effect and be in full force upon passage and signatures hereon.

CITY OF PACIFIC

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LEANNE GUIER, MAYOR

ATTEST/AUTHENTICATED:

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AMY STEVENSON-NESS, CITY CLERK

APPROVED AS TO FORM:

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KEN LUCE, CITY ATTORNEY



PURCHASE REIMBURSEMENT AGREEMENT  
between  
THE WASHINGTON STATE  
ADMINISTRATIVE OFFICE OF THE COURTS  
and  
CITY OF PACIFIC MUNICIPAL COURT

AOC Information Technology Primary Purchase Agreement (ITPPA) Number: IAA05858  
Purchase Reimbursement Agreement (PRA) Number: PRA140001

**1. Purpose**

This PRA Number PRA140001 is executed by the Washington State Administrative Office of the Courts (AOC) and the City of Pacific Municipal Court (CUSTOMER) pursuant to the terms and conditions of ITPPA Number IAA05858. The parties acknowledge they have read and understand the terms and conditions therein. All rights and obligations of the parties shall be subject to and governed by the terms of the ITPPA. This PRA sets forth the obligations of the parties with respect to AOC's reimbursement to the CUSTOMER of funds which have been expended by the CUSTOMER for purchase of 1 laptop.

**2. Term and Termination**

The term of the PRA is effective upon the date of execution by both parties through Friday, November 29, 2013. Termination of the PRA requires written notification to the other party. Extensions to the PRA can only be executed by the AOC, with written notification to the other party.

**3. Responsibilities**

3.1. The AOC will:

- 3.1.1. Provide specifications for the equipment covered by this agreement. (See Exhibit A).
- 3.1.2. Provide funds to reimburse the CUSTOMER for costs associated with the purchase of 1 laptop pursuant to Subsection 3.2 below. The funding provided by AOC shall be at a maximum the amount required for the purchase of the equipment meeting the provided specifications or the actual cost, whichever is lower. Should the CUSTOMER acquire equipment that exceeds the provided specifications, the CUSTOMER shall be responsible for that portion of the acquisition costs which exceeds the reimbursable amount as referenced above.

3.2. The CUSTOMER will:

- 3.2.1. Purchase equipment that meets the specifications referenced above. Install and maintain the equipment purchased under this PRA, including providing network connectivity to the new equipment as needed. It is possible that a new network line may need to be installed by the CUSTOMER to provide connectivity to the equipment covered by this PRA.
- 3.2.2. Be responsible for all costs not reimbursed by the AOC pursuant to Subsection 4 below.
- 3.2.3. Submit invoices to the AOC pursuant to Subsection 5 below.
- 3.2.4. Submit, with the invoice, a completed copy of the exhibit supplying the specifications of the purchased equipment in the last column.

**4. Reimbursement Amount**

The AOC will reimburse the CUSTOMER up to \$1100 for each laptop, or the actual cost, whichever is lower. The actual cost shall include any tax and shipping costs incurred by the CUSTOMER.

**5. Billing/Invoicing**

Billing/invoicing will be in accordance with procedures outlined in the above-referenced ITPPA (IAA05858) and additional terms and conditions listed below.

**6. Treatment of Assets and Property**

CUSTOMER shall be the owner of any and all fixed assets or personal property jointly or cooperatively, acquired, owned, or disposed of pursuant to this PRA.

**7. Modifications/Changes**

This PRA may be modified at any time upon mutual written agreement of the parties. All such modification will be made as an amendment to the PRA and will take precedence over the original PRA.

**8. Order of Precedence**

If there is a conflict between this PRA and the above-referenced ITPPA, the conflict will be resolved by giving precedence first to this PRA and then to the ITPPA.

**9. PRA Management**

Unless otherwise indicated, all correspondence regarding this PRA should be directed to:

	CUSTOMER	AOC
Primary Contact	Kelly Rydberg	Christine Winslow
Title	Administrator	Infrastructure Program Associate
Agency/Division	Pacific Municipal Court	Administrative Office of the Courts
Address	100 3rd Ave SE Pacific, WA 98047-1349	1206 Quince St SE PO Box 41170 Olympia, WA 98504-1170
Phone	(253) 929-1140	(360) 705-5249
FAX	(253) 929-1195	(360) 956-5700
E-mail	krydberg@ci.pacific.wa.us	Christine.Winslow@courts.wa.gov

**10. Authorization/Acceptance**

This PRA and the underlying ITPPA constitute the entire agreement between the parties and supersedes all other communication, written or oral, related to the subject matter of the PRA. Execution of this PRA by both parties constitutes an addendum to the underlying ITPPA, which remains in full force and effect, except as may be specifically modified and agreed to between the parties within this PRA. The parties hereby acknowledge and accept the terms and conditions of this PRA.

AGREED:

STATE OF WASHINGTON  
ADMINISTRATIVE OFFICE  
OF THE COURTS

PACIFIC MUNICIPAL COURT

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
(Printed)

\_\_\_\_\_  
(Printed)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Court Desktop PC Specifications

COMPONENT	AOC REQUIREMENT	PURCHASED SYSTEM'S SPECIFICATION
Processor	Intel or AMD and may use a multi-core processor	
Processor Speed	3 GHz or more for single or 2.5 GHz or more for multi-core	
RAM	4 GB or more	
Hard Drive	80 GB or more	
Network Interface Card (NIC)	Ethernet minimum 10/100/1000	
Mouse	Standard MS compatible	
Keyboard	Standard MS compatible	
Operating System	Windows XP Professional other latest release of Microsoft Windows for business use	
Monitor	17" flat panel monitor or bigger	

Court Laptop PC Specifications

COMPONENT	AOC REQUIREMENT	PURCHASED SYSTEM'S SPECIFICATION
Processor	Mobile Intel Pentium or equivalent, including AMD Mobile Processor	
Processor Speed	2.2 GHz or more and may include multi-core processor technology	
RAM	4 GB or more	
Hard Drive	160 GB or more	
Network Interface	Ethernet minimum 10/100/1000	
Operating System	Windows XP Professional other latest release of Microsoft Windows for business use	
Display	15" XGA TFT, 14" WXGA or bigger	





Quote #: 663645887  
 Customer #: 048565279  
 Contract #: WN32ACA  
 Customer Agreement #: T10-MST-296/B27160  
 Quote Date: 09/19/2013  
 Customer Name: CITY OF PACIFIC

Date: 9/19/2013

Thanks for choosing Dell! Your quote is detailed below; please review the quote for product and informational accuracy. If you find errors or desire certain changes please contact your sales professional as soon as possible.

Sales Professional Information

**SALES REP:** DALE DYE **PHONE:** 1800 - 4493355  
**Email Address:** Dale.Dye@Dell.com **Phone Ext:** 5139013

GROUP: 1 QUANTITY: 1 SYSTEM PRICE: \$1,068.47 GROUP TOTAL: \$1,068.47

Description	Quantity
Dell Latitude E6430 (225-2655)	1
3rd gen Intel Core i5-3230M Processor (2.6GHz, 3M cache), Dell Latitude E6430/6530/ATG (338-BBKR)	1
4.0GB, DDR3-1600MHz SDRAM, 1 DIMM, Dell Latitude (317-9935)	1
Internal English Dual Point Keyboard, Latitude E (332-0035)	1
Documentation (English), Dell Latitude and Precision Workstations (332-0472)	1
Tech Setup Guide, English, Dell Latitude E6X30 (331-5825)	1
Intel HD Graphics 4000, Dell Latitude E6430 (318-1890)	1
320GB 7200rpm Hard Drive 7mm, Dell Latitude E6X30 (342-4940)	1
No Dell ControlVault, No Fingerprint Reader, No Smartcard Reader and No Contactless Smartcard Reader, Dual Point (331-5841)	1
14.0" HD (1366x768) Anti-Glare LED-backlit, Dell Latitude E6430 (320-3062)	1
Windows 7 Label, Latitude, Vostro and Mobile Precision Notebooks (330-6322)	1
Windows 7 Professional, 32-bit, No Media, Latitude, English (421-8051)	1
Windows 7 XP Mode, Opti/PWS/Lat/Vost (421-2262)	1
Software, DDPA (Dell Data Protection Access), version 2.3, Dell Latitude EXX30 (421-8718)	1
No Modem, Dell Latitude E4 (331-5834)	1
No Modem for Latitude E-Family (313-9606)	1
US - 3 foot Flat Power Cord, Dell Latitude (330-4016)	1
65W 3-Pin, AC Adapter, Dell Latitude E4 (331-5830)	1
8X DVD+/-RW, Dell Latitude E4 (318-1732)	1
8X DVD+/-RW Bezel, Dell Latitude E63X0/E64X0/E65X0/ATG (318-0466)	1
Thank you for Choosing Dell (318-2231)	1
Noise Cancelling Digital Array Microphone, Dell Latitude E6430/ATG (318-1719)	1
Intel Centrino Ultimate-N 6300 802.11n 3x3 Half Mini Card, Dell Latitude E4/Mobile Precision (430-4633)	1

No Intel vPro Technology Advanced Management Features, Dell Latitude E6430/S/ATG (331-5836)	1
6-Cell (60WH) Primary Lithium Ion Battery, (2.8Ah) ExpressCharge Capable for Latitude E4 (312-1318)	1
Energy Star Enabled/E-PEAT, Latitude E6X30 (331-6213)	1
No Productivity Software,Dell OptiPlex,Precision and Latitude (421-3872)	1
Basic Hardware Service: Next Business Day Onsite Service After Remote Diagnosis 3 Year Extended (993-9491)	1
Basic Hardware Service: Next Business Day Onsite Service After Remote Diagnosis Initial Year (993-8341)	1
Dell Limited Hardware Warranty Plus Service Extended Year(s) (994-0921)	1
Dell Limited Hardware Warranty Plus Service Initial Year (994-0681)	1
Dell ProSupport Service Offering Declined (991-2878)	1
Keep Your Hard Drive, 4 Year (981-5693)	1
Intel Core i5 Processor (331-1633)	1

*Total Purchase Price:	\$1,169.99
<b>Product Subtotal:</b>	\$1,068.47
<b>Tax:</b>	\$101.52
<b>Shipping &amp; Handling:</b>	\$0.00
<b>State Environmental Fee:</b>	\$0.00
<b>Shipping Method:</b>	LTL 5 DAY OR LESS
(* Amount denoted in \$)	

**Statement of Conditions**

The information in this document is believed to be accurate. However, Dell assumes no responsibility for inaccuracies, errors, or omissions, and shall not be liable for direct, indirect, special, incidental, or consequential damages resulting from any such error or omission. Dell is not responsible for pricing or other errors, and reserves the right to cancel orders arising from such errors.

Dell may make changes to this proposal including changes or updates to the products and services described, including pricing, without notice or obligation.

This proposal is not intended to create a contractual relationship. Unless expressly agreed otherwise in a writing signed by the parties, all orders by CITY OF PACIFIC for Dell products and services shall be subject to Dell's Terms and Conditions of Sale-Direct, which can be found at [www.dell.com/terms](http://www.dell.com/terms), and which incorporate Dell's U.S. Return Policy, at [www.dell.com/returnpolicy#total](http://www.dell.com/returnpolicy#total) . Please read those terms carefully and in their entirety, and note in particular that Dell EqualLogic and EqualLogic-branded products, Dell|EMC and EMC-branded products, PowerVault ML6000 tape libraries, non-Dell-branded enterprise products, enterprise software, and customized hardware or software products may not be returned at any time. Orders also shall be subject to the terms of any applicable service contract(s), which can be found at [www.dell.com/servicecontracts](http://www.dell.com/servicecontracts).

All information supplied to CITY OF PACIFIC for the purpose of this proposal is to be considered confidential information belonging to Dell.



**Agenda Staff Report**

**TO:** Mayor Guier and City Council Members  
**FROM:** Amy Stevenson-Ness, City Clerk/Personnel Manager  
**MEETING DATE:** October 15, 2013  
**SUBJECT:** AWC Employee Benefit Trust Self-Insurance

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**ATTACHMENTS:** A. Resolution 2013-073;  
B. AWC Employee Benefit Trust Health Care Program Interlocal Agreement;  
C. Letter from AWC re: the move to self-insurance;  
D. Self-Funded Health Care Program Information Sheet;  
E. FAQ regarding the Self Insurance Transition

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**Previous Council Review: October 7, 2013**

**Summary:** The AWC Employee Benefit Trust Board of Trustees voted to become self-insured. In order for the City of Pacific to continue to be a part of the Benefit Trust, Council must approve a resolution and interlocal agreement authorizing the city to participate in the self-insured program per RCW 48.62 and WAC 200-110.

The impacts and benefits as outlined in the information sheet provided by AWC include:

- a cost savings for members due to the elimination of several mandatory taxes for fully insured plans;
- no increase in premiums in 2014 for the employees covered by the Trust's Regence/Asurius Medical, WDS Dental, and VSP Vision self-insurance plans;
- benefit plan designs remain the same, including the mandated benefit changes under the Affordable Care Act for 2014, including access to the same provider networks;
- members will still be part of the Trust's large pool.

**Recommendation/Action:** Move to adopt Resolution 2013-073.

**Motion for Consideration:** "I move to adopt Resolution 2013-073 authorizing the execution of an interlocal agreement with AWC for participation in the Employee Benefit Trust Self-Insurance Program."

**Budget Impact:** There will be no increase in insurance premiums in 2014 for the employees covered by the Trust's Regence/Asurius Medical, WDS Dental, and VSP Vision self-insurance plans.

**Alternatives:**



**CITY OF PACIFIC  
WASHINGTON  
RESOLUTION NO. 2013-073**

**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**, the City of Pacific believes it is in the best interest of the Health Care Program to allow the Trust to manage the HCP Account;

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

**RESOLVED**, that by adopting such Agreement, the City of Pacific acknowledges that it shall be subject to assessments as required by the Health Care Program.

**PASSED BY THE CITY OF PACIFIC CITY COUNCIL AT A REGULAR MEETING THEREOF ON OCTOBER 15, 2013.**

CITY OF PACIFIC

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Leanne Guier

ATTEST/AUTHENTICATED

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Amy Stevenson-Ness, City Clerk

APPROVED AS TO FORM

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Kenyon Luce, City Attorney

**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**

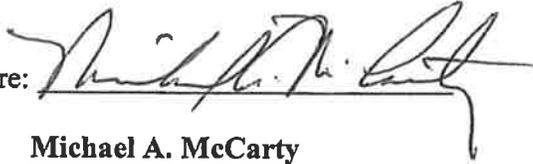
This Agreement and the documents referenced herein contains all the terms and conditions agreed to by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto.

**[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





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](mailto: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



## Self-Funded Health Care Program

*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.

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.

*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.*

### 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 <sup>1</sup>	\$15,420,000
Projected employer contributions	\$174,672,167
Projected employee contributions	\$19,408,091
Other projected revenues	\$308,400
<b>Total projected revenues</b>	<b>\$194,388,586</b>
Projected claims payments	\$179,155,972
Projected operational expenses <sup>2</sup>	\$12,334,777
Projected Stop Loss Insurance Policy	\$813,875
Projected Wellness Program expenses	\$1,775,561
<b>Total projected annual expenses</b>	<b>\$194,080,186</b>
<b>Projected year-end program assets/reserves</b>	<b>\$15,729,400</b>

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

<sup>2</sup>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.



## Frequently asked questions on self-insurance transition

### **Can I make amendments to the resolution and the Interlocal Agreement?**

You may amend the member resolution that we provided to you in Word format.

We ask that no amendments be made to the Interlocal Agreement. The Interlocal Agreement was drafted by counsel to the Trust, reviewed and approved by the Board of Trustees and the State Risk Manager. Amendments to the Interlocal must go through a lengthy process which includes all signatories to the Interlocal to approve and re-sign the agreement.

We are keeping record of comments and questions regarding the Interlocal and the transition to self-funding, and will address at some future date.

### **What are the details regarding AWC's planned stop loss insurance/reinsurance? For example, at what point will the reinsurance coverage kick in and what are the coverage levels?**

The Trust Board of Trustees approved on September 26 the levels of stop loss insurance for the AWC Trust self-insured Health Care Program.

Before answering that question, it is important to note that under the current fully insured arrangement with Regence BlueShield we hold a \$1,000,000 individual stop loss (ISL) and are obligated on aggregate to 4.42 weeks of premium (approximately \$15.8 million). For Group Health, we are currently insured for ISL at \$250,000 and no aggregate obligations.

With the advice of the actuarial consultants at Aon-Hewitt, the Trustees adopted on September 26 ISL and aggregate policies as follows: Regence/Asuris medical plans at an ISL of \$1.5 million and Group Health ISL at \$750,000. The aggregate policy will be for 200% of expected medical claims.

### **Where are the beginning/startup assets coming from to create a reserve and pay initial claims & expenses?**

The Trust Board of Trustees has committed to fully fund the Health Care Program reserves at the actuarial recommendation of \$15,420,000. This initial pledge was derived from the AWC Trust Rate Stabilization Reserve of \$75,471,971 which now brings that reserve down to about \$60 million.

### **What protected health information will the city be receiving as a result of the change to self-insurance? Does the AWC have sample policies and procedures for our council to adopt as required by Section 10.7 of the Interlocal Agreement?**

Staff are currently working with the Trust legal counsel at Stoel Rives to amend the AWC Trust Privacy & Security Policies to incorporate appropriate HIPAA privacy and security language as addressed in the Interlocal Agreement. The initial legal opinion is that our Board of Trustee adopted policies can accompany the Interlocal Agreement and not need to be formally adopted by the council.

### **Under what circumstances would the city be asked to pay an assessment above and beyond the amount of the monthly premiums?**

The AWC Trust is not changing its rating philosophy from true pooling concepts. In other words, cities *will not* be individually rated based on your claims experience. We will continue to pool health care claims and project rate increases in the same fashion as we have in years past.

As in years past, if the pool experienced a significant deficit that sorely depleted our rate stabilization reserve, then an additional % would be tacked onto the rate increase to replenish the reserves. This event has been extremely rare in the AWC Trust history; in fact, in the past 25 years, it has only occurred twice.

If this were necessitated under the new Trust self-insurance Health Care Program, we will be sure to identify it as such with a disclosure as to status of the Rate Stabilization Reserve. Ultimately, in the unlikely event of the total dismantle of the self-insurance Health Care Program, AWC Trust reserves would be depleted to pay claims runout. If there was insufficient funds in the reserves, then member jurisdictions at that time would be assessed based on proportion of total premium.

*continued*

**The Interlocal Agreement states that a participating City may withdraw on 31 days advance notice prior to the end of the year, but the current application and Trust Agreement says such notice must be given six months in advance (by July 1). Is the application and Trust Agreement going to change? If not, what notice requirement will apply to withdraw?**

This is an item that will be addressed with the Board of Trustees in December to either amend the Interlocal Agreement and/or the Trust Agreement so that they complement each other. At this time, the generosity of the Interlocal Agreement will prevail. Mid-year terminations due to collective bargaining agreement obligations will be honored.

**How does the Trust plan to address assessments, if necessary, in light of the ability of participating employers' ability to withdraw? We assume that once an employer has withdrawn, it will not be responsible for past debts of the Trust, even if those debts were incurred during the employer's participation. But that is not clear in the Interlocal Agreement. For example, if an extraordinarily large value of claims are made at the end of the last year in which an employer is participating, is the employer immune from being assessed in the next year even though the reason for the assessments are claims that were made while the employer was participating?**

As stated above, we operate and rate on true claims pooling concepts. The pool is actuarially rated each year with the assumption of projected claims runout for all current members. A jurisdiction's (or bargaining unit's) departure will not obligate that jurisdiction to past debts.

The only exception to that rule would be if the AWC Trust were to terminate the Health Care Program; member jurisdictions at the time of Trust Health Care Program termination would be obligated to proportionate assessment, should reserves prove not to be sufficient for claims runout. As you can imagine, the AWC Trust's commitment to members as to the actuarial health of the program will be strong, so that there are no surprises.

**If our council has questions we cannot answer, can the AWC provide a representative at a council meeting to answer such questions?**

Yes, AWC Trust staff would be happy to make themselves available to address your council's questions. AWC staff are also available by conference call. In addition, we are in the process of producing web-based presentations for members to use at their board/council meetings.

**The Interlocal Agreement makes reference to the Trust Agreement. What is the Trust Agreement and where can I get a copy?**

The Trust Agreement is the guiding governance document of the AWC Employee Benefit Trust, similar to bylaws. Members of the Trust can access the most recent version of the Trust Agreement (amended and restated July 1, 2013).

**My city belongs to self-insured risk pool for our property and liability coverage. How is the Trust Health Care Program Pool the same/different from the property-liability pool?**

The Pools are the same in that they are both authorized under RCW 48.62. However, how the statutes are interpreted and applied can be very different.

One of the major differences for the AWC Trust Health Care Program is how members are rated. The Trust Health Care Program pools claims without regard to experience; whereas, members of property/liability pools are typically experience-rated in some fashion to account for their individual claims history.

Another big difference between the two types of pools is the relationship to collective bargaining. With the Trust Health Care Program, there is an interwoven connection to plan design and collective bargaining agreements of the members; not so with pooling for other types of risk such as property and liability coverage.

**Does the transition to self-insurance for the AWC Employee Benefit Trust Health Care Program automatically trigger opening our collective bargaining agreements?**

Not necessarily. The only change that member employees will experience due to this transition, is the issuance of new ID cards. The big difference is how the Trust purchases coverage from the carriers; not the relationship with the Trust and member employers.

**Does the Employee Benefit Trust transition to self-funding mean that my city is now self-insured for health benefits?**

No. Members of the Employee Benefit Trust that decide to adopt the Interlocal Agreement and resolution are joining other members of the Trust to create the Health Care Program that will self-insure purchase of coverage through the Trust Health Care Program for Regence Blue Shield and Group Health medical, as well as, Washington Dental, and Vision Service plans. The Pool of members comprise the Health Care Program, not the individual city.

**Will AWC collect premiums and pay claims under the new health care program?**

The AWC Trust will continue to contract with Northwest Administrators (NWA) to collect premium. NWA will continue to forward premium onto the contracted carriers to pay claims according to contract provisions.



**Agenda Staff Report**

**TO:** Mayor Guier and City Council Members

**FROM:** Jim Morgan

**MEETING DATE:** October 15, 2013

**SUBJECT:** Stewart Road Contract Amendment

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**ATTACHMENTS:** Resolution 2013-074

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**Previous Council Review Date:** NONE

**Summary:** The attached Resolution provides approval of expenditures with Skillings Connolly, Inc. for additional design engineering and construction services of the Stewart Road Improvement projects. The Pacific City Council previously authorized by Resolutions a professional services agreement between the City of Pacific and Skillings Connolly for design engineering services of the Stewart Road/Thornton Avenue Widening Project. The past several weeks, staff has defined the scope and negotiated the proposed fees for these additional services.

**Recommendation/Action:** Staff recommends Council approve Resolution No. 2013-074.

**Motion for Consideration:** Move to approve Resolution No. 2013-074, authorizing the execution of Supplement No. 11 to a contract with Skillings Connolly for additional engineering design services associated with additional work for the final phase of the Stewart Road Improvement Projects.

**Budget Impact:** IF accepted by City Council, the costs of the services are \$93,396.00 and would be paid from the TIB grants and the remainder from the City's Water Construction funds as the scope provides design services of the City's water main extension that is associated with the project.

**Alternatives:** None recommended.



CITY OF PACIFIC  
WASHINGTON

RESOLUTION NO. 2013-074

**A RESOLUTION OF THE CITY OF PACIFIC, WASHINGTON, AUTHORIZING EXECUTION OF SUPPLEMENT NO. 11 TO A CONTRACT WITH SKILLINGS CONNOLLY FOR ADDITIONAL ENGINEERING DESIGN SERVICES ASSOCIATED WITH ADDITIONAL WORK FOR THE FINAL PHASE OF THE STEWART ROAD IMPROVEMENT PROJECTS.**

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**WHEREAS** the City Council, by Resolution No 1042 approved a contract with Skillings Connolly for completion of design engineering services for the Stewart Road/Thornton Avenue Widening Project; and

**WHEREAS**, Skillings Connolly previously submitted Supplements No. 1 - 10 in the contract that provided for additional contract time and additional services; and

**WHEREAS**, Contract Supplement No. 11 details additional costs and effort required to complete the final design work including: preparation of technical reports; completion of construction documents; and final bid estimate preparation. The requested costs associated with that work is in the amount of \$93,200 and shall be proportionally paid from the Transportation Improvement Board grant.

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

**Section 1**, The Pacific City Council hereby authorizes the execution of Supplement No.11 to the contract authorized by Resolution No 1042 between the City of Pacific and Skillings Connolly for final design engineering services of the Stewart Road Improvement Projects.

**Section 2**. This Resolution shall take effect and be in full force upon passage and signatures hereon.

CITY OF PACIFIC

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LEANNE GUIER, MAYOR

ATTEST/AUTHENTICATED:

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AMY STEVENSON-NESS, CITY CLERK

APPROVED AS TO FORM:

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KEN LUCE, CITY ATTORNEY





**Agenda Staff Report**

**TO:** Mayor Guier and City Council Members  
**FROM:** Jim Morgan  
**MEETING DATE:** October 15, 2013  
**SUBJECT:** Coordinated Prevention Grant (CPG) Agreement

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**ATTACHMENTS:** A. Resolution 2013-075  
B. Department of Ecology Coordinated Prevention Grant (CPG) Agreement No. G1400197

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**Previous Council Review Date:**

**Summary:** The attached Agreement is a bi-annual agreement between the Washington State Department of Ecology and the City of Pacific.

**Recommendation/Action:** Staff recommends Council approve Resolution No. 2013-075.

**Motion for Consideration:** Move to approve Resolution No. 2013-075, authorizing the execution of the Department of Ecology Coordinated Prevention Grant Agreement No. G1400197.

**Budget Impact:** If accepted by City Council, the cost of the services is \$6,367.33 and would be paid from a King County grant.

**Alternatives:** None recommended.



CITY OF PACIFIC  
WASHINGTON

RESOLUTION NO. 2013-075

**A RESOLUTION OF THE CITY OF PACIFIC, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE A DEPARTMENT OF ECOLOGY COORDINATED PREVENTION GRANT AGREEMENT Grant No. G1400197**

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**WHEREAS** the City of Pacific applied to various agencies for small waste reduction and recycling grants that assist in paying the costs associated with holding an annual household hazardous wastes collection event; and

**WHEREAS** the City of Pacific has been notified by the Department of Ecology that it has been approved for a two year grant in the amount of \$19,102; and

**WHEREAS** in an effort to assist the state stream line costs and services, the City of Pacific partnered with the City of Algona to submit one application for the providing an the household hazardous waste collection day, held twice each year. The City of Pacific has agreed to act as grant recipient and administer the CPG grant and shall be reimbursed for said services through the grant; and

**WHEREAS** the required local match monies are derived through the other grants already obtained by the City of Pacific and City of Algona (King County grants),

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFIC, WASHINGTON**

**Section 1.** The Pacific City Council hereby authorizes the Mayor to execute a WA Department of Ecology Coordinated Prevention Grant Agreement (attached as Exhibit A) in the amount of \$19,102 for activities associated with conducting the annual household hazardous waste program.

**Section 2.** This Resolution shall take effect and be in full force upon passage and signatures hereon.

CITY OF PACIFIC

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LEANNE GUIER, MAYOR

ATTEST/AUTHENTICATED:

---

AMY STEVENESON-NESS, CITY CLERK

APPROVED AS TO FORM:

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KEN LUCE, CITY ATTORNEY





**Agenda Staff Report**

**TO:** Mayor Guier and City Council Members

**FROM:** Richard Gould

**MEETING DATE:** **October 15, 2013**

**SUBJECT:** Purchase of City's website domain name and website hosting/design/ and support

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**ATTACHMENTS:** **Pacific Technology Improvements email from Ron Tiedeman**

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**Previous Council Review Date:** **October 7, 2013**

**Summary:** At the workshop held on October 7, Ron Tiedeman, Director, City of Auburn Innovation & Technology Department, provided Council with information regarding various IT issues the City of Pacific is facing in the near future. One item that Mr. Tiedeman addressed is the imminent need to renew the City's domain name and website hosting/design/support, stating that a decision needed to be made about purchasing the City's domain name for another year. He advised that a decision needed to be made by November 1, 2013 as the domain will expire on November 4, 2013.

**Recommendation/Action:** Approve the expenditure of up to \$250.00 to renew the City's website domain name and web hosting.

**Motion for Consideration:** "I move to approve the expenditure of up to \$250.00 to renew the City's website domain name and web hosting."

**Budget Impact:**

**Alternatives:** If the city does not purchase the domain name rights, the city will lose the [www.cityofpacific.com](http://www.cityofpacific.com) website address.



## Amy Stevenson-Ness

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**From:** Ron Tiedeman [rtiedeman@auburnwa.gov]  
**Sent:** Thursday, October 10, 2013 11:36 AM  
**To:** Amy Stevenson-Ness  
**Cc:** Leanne Guier  
**Subject:** Pacific Technology Improvement Priority List  
**Attachments:** Pacific Technology Improvements 2013.pdf

Hi Amy,

Attached is the list of technology projects, recommendations, and upgrades for the City of Pacific I discussed with Council on the 7<sup>th</sup>. I apologize for the delay in responding, as I thought I would have it done Tuesday. Please let me know if you have any questions.

I am happy to discuss these in any detail, or attend a council workshop or technology workshop to better explain the brief descriptions. Thank you for your time.

Sincerely,

Ron Tiedeman, Director of Innovation & Technology

City of Auburn  
1 East Main, Suite 320  
Auburn, WA 98001

Phone: 253-288-3160  
Fax: 253-876-1920  
Mail: [rtiedeman@auburnwa.gov](mailto:rtiedeman@auburnwa.gov)

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## Inter-Agency Memorandum

**To:** Amy Stevenson-Ness, City Clerk  
**From:** Ron Tiedeman, Innovation & Technology Director  
**CC:** Leanne Guier, Mayor  
 Pacific City Council  
**Date:** October 10, 2013  
**Re:** Technology Priorities and Recommendations

On October 7, 2013 I attended the City of Pacific Council workshop and discussed technology and capabilities as related to the various parts of the city, technology needs, and enhancements. I have created a "recommended" Technology improvement list for council to review and prioritize as they see fit. I am available to discuss these items in further detail upon request. I have included estimates, and projects mentioned by Council and Pacific staff; however prices are only estimates and will need to be verified. Asterisks represent higher priority recommendations for 2014 budget where possible.

1. \*Website Hosting/ Design/ Support – Site registration expires November 4, 2013. City of Auburn has a transition plan, and redesign completed for site. City must determine service level to proceed prior to November 1. \$200 - \$3600 annually
2. Council Chamber Updates –
  - a. \*Additional Microphones – Update Switch capacity/ add 4 microphones - \$2500
  - b. \*Assistive Listening (ADA Compliance) - \$2200
  - c. Broadcast – Audio/ Visual – online video or voice \$2000 - \$8000
  - d. Council technology – IPAD/ Surface Pro/ Software (8 devices) \$8500
  - e. Wireless Internet (council/ staff/ public) \$1200
3. City Hall – Network Hardware and Cabling
  - a. \*Expand network cabling drops in 4-6 locations \$1500-\$2000
  - b. \*Replace end of life network Router \$3000
  - c. \*Add additional network switch for backup \$2500
  - d. \*Add additional Server for separation of applications \$7000
4. Software
  - a. Standardize Office Application – Microsoft Office 2013 (42 copies) \$14,000
  - b. \*Asset Tracking/ NPDESII Compliance/ City Solution (Cartegraph) \$15,000
5. Police Facilities
  - a. Video Surveillance around building (5) and DVMS recording server \$15,000
  - b. \*Server Room Relocation – network, equipment, security, cabling \$12,000
  - c. \*Evidence Software – Barcode/ Inventory system \$8,000

**Agenda Staff Report**

Agenda Item No.	<u>Consent Agenda</u>	Meeting Date:	<u>October 15, 2013</u>
	<u>Claim Voucher &amp; Payroll</u>		<u>Richard Gould</u>
Subject:	<u>Approval</u>	Prepared by:	<u>Finance Director</u>

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**Summary:**

Approval of Payroll for the period of September 16, 2013 through September 30, 2013; Claims Vouchers for September 24, 2013 through October 15, 2013.

Payroll Auto Deposit	\$	73,259.49
Payroll Checks # 4708 - 4712		1,031.12
Electronic Claims # 484 - 487		30,610.99
Claim Checks: #42349 – 42445		320,728.44
Voided Claim Check #42148		- 76.53
Total Expenditures	\$	<u>425,553.51</u>

**Recommendation:** Approval of payment for Payroll and Claims

**Motion:** move to approve the Consent Agenda including approval of Payroll and Claims Vouchers.

**Attachments:**

Check Registers and Payroll Expense itemization.



# Payroll

## Computer Check Register

User: padams

Printed: 10/01/2013 - 4:07PM

Batch: 00501-10-2013 Computer



Check No	Check Date	Employee Information		Amount
4708	10/04/2013	LAYMAN	Robin Layman	342.66
4709	10/04/2013	GARBER	Katherine Garberding	92.35
4710	10/04/2013	HULSG	Gary Hulsey	138.11
4711	10/04/2013	STEIC	Clinton Steiger	92.08
4712	10/04/2013	FLARW	Wanda Flarity	1,031.12
Total Number of Employees: 5		Total for Payroll Check Run:		1,696.32

Auto Deposit Payroll in the Amount of:

10/4/13  
10/4/13

\$ 54,117.75  
19,141.74

Total Expenditures:

\$ 74,955.81

### Voucher Approval

We, the undersigned Council members of the City of Pacific, do hereby certify that the Vouchers specified were reviewed and were approved for payment at the Regular Council Meeting on: 10/15/13

Council member: \_\_\_\_\_

Council member: \_\_\_\_\_

Council member: \_\_\_\_\_

Reviewed for Accuracy  
Finance Director: \_\_\_\_\_

Date: \_\_\_\_\_

# Payroll

## ACH Check Register

User: 'padams'  
Printed: 10/01/2013 - 4:12PM  
Batch: 501-10-2013  
Include Partial: FALSE



Check Date	Check Number	Employee No	Employee Name	Amount
10/04/2013	0	ADAMP	Pamela Walasek	1,636.72
10/04/2013	0	BARNC	Charles Barnes	143.09
10/04/2013	0	BARNK	Kenneth Barnett	1,850.13
10/04/2013	0	BOS M	Michel Bos	2,691.95
10/04/2013	0	BROOB	Bill Brookhart	1,544.96
10/04/2013	0	CALKJ	John Calkins	4,035.62
10/04/2013	0	FUTJO	Joanne Futch	1,223.72
10/04/2013	0	GALER	Roger Gale	2,095.32
10/04/2013	0	GARRB	Betty Garrison	2,564.41
10/04/2013	0	GUIERL	Leanne Guier	317.71
10/04/2013	0	Hong	Joshua Hong	2,523.85
10/04/2013	0	JONEJ	John Jones	91.25
10/04/2013	0	KIM	Michael Kim	2,187.43
10/04/2013	0	KORAS	Steven Koransky	65.79
10/04/2013	0	LARSG	Gary Larson	1,870.62
10/04/2013	0	MASSE	Edwin Massey Jr	2,792.84
10/04/2013	0	MCCUT	Thomas McCulley Jr	1,506.44
10/04/2013	0	MCMAM	James McMahan	92.08
10/04/2013	0	MORGJ	James Morgan	1,77
10/04/2013	0	NEWTD	David Newton	2,2-
10/04/2013	0	PUTNJ	Joshua Putnam	46.03
10/04/2013	0	QUACJ	Jon Quackenbush	149.17
10/04/2013	0	RODRM	Michael Rodriguez	1,968.07
10/04/2013	0	RYDBK	Kelly Rydberg	1,553.83
10/04/2013	0	SCHUJ	James Schunke	1,889.60
10/04/2013	0	SHERR	Raymond Sherman	175.75
10/04/2013	0	SHOOS	Stephanie Shook	1,786.64
10/04/2013	0	SLAGT	Jed Slagter	1,673.93
10/04/2013	0	SOLVA	Angelica Solvang	1,610.37
10/04/2013	0	STEPR	Robert Stephens	2,499.94
10/04/2013	0	STEVEN	Amy Stevenson-Ness	1,680.65
10/04/2013	0	THACD	Darcie Thach	1,351.47
10/04/2013	0	WALKT	Trenity Walker	92.08
10/04/2013	0	WESJS	Joe West	2,205.92
10/04/2013	0	WIECP	Paula Wiech	1,027.39
10/04/2013	0	WILDC	Corrine Wildoner	1,211.36

Total Employees:

36

Total:

54,117.75

# Payroll

## ACH Check Register

User: 'padams'  
Printed: 10/02/2013 - 11:01 AM  
Batch: 503-10-2013  
Include Partial: FALSE



Check Date	Check Number	Employee No	Employee Name	Amount
10/04/2013	0	GARRB	Betty Garrison	19,141.74
Total Employees:			1	Total: 19,141.74

# Payroll

## Deduction Register - Totals Only



User: padams  
Printed: 10/8/2013 - 2:06 PM  
Check Date Range: 10/04/2013 to 10/08/2013  
Period End Range: All  
Batch Info: All  
Deductions: Den-R, FICAR, FICARR, H UnR, Hlth-R, L&I-R, LOEFFR, LTD-R, MEDIR, MED-RA, PERS1R, PERS3R, PERSR, PERSXR, SUI, VisionTotals Only

	<b>Amount</b>
<b>Den-R:</b> Dental Ins-Employer	87.65
<b>FICAR:</b> FICA Employer Portion	6,335.77
<b>H UnR:</b> Health Ins-Union Employer	14,323.38
<b>Hlth-R:</b> Health Ins-Employer Non-Union	984.14
<b>L&amp;I-R:</b> Workers Comp-Employer	1,160.57
<b>LOEFFR:</b> LOEFF-Employer	1,570.63
<b>LTD-R:</b> LTD-employer	287.97
<b>MEDIR:</b> Medicare Employer Portion	1,481.74
<b>PERS1R:</b> Pers 1-Employer	2,448.60
<b>PERS3R:</b> Pers 3-Employer	216.08
<b>PERSR:</b> PERS 2 Employer	3,
<b>SUI:</b> State Unemployment Tax	201.11
<b>Vision:</b> Vision Ins-Non-Union	25.23
	<hr/> <hr/>
Report Total:	32,398.16
	<hr/> <hr/>

# Payroll

## Pay Type Register



Jser: padams  
 Printed: 10/08/2013 - 2:05PM  
 Check Date Range: 10/04/2013 to 10/04/2013  
 Period Date Range: All  
 Batch Info: All  
 Pay Types: AD, B, C, CA, CD, CO, CP, DS, E2, E4, EO, ET, F, FH, FL, FT, H, HO, HP, L, MP, O, OC, OD, OO, OT, P, PC, PO, R, RDS, RF, RM, RP, S, SB, SP, TC, U, V, VP, ZA, ZB, ZC, ZD, ZM, ZP, ZS

Pay Type	Description	Hours	Amount
C	Comp time taken	16.00	457.23
CA	Cleaning allowance	0.00	270.00
E2	Education Premium 2%	0.00	58.45
E4	Education Premium 4%	0.00	464.76
ET	Exchange Time	438.00	17,414.88
L	Longevity	0.00	1,307.67
O	Reg Overtime	9.00	215.73
OC	Work Out of Class	0.00	820.76
OO	Out of Class OT	0.00	119.35
OT	Overtime	58.00	2,074.77
PO	Police Overtime	23.00	1,143.90
R	Regular	2,298.40	68,261.11
RM	Reimbursment	0.00	-16.76
S	Sick leave	46.25	1,295.11
v	Vacation	206.00	7,507.48
ZC	Contract Benefits-Retirement	0.00	236.42
ZM	Contract Benefits-Medical	0.00	559.35
<b>Report Total</b>		<b>3,094.65</b>	<b>102,190.21</b>



# Accounts Payable

## Checks by Date - Summary By Check Date

Jser: padams  
 Printed: 10/8/2013 - 4:03 PM



				Check Amount
Check No:	484	Check Date:	09/26/2013	
Vendor:	WA Lice2	Vendor Name:	Wa St Dept of Licensing	90.00
				90.00
Date Total:				90.00
Check No:	485	Check Date:	10/04/2013	
Vendor:	FED TX	Vendor Name:	Internal Revenue Service	25,331.55
Check No:	486	Check Date:	10/04/2013	
Vendor:	WA Retir	Vendor Name:	WA St Dept Retirement System	1,250.00
				26,581.55
Date Total:				26,581.55
Check No:	487	Check Date:	10/08/2013	
Vendor:	AWC	Vendor Name:	Assoc Of Washington Cities	3,939.44
				3,939.44
Date Total:				3,939.44
				30,610.99
Report Total:				30,610.99

### Voucher Approval

We, the undersigned Council members of the City of Pacific, do hereby certify that the Vouchers specified were reviewed and were approved for payment at the Regular Council Meeting on: 10/15/13

Council member: \_\_\_\_\_  
 Council member: \_\_\_\_\_  
 Council member: \_\_\_\_\_

Reviewed for Accuracy  
 Finance Director: \_\_\_\_\_ Date: \_\_\_\_\_



Claim # 42349-42445

Voucher Approval

We, the undersigned Council members of the City of Pacific, do hereby certify that the Vouchers specified were reviewed and were approved for payment at the Regular Council Meeting on: 10/15/13

Council member: \_\_\_\_\_

Council member: \_\_\_\_\_

Council member: \_\_\_\_\_

Reviewed for Accuracy  
Finance Director: \_\_\_\_\_

Date: \_\_\_\_\_

Check	Date	Vendor No	Vendor Name	Amount	Voucher
42399	10/15/2013	NEXTCOM2	Nextel	509.98	0
42400	10/15/2013	NW Admin	Nw Admin Transfer Account	30,822.00	
42401	10/15/2013	OWE	Owen Equipment	169.24	
42402	10/15/2013	City Pac	City of Pacific	424.60	0
42403	10/15/2013	Pac Offi	Pacific Office Automation	164.29	0
42404	10/15/2013	Pac Pett	City of Pacific Petty Cash	261.25	0
42405	10/15/2013	UB*00776	KIMBERLY PEMPEITE	7.23	0
42406	10/15/2013	Petro	Petrocard Systems Inc	2,479.82	0
42407	10/15/2013	UB*00774	PLD Properties, LLC	36.29	0
42408	10/15/2013	PPI	PPI Group	870.53	0
42409	10/15/2013	PAO	Prosecuting Attorneys Office	277.19	0
42410	10/15/2013	Pub Fin	Public Finance Inc	850.76	0
42411	10/15/2013	PS Cle A	Puget Sound Clean Air Agency	739.25	0
42412	10/15/2013	PSE	Puget Sound Energy	13,328.40	0
42413	10/15/2013	Pump	Pumptech Inc	428.72	0
42414	10/15/2013	City Pu	City of Puyallup	65.00	0
42415	10/15/2013	Quil	Quill Corporation	93.01	0
42416	10/15/2013	R&T Hoo	R&T Hood & Duct Services	434.17	0
42417	10/15/2013	Rel Off	Reliable Office Supplies	84.45	0
42418	10/15/2013	Rochon	L Stephen Rochon	3,420.00	0
42419	10/15/2013	SAMS CL2	SAM'S CLUB/GEMB	152.78	0
42420	10/15/2013	SAMS CL2	SAM'S CLUB/GEMB	102.43	0
42421	10/15/2013	SCORE	SCORE	13,950.00	0
42422	10/15/2013	Ste Sho	Stephanie Shook	39.08	0
42423	10/15/2013	Shred	Shred-It USA Inc.	154.19	0
42424	10/15/2013	Sonsray	Sonsray Machinery LLC	1,763.39	0
42425	10/15/2013	Stevens	Amy Stevenson-Ness	464.64	0
42426	10/15/2013	City Sum	City of Sumner	1,682.58	0
42427	10/15/2013	Sum Lawn	Sumner Lawn 'n Saw	63.56	0
42428	10/15/2013	Tea 117	Teamsters Local 117	1,554.24	0
42429	10/15/2013	Termin	Terminix Processing Center	100.74	0
42430	10/15/2013	ToTheEst	To The Estate of Helen Herrle	155.08	0
42431	10/15/2013	Per Exh	Total Auto Care	169.46	0
42432	10/15/2013	Uni USA	Univar USA Inc	8,215.13	0
42433	10/15/2013	USPS DIS	USPS Disbursing Officer	7.73	0
42434	10/15/2013	Val Comm	Valley Communications	759.44	0
42435	10/15/2013	ValleyPa	Valley Pacific Company	745.00	0
42436	10/15/2013	WA Retir	WA St Dept Retirement System	23,329.81	0
42437	10/15/2013	WA Trea	Wa St Treasurer	15,550.41	0
42438	10/15/2013	WA ST SU	Washington St Support Registry	602.36	0
42439	10/15/2013	WA Pat 1	Washington State Patrol	99.00	0
42440	10/15/2013	Wat Mana	Water Management Lab Inc	147.00	0
42441	10/15/2013	Wells Fa	Wells Fargo Financial Leasing	28.23	0
42442	10/15/2013	WCTPT	Western Conference of Teamsters Pen:	1,470.75	0
42443	10/15/2013	Whit Kni	White Knight Safe	17.25	0
42444	10/15/2013	White	Krista C White-Swain	2,650.00	0
42445	10/15/2013	Win Com	Wingfoot Commercial Tire	2,124.79	0

Check Total:

320,728.44

# Accounts Payable

## Check Register Totals Only



User: asolvang  
 Printed: 10/9/2013 - 1:52 PM

Check	Date	Vendor No	Vendor Name	Amount	Voucher
42349	10/15/2013	AdvUnifo	Advanced Uniforms	6,707.97	0
42350	10/15/2013	AFLAC	AFLAC	506.86	0
42351	10/15/2013	AG	AG Investigative Agency	750.00	0
42352	10/15/2013	AHBL	AHBL Inc	22,391.93	0
42353	10/15/2013	Cus sec	Custom Security Alarm Center	125.93	0
42354	10/15/2013	City Alg	City of Algona	6,203.46	0
42355	10/15/2013	Amer Leg	American Legal Services	50.68	0
42356	10/15/2013	App Con	Applied Concepts Inc	6,175.80	0
42357	10/15/2013	GALLAGH	Arthur J. Gallagher Risk Mgmt Svcs I	150.00	0
42358	10/15/2013	AWC	Assoc Of Washington Cities	169.73	0
42359	10/15/2013	City Aub	City of Auburn	3,124.04	0
42360	10/15/2013	Gai Ben	Gail Bennett	300.00	0
42361	10/15/2013	BFH Cons	BFH Consulting	1,750.00	0
42362	10/15/2013	Blu Uni	Blumenthal Uniforms	98.50	0
42363	10/15/2013	UB*00775	JOHN CARPENTER	7.35	0
42364	10/15/2013	Cen Lin	CenturyLink	1,197.73	0
42365	10/15/2013	CHOU 001	Kwang S. Chough	123.17	0
42366	10/15/2013	Chu Off	Chuckals Office Products Inc	118.88	0
42367	10/15/2013	Chehalis	Confederate Tribes Of the Chehalis Re	1,950.65	0
42368	10/15/2013	Cop NW	Copiers Northwest Inc	1,453.43	0
42369	10/15/2013	CountryG	Country Green Turf Farms	1,040.25	0
42370	10/15/2013	Data Inc	Databar Incorporated	1,905.65	0
42371	10/15/2013	DiamondD	Diamond Detail	136.75	0
42372	10/15/2013	Eve Eco	Everson's Econo-Vac Inc	2,914.08	0
42373	10/15/2013	FCI	FCI Custom Police Vehicles	1,447.04	0
42374	10/15/2013	FERGUS	Ferguson Enterprises, Inc.	2,286.95	0
42375	10/15/2013	Fire	Firestone	405.76	0
42376	10/15/2013	FoodLife	Food Lifeline	9.28	0
42377	10/15/2013	Forms	Formsource Inc	426.64	0
42378	10/15/2013	Gall Inc	Galls. an Aramark Co,LLC	289.00	0
42379	10/15/2013	Gor Tru	Gordon Trucking	362.81	0
42380	10/15/2013	Gos Mot	Gosney Motor Parts Inc	77.27	0
42381	10/15/2013	Har Fre	Harbor Freight Tools	28.23	0
42382	10/15/2013	ICON	ICON Materials	1,548.52	0
42383	10/15/2013	IdaxData	Idax Data Solutions	500.00	0
42384	10/15/2013	Ima Mas	Image Masters Inc	65.70	0
42385	10/15/2013	Int All	Interstate All Batterycenter	17.47	0
42386	10/15/2013	Issaq Ja	Issaquah Police	90.00	0
42387	10/15/2013	KC Fin	KC Finance	106,314.61	0
42388	10/15/2013	KC I-NET	KC Finance I-Net	439.00	0
42389	10/15/2013	Ele Ker	Elena Kerrigan	715.80	0
42390	10/15/2013	KCDA	King County Directors' Assoc	114.79	0
42391	10/15/2013	KC LIEN	King County Finance	504.00	0
42392	10/15/2013	Hargan	Law Office Thomas R Hargan	60.00	0
42393	10/15/2013	Les Sch	Les Schwab Tire Center	28.95	0
42394	10/15/2013	LexNex	LexisNexis	93.08	0
42395	10/15/2013	LUCE	Luce Lineberry & Kenney PS	8,374.40	0
42396	10/15/2013	McL Har	Mclendon Hardware	213.00	0
42397	10/15/2013	Mnt Mist	Mountain Mist	117.42	0
42398	10/15/2013	MuniTemp	MuniTemps	5,280.63	0





**City Council Minutes**

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**Workshop**  
**Monday, September 16, 2013**  
**6:30 p.m.**

**CALL TO ORDER/PLEDGE OF ALLEGIANCE**

Council President Walker called the regularly-scheduled meeting to order at 6:30 p.m. and led the Pledge of Allegiance.

**ROLL CALL**

Present: Council Members Garberding, Jones, Putnam, Steiger, and Walker

Absent: Mayor Guier and Mayor Pro Tem McMahan (arrived at 6:33 p.m.)

**STAFF PRESENT**

Public Safety Director John Calkins, Interim Public Works Director Ken Barnett, Senior Services Assistant Darcie Thach, Contract Interim Finance Director Richard Gould, and City Clerk Amy Stevenson-Ness

**ADDITIONS TO/APPROVAL OF AGENDA**

Agenda approved by unanimous consent of the Council.

**AGENDA ITEMS**

**A. Discussion of Financial Software Purchase.**

(Mayor Pro Tem McMahan arrived here at 6:33 p.m.)

Interim Finance Director Richard Gould provided information to Council regarding the change of software to BIAS.

There was discussion regarding the addition of a permitting module which increased the cost of the software, why the costs appear to have changed from one week to the next, and using Springbrook software to perform the permitting function.

Director Gould explained the difference in prices that had been presented previously is because the original amount was presented and then the costs of maintenance, an online payment option, and permitting are all additional costs. He

pointed out that even with the higher price tag, BIAS is still less expensive than Springbrook and Vision.

Director Gould also stated the goal is to get the city reconciled and balanced on a monthly basis. The city needs somebody that has a good product but also good service for that product.

Council Member Jones said his concern is the cost. Is this budgeted? Do we have to produce \$100,000 up front? Where is the budget for this? Where is the financial reality for the ability to make this change? He stated we need something that will work for the city without bleeding in the process.

Director Gould said he would prefer to buy out this year in order to see the savings. No money has been spent on upgrading systems so there is budget. There are also alternative payment methods such as in chunks over two years or a five year payoff.

Council Member Jones requested to see an updated proposal for \$100,000. How will the city benefit from it as well as different ways to budget it. He also requested information from Director Barnett on the benefits of a permitting module.

Mr. Mark Fletchling from BIAS provided information to Council regarding the BIAS program.

Council Member Garberding inquired as to what this will do to the utility department. Will we no longer need them? Why has the city paid for permitting on Springbrook and then not used it?

Council President Walker said the former mayor stopped full installation of the permitting module and exchanged it for something else.

Mayor Pro Tem McMahan inquired whether BIAS keeps up with the BARS manual updates and provide changes free of charge. He was advised that mandates and requirements are included in the provided service agreement.

Council President Walker questioned the timeline for implementation. Mr. Fletchling advised the program could be ready to go within a couple of weeks' time.

Council Member Steiger requested an end date of our contract with Springbrook in writing.

Council Member Garberding expressed concern about the per diem rate for BIAS employees to perform the new conversion. Mayor Pro Tem McMahan advised that the per diem rates are pretty standard for the industry.

Mr. Fletchling stated they do a lot of things remotely and are only usually onsite twice, once for the set up process and when cash receipting and utility billing goes live.

Direction by consensus of Council: Move forward to the Council meeting September 23, 2013 for discussion/potential action

**B. Finance Director Job Description**

Interim Finance Director Richard Gould presented the Finance Director job description to Council. Included in this description are duties that include the Director in union negotiations as well as grant management. It is the best of a large number of descriptions that were reviewed.

Mayor Pro Tem McMahan inquired if the job description was written to the City of Pacific's pay/benefits scale and was assured it was.

Direction by consensus of Council: Move forward to the Council meeting September 23, 2013

**C. Discussion regarding authorizing the surplus of Police Department Vehicles**

Public Works Director Barnett filled in for Chief Calkins and provided information to Council regarding the surplus of vehicles. These vehicles had previously been declared surplus by the Administration back to the Police Department. As they are not needed in the Police Department, they will be surplus and offered for sale.

Direction by consensus of Council: Move forward to the Council meeting September 23, 2013.

**D. Discussion: Appointment of Joanna Baker, Youth Park Board Member for a one year term ending August 31, 2014; and Lacey Knudtson, Youth Planning Commission Member, for a one year term ending August 31, 2014.**

Stacy Knudtson requested that her daughter's name be changed from Lovey to Lacey on the documentation.

Direction by consensus of Council: Move forward to the Council meeting September 23, 2013.

**E. Discussion: Council Agenda Structure**

Council President Walker stated there were format changes desired on the agendas that should be discussed. He would like to see the timetable for the workshop back on the agenda. In discussions with Mayor Guier, she requested that the committee reports not be listed on the agenda. Her suggestion was to ask if anyone had a committee report to give that evening.

Mayor Pro Tem McMahan would prefer to see them listed as a reminder of what reports should be given. Council Member Putnam concurred.

**ADJOURN**

Council President Walker adjourned the meeting at 7:50 p.m.

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Amy Stevenson-Ness, City Clerk





**City Council Minutes**

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**Regular Meeting  
Monday, September 23, 2013  
6:30 p.m.**

**Regular Meeting  
6:30 p.m.**

**CALL TO ORDER/PLEDGE OF ALLEGIANCE**

Mayor Guier called the regularly-scheduled meeting to order at 6:30 p.m. and led the Pledge of Allegiance.

**ROLL CALL**

Present: Council Members Garberding, Hulsey, Jones, Steiger, Walker

Absent: Mayor Pro Tem McMahan (arrived at 6:38 p.m.) and Council Members Putnam and Walker

**COUNCIL MEMBER HULSEY MOVED** to excuse Council Members Putnam and Walker. Seconded by Council Member Jones. The motion was voted on and carried 4-0.

**STAFF PRESENT**

City Attorney Kenyon Luce; Public Safety Director John Calkins, Senior Services Assistant Darcie Thach, Contract Interim Finance Director Richard Gould, City Clerk Amy Stevenson-Ness

**ADDITIONS TO/APPROVAL OF AGENDA**

Mayor Guier moved the board appointments after audience comment as the applicants have marching band practice.

**COUNCIL MEMBER HULSEY MOVED** to move Item 8A to just after Audience Comment. Seconded by Council Member Jones. Voice vote was taken and carried 4-0.

**COUNCIL MEMBER HULSEY MOVED** to approve the amended agenda. Seconded by Council Member Jones. Voice vote was taken and carried 4-0.

**AUDIENCE COMMENT**

Jeanne Fancher requested increased police presence after several neighborhood break-ins.

She requested public attendance and participation at the White River Valley Lion's Club meeting on September 25, 2013, at 7:00 p.m. The club membership is down to three members and the Lions need 10 members to survive,

(Mayor Pro Tem McMahan arrived here at 6:38 p.m.)

### **OLD BUSINESS**

**A.** Appointment of Joanna Baker, Youth Park Board Member for a one year term ending August 31, 2014; and Lacey Knudtson, Youth Planning Commission Member, for a one year term ending August 31, 2014.

Ms. Baker and Ms. Knudtson introduced themselves to the Council and stated they are seniors at Auburn Riverside High School.

**COUNCIL MEMBER HULSEY MOVED** to approve the appointment of Joanna Baker as the Youth Park Board Member, for a one year term ending August 31, 2014; and Lacey Knudtson, Youth Planning Commission Member, for a one year term ending August 31, 2014. Seconded by Council Member Jones.

Council Member Jones inquired regarding their motivation to get involved in the committees. Ms. Baker stated it was a great opportunity to learn and try something. Ms. Knudtson stated this was a great opportunity to prepare for adulthood.

Voice vote was taken and the motion carried 5-0.

### **PRESENTATION**

Maria Wood, Board of Health Administrator, King County Health Department, provided a presentation to Council regarding the campaign to enroll eligible residents in Medicaid and the Health Benefit Exchange. She stated the King County Department of Health would be assisting residents at the Senior Center and the Algona/Pacific library.

### **REPORTS**

#### **MAYOR**

Mayor Guier thanked the police department for a "fantastic" open house, even in the rain. It was well attended and emergency kits were given away. The plan for next year is to have it coincide with National Night Out.

She advised that Pacific Partnerships' 5013C status is lost and some services will be ending until the issue is resolved. They are working on getting their status back. The mayor is suggesting that a board be formed and the city can get back to oversight of the board. She stated the situation is unfortunate but will give us an opportunity to do this correctly. Programs affected are commodities, Stone Soup, and World Vision.

This month there will be a fifth Monday and the Mayor will be holding an Ask the Mayor Forum on September 30, 2013, at 6:30 p.m. in the Council Chambers. (set up chairs differently, informal)

### **FINANCE**

Contract Interim Finance Director Richard Gould reported that claim vouchers and payroll will now be approved prior to meetings by the Finance Committee. The committee meeting has been moved to after the workshop meeting to approve the vouchers prior to the regular meetings. He also explained two amended checks that were added to the agenda for approval.

Director Gould provided Council with a first draft of the August financial reports and advised the cash position of the city has increased markedly due to lack of spending.

After speaking to the state auditor regarding approval of quarterly reports, he will begin presenting them to Council for approval on October 28<sup>th</sup>.

The state auditors are due in November and he is working to get reports completed.

He suggested to Council a date of Saturday, October 12 from 8:00 a.m. to 12:00 p.m. to have a budget retreat to talk about goals and objectives. It is important to receive Council's input on the budget Saturday, October 12 from 8-12

After discussion, the budget workshop will be held on Wednesday, October 9 from 6:00-10:00 p.m.

### **PUBLIC SAFETY**

Chief Calkins reported that the open house was well attended. They went through 600 hot dogs and 300 raffle tickets. Kids had a great time and there was 100% turnout from the department. Next year it will be earlier in the year to coincide with National Night Out.

A prisoner escaped during the court transport process. It was the fourth time in six to eight. A debrief was held on September 18 where solutions to the situation and errors were discussed. Most participants in the search process attended. A Public Safety Committee meeting will be held on September 25 at 6:00 p.m.

Council Member Garberding inquired if the prisoner had been recaptured and was advised he had not been recaptured but has been in contact with the department saying he wanted to turn himself in.

Mayor Pro Tem McMahan inquired if video conferencing could be utilized so there would not be a need to transport prisoners.

### **COMMUNITY/SENIOR/YOUTH SERVICES**

Senior Center Assistant Director Darcie Thach reported that interviews for the Activities Coordinator/Van Driver have been set up for September 27. Since the loss of Pacific Partners' 501C3 status, there is enough food for 6-7 more Stone Soup meals. There will likely not be a free table at the tree lighting. The senior center will be used for a

fundraiser after the tree lighting. There will be a raffle at holiday bazaar to raise funds. The senior center will be set up at the holiday bazaar. Seniors are “viciously crocheting” scarves and are looking for donations of plain white or colored coffee cups.

**COUNCIL - None**

**OLD BUSINESS continued**

**B.** Resolution 2013-069: Authorizing the surplus of three 2005 Crown Victorias, Numbers 50, 52, and 53, from the City of Pacific Police Department.

Chief Calkins stated there is already a buyer to pay \$7,000 for the three vehicles.

**COUNCIL MEMBER HULSEY MOVED** to approve Resolution 2013-069, surplus of three 2005 Crown Victorias, Numbers 50, 52, and 53. Seconded by Mayor Pro Tem McMahan.

Council Member Jones encouraged the Police Department to follow rules of surplus.

Roll Call vote was taken resulting as follows:

Ayes: Garberding, Hulse, Jones, McMahan, and Steiger  
Excused: Putnam; Walker

The motion carried 5-0.

**C.** Resolution 2013-070 – Approving an updated job description for the Finance Director

Interim Finance Director Gould stated the descriptions were reviewed by the Finance Committee and the one presented is a solid job description with room for some growth.

**COUNCIL MEMBER HULSEY MOVED** to approve Resolution No. 2013-070, updating the job description for the Finance Director position in the City Code. Seconded by Council Member Jones.

Roll Call vote was taken resulting as follows:

Ayes: Garberding, Hulse, Jones, McMahan, and Steiger,  
Excused: Putnam and Walker

The motion carried 5-0.

**D.** Resolution 2013-071: Authorizing the purchase of BIAS Software, in the amount of \$51,952.50, to replace existing financial software.

Interim Finance Director Gould presented the revised bid for the purchase of BIAS Software that has removed the Permit module.

City Attorney Luce suggested the resolution language be changed in the second "whereas" to read "Springbrook software is no longer acceptable for use by the city..." and to strike "...can't be relied upon to produce accurate reports for the city..."

**COUNCIL MEMBER HULSEY MOVED** to approve Resolution No. 2013-071 authorizing the purchase of BIAS Software, in the amount of \$51,952.50, to replace the existing financial software. Seconded by Council Member Garberding.

Council Member Hulsey stated we need reliable software.

Council Member Garberding stated that Springbrook just isn't working and it's time to move forward and get this up and running.

Council Member Steiger asked for documentation in writing from Springbrook saying we will be free from any obligation with them as he requested at the meeting on September 16.

Director Gould provided an email from Springbrook advising that the contract could be terminated with 30 days notice.

Council Member Jones inquired as to whether the software would be paid for in a payment plan or up front. Mayor Guier said if the funds are available to pay the purchase off.

**COUNCIL MEMBER HULSEY MOVED** to amend his motion to not proceed until the City of Pacific is clear of the contract with Springbrook. Seconded by Council Member Jones.

City Attorney Luce recommended that based on the email presented, no financial obligations would remain.

**COUNCIL MEMBER HULSEY MOVED** to amend Section 2 of the resolution to read "...and upon receipt of confirmation that no further funds are to payable to Springbrook by the City after December 31, 2013." Seconded by Council Member Jones.

Voice vote to approve the amended motion was taken and carried 5-0.

Voice vote was taken on the motion for the amended amendment and carried 5-0.

Roll Call vote was taken on the amended motion to authorize the purchase of BIAS Software resulting as follows:

Ayes: Garberding, Hulsey, Jones, McMahan, and Steiger,

The motion carried 5-0.

## **NEW BUSINESS**

**NONE**

**CONSENT AGENDA**

- A. Claim Voucher & Payroll Approval
- B. Approval of the minutes of September 3, 2013, workshop and September 9, 2013, regular meeting

**Mayor Pro Tem McMahan asked that his arrival time on the meeting of the 3<sup>rd</sup> and the correct spelling of McMahan be made.**

**COUNCIL MEMBER HULSEY MOVED** to approve the Consent Agenda. Seconded by Council Member Jones. The motion carried 5-0.

**EXECUTIVE SESSION - NONE**

**ADJOURN**

Mayor Guier adjourned the meeting at 7:56 p.m.

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Amy Stevenson-Ness, City Clerk