



City Council Study Session Agenda  
Virtual Platform  
September 1, 2020 at 5:00 p.m.

**A. Call to Order**

- Pledge of Allegiance

**B. Study Agenda**

1. Legislative Priorities – Presented by Troy Nichols of Phillips Burgess Government Relations, LLC
2. Water Meter AMI Project Update – Presented by Public Works Director Jay Harris

**C. Adjourn**

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Shelton City Council  
Meeting Agenda  
September 1, 2020 at 6:00 p.m.  
Virtual Platform

**A. Call to Order**

- Pledge of Allegiance
- Roll Call
- Late Changes to the Agenda

**B. Consent Agenda (Action)**

1. Voucher number 102832 in the total amount of \$5,432.07
2. Vouchers numbered 102833 through 102882 in the total amount of \$132,713.14
3. Vouchers numbered 102883 through 102910 in the total amount of \$161,806.96
4. Payroll warrants numbered 3883 and 5630 through 5673 and 5674 through 5779. Warrants 102543 through 102562 and 102573 in the amount of \$726,601.12
5. Payroll warrants numbered 3884 and 5780 through 5822 and 5823 through 5929. Warrants 102770 through 102790 in the amount of \$740,139.57

**C. Presentations**

1. LEAN Process – Community Development Team (via video)

**D. Business Agenda (Study/No Action/Public Comment Taken)**

1. Resolution No. 1169-0820 FCS Group Rate Study Amendment No. 3 – Presented by PW Administrative Manager Brooke Kilts

**E. Action Agenda (Action/Public Comment Taken)**

1. Updating City Policies (200-1860 & 200-1870) – Presented by Administrative Services Director – Michelle Sutherland
2. Resolution No. 1168-0820 2020 Residential Paving – Presented by Public Works Director Jay Harris
3. Resolution No. 1167-0820 2020 Chip Seal – Presented by Public Works Director Jay Harris

4. Resolution No. 1166-0820 Purchase and Sale Agreement for Simpson Properties – Presented by City Manager Jeff Niten

**F. Administration Reports**

1. City Manager Report

**G. Announcement of Next Meeting – September 15, 2020 at 6:00 p.m.**

**H. Adjourn**

***Special Note for Public Participation***

*The meeting can be viewed at: [masonwebtv.com](http://masonwebtv.com)  
The public can provide comments via email or telephone.  
Email: [jeff.niten@sheltonwa.gov](mailto:jeff.niten@sheltonwa.gov)  
Telephone: (360) 432-5105  
Your comments will be relayed directly to the Council.*



# 2020 Looking Ahead

(Items and dates are subject to change)

|                         |                      |  |  |
|-------------------------|----------------------|--|--|
| Tues. 9/15<br>5:00 p.m. | Special Meeting      | 2021 Budget Work Session   | Packet Items Due:<br>Fri. 9/4 – 5:00 p.m.  |
| Tues. 9/15<br>5:50 p.m. | Regular SMPD Meeting | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Meeting Minutes</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>•</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>•</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>  | Packet Items Due:<br>Fri. 9/4 – 5:00 p.m.  |
| Tues. 9/15<br>6:00 p.m. | Regular Meeting      | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>• PW Capital Improvement Program</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>• Ordinance No. 1955-0820 2020 Refunding Debt</li> <li>• Master Franchise Agreement – Hood Canal Communications</li> <li>• Franchise Agreement – PUD #3</li> <li>• Franchise Agreement - Mason County</li> <li>• Franchise Agreement – Comcast</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Resolution No. 1169-0820 Rate Study</li> <li>• Contract Amendment No. 3</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul> | Packet Items Due:<br>Fri. 9/4 – 5:00 p.m.  |
| Tues. 10/6<br>6:00 p.m. | Regular Meeting      | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>•</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>• LTAC Grant Recommendations</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Ordinance No. 1955-0820 2020 Refunding Debt</li> <li>• Master Franchise Agreement – Hood Canal Communications</li> <li>• Franchise Agreement – PUD #3</li> <li>• Franchise Agreement - Mason County</li> <li>• Franchise Agreement – Comcast</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>   | Packet Items Due:<br>Fri. 9/25 – 5:00 p.m. |

|   |                         |   |   |
|---|-------------------------|---|---|
| Tues. 10/20<br>5:50 p.m.                | Special SMPD<br>Meeting | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Meeting Minutes</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>• Public Hearing – Consideration of the 2021 Ad Valorem (Property) Tax Levy</li> <li>• Public Hearing – 2021 Preliminary Budget</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Administration Report</li> </ul>   | Packet Items Due:<br>Fri. 10/9 – 5:00 p.m.  |
| Tues. 10/20<br>6:00 p.m.                | Regular Meeting         | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>• Business Agenda               <ul style="list-style-type: none"> <li>• Public Hearing – Consideration of the 2021 Ad Valorem (Property) Tax Levy</li> <li>• Public Hearing – 2021 Preliminary Budget</li> </ul> </li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• LTAC Grant Recommendations</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>  | Packet Items Due:<br>Fri. 10/9 – 5:00 p.m.  |
| Tues. 10/20<br>@ end of<br>regular mtg. | Special Meeting         | Executive Session<br>To discuss with legal counsel litigation or potential litigation.  | N/A   |
| Tues. 11/3<br>6:00 p.m.                 | Regular Meeting         | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>• Business Agenda               <ul style="list-style-type: none"> <li>• Ordinance No. 1950-0320 Budget Amendment for 2020</li> </ul> </li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Administration Report</li> </ul>   | Packet Items Due:<br>Fri. 10/23 – 5:00 p.m. |
| Tues. 11/17<br>6:00 p.m.                | Regular Meeting         | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>• Business Agenda               <ul style="list-style-type: none"> <li>• Action Agenda                   <ul style="list-style-type: none"> <li>• Ordinance No. 1950-0320 Budget Amendment for 2020</li> <li>• Public Hearing – Consideration of the 2021 Ad Valorem (Property) Tax Levy</li> <li>• Public Hearing – 2021 Preliminary Budget</li> </ul> </li> </ul> </li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul> | Packet Items Due:<br>Fri. 11/6 – 5:00 p.m.  |
| Tues. 12/1<br>5:50 p.m.                 | Special SMPD<br>Meeting | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Meeting Minutes</li> </ul>   | Packet Items Due:<br>Fri. 11/20 – 5:00 p.m. |



|                          |                      |  |   |
|--------------------------|----------------------|--|---|
|                          |                      | Business Agenda <ul style="list-style-type: none"> <li>• Public Hearing – 2021 Final Budget</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Administration Report</li> </ul>   |   |
| Tues. 12/1<br>6:00 p.m.  | Regular Meeting      | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>• Business Agenda</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• 2021 Final Budget</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul> | Packet Items Due:<br>Fri. 11/20 – 5:00 p.m. |
| Tues. 12/15<br>5:50 p.m. | Regular SMPD Meeting | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Meeting Minutes</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>• Action Agenda</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>  | Packet Items Due:<br>Fri. 12/4 – 5:00 p.m.  |
| Tues. 12/15<br>6:00 p.m. | Regular Meeting      | Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>• Business Agenda</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Administration Report</li> </ul> <ul style="list-style-type: none"> <li>•</li> </ul>                   | Packet Items Due:<br>Fri. 12/4 – 5:00 p.m.  |

Other – TBD

- UGA/Annexation Policy (Water/Sewer Extensions)
- Outside City Water/Sewer Extensions
- More Standing Committees by the Council

## VOUCHER APPROVAL

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein vouchers number 102832 in the total amount of \$5,432.07 that the claims are just, due and unpaid obligations against the City of Shelton, and that I am authorized to authenticate and certify said claims.

Signed this 18<sup>th</sup> of August, 2020.



Director of Financial Services

We, the undersigned members of the City Council of Shelton, Washington, do hereby certify that the vouchers contained herein are approved for payment.

Signed this \_\_\_\_\_ of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Mayor Kevin Dorcy

\_\_\_\_\_  
Deputy Mayor Deidre Peterson

\_\_\_\_\_  
Councilmember James Boad

\_\_\_\_\_  
Councilmember Megan Fiess

\_\_\_\_\_  
Councilmember Kathy McDowell

\_\_\_\_\_  
Councilmember Eric Onisko

\_\_\_\_\_  
Councilmember Joe Schmit

**VOUCHER APPROVAL**

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein vouchers number 102833 through number 102882 in the total amount of \$132,713.14 that the claims are just, due and unpaid obligations against the City of Shelton, and that I am authorized to authenticate and certify said claims.

Signed this 19<sup>th</sup> of August, 2020.

Alan Schnitz, Accounting Manager  
for Director of Financial Services

We, the undersigned members of the City Council of Shelton, Washington, do hereby certify that the vouchers contained herein are approved for payment.

Signed this \_\_\_\_\_ of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Mayor Kevin Dorcy

\_\_\_\_\_  
Deputy Mayor Deidre Peterson

\_\_\_\_\_  
Councilmember James Boad

\_\_\_\_\_  
Councilmember Megan Fiess

\_\_\_\_\_  
Councilmember Kathy McDowell

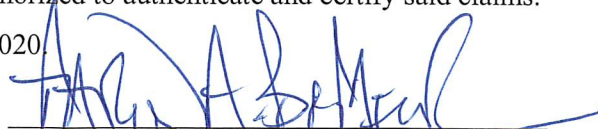
\_\_\_\_\_  
Councilmember Eric Onisko

\_\_\_\_\_  
Councilmember Joe Schmit

## VOUCHER APPROVAL

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein vouchers number 102883 through number 102910 in the total amount of \$161,806.96 that the claims are just, due and unpaid obligations against the City of Shelton, and that I am authorized to authenticate and certify said claims.

Signed this 21 of AUGUST, 2020.

  
Director of Financial Services

We, the undersigned members of the City Council of Shelton, Washington, do hereby certify that the vouchers contained herein are approved for payment.

Signed this \_\_\_\_\_ of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Mayor Kevin Dorcy

\_\_\_\_\_  
Deputy Mayor Deidre Peterson

\_\_\_\_\_  
Councilmember James Boad

\_\_\_\_\_  
Councilmember Megan Fiess

\_\_\_\_\_  
Councilmember Kathy McDowell

\_\_\_\_\_  
Councilmember Eric Onisko

\_\_\_\_\_  
Councilmember Joe Schmit

### VOUCHER APPROVAL

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described within payroll warrants numbered 3883 and 5630 through 5673 and 5674 through 5779. Warrants 102543 through 102562 and 102573 in the amount of \$726,601.12 and that the claims are just and due obligations against the City of Shelton, and that I am authorized to authenticate and certify said claims.

Signed this 21<sup>st</sup> of August, 2020.

  
\_\_\_\_\_  
Administrative Services Director

We, the undersigned members of the City Council of Shelton, Washington, do hereby certify that the payroll warrants contained herein are approved for payment.

Signed this \_\_\_\_\_ of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Mayor Dorcy

\_\_\_\_\_  
Deputy Mayor Peterson

\_\_\_\_\_  
Councilmember Boad

\_\_\_\_\_  
Councilmember Fiess

\_\_\_\_\_  
Councilmember McDowell

\_\_\_\_\_  
Councilmember Onisko

\_\_\_\_\_  
Councilmember Schmit

**VOUCHER APPROVAL**

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described within payroll warrants numbered 3884 and 5780 through 5822 and 5823 through 5929. Warrants 102770 through 102790 in the amount of \$740,139.57 and that the claims are just and due obligations against the City of Shelton, and that I am authorized to authenticate and certify said claims.

Signed this 21<sup>st</sup> of August, 2020.



Administrative Services Director

We, the undersigned members of the City Council of Shelton, Washington, do hereby certify that the payroll warrants contained herein are approved for payment.

Signed this \_\_\_\_\_ of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Mayor Dorcy

\_\_\_\_\_  
Deputy Mayor Peterson

\_\_\_\_\_  
Councilmember Boad

\_\_\_\_\_  
Councilmember Fiess

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Councilmember McDowell

\_\_\_\_\_  
Councilmember Onisko

\_\_\_\_\_  
Councilmember Schmit



## **City of Shelton LEAN Presentation**

Earlier this year, staff from the City's Community Development, Public Works, and Fire departments participated in a week-long LEAN training. City staff are presenting on the LEAN process and how it is being used in their departments and across the city.



## CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item D1)

Touch Date: 08/11/2020  
Brief Date: 09/01/2020  
Action Date: 09/15/2020

Department: Public Works  
Presented By: Brooke Kilts

### APPROVED FOR COUNCIL PACKET:

Action Requested:

#### ROUTE TO:

#### REVIEWED:

PROGRAM/PROJECT TITLE:  
**FCS Group Rate Study  
Amendment No. 3**

☐

Ordinance

☒ Dept. Head

JOH

☒

Resolution

☐ Finance Director

#### ATTACHMENTS:

☐

Motion

☐ Attorney

- Resolution No. 1169-0820
- Rate Studies Amendment No. 3

☒ City Clerk

☒

Other

☐ City Manager

### DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

In late 2018 the City was informed by the Department of Ecology, that after review, the City would be issued a new NPDES Phase II Permit. This permit came with significant increases in workload and capital improvements to the Stormwater Utility, and with that, increased costs. In February of 2019 the Council approved having Financial Consulting Solutions Group, Inc. (FCS Group) complete a Stormwater Rate Study to address cost implications associated with the increased workload and capital improvement plan requirements. This approval came in the form of Amendment No. 1 to a previous rate study contract with the FCS Group, authorizing \$27,380 to be expended on the study of Stormwater utility rates.

After reviewing the initial rate assessment prepared by FCS Group, Staff requested that FCS Group research a modified approach to the current rate structure. This added effort brought forth Amendment No. 2, which Council approved on November 5, 2019.

Over the last 9 months, FCS Group has held numerous virtual meetings in order to bring new Staff members up to date on study results and to formulate next steps in the study. During this time, it also became apparent that a complete audit of our multi-family, commercial, and industrial stormwater accounts was needed. City staff has asked FCS Group to complete this effort by measuring the impervious surface area for all developed multi-family, commercial, and industrial parcels, (approximately 500 parcels), pairing each of those parcels with City customer billing account numbers, and identifying any developed parcels that do not correspond to an existing customer billing account. Additionally, Staff has requested FCS Group virtually attend two Council meetings, both meetings to take place around the beginning of 2021. This added effort brings forth Contract Amendment No. 3 for Council consideration.

All expenditures for the Stormwater Rate Study, including the added tasks, will be 100% reimbursed by a Department of Ecology Stormwater Capacity Grant, (up to \$95,000), which the Council accepted on October 15, 2019.

### ANALYSIS/OPTIONS/ALTERNATIVES:

Council has the option to not approve the Contract Amendment, but Staff does not recommend this as the



outdated rate structure, as well as the requirements of the new NPDES permit, have current and future financial impacts to the Stormwater utility fund. The added tasks in this amendment will identify any non-single family resident parcels being billed for the incorrect impervious surface area, as well as any that are not in the City's billing system.

**BUDGET/FISCAL INFORMATION:**

| <b>Stormwater Related Tasks<br/>(Contract Amend. No. 1)</b> | <b>Original Amount: \$27,380</b> | <b>Total Contract Amount</b> |
|---|----------------------------------|------------------------------|
| Amend. No. 2  | + \$7,680                        | \$35,060                     |
| Amend. No. 3  | + \$44,860                       | \$79,920                     |

Amendment No. 3 will increase the current contract by \$44,860 for a new, not to be exceeded, total of \$79,920. All expenditures for the Stormwater Rate Study, including the added tasks, will be reimbursed by a \$95,000 Department of Ecology Stormwater Capacity Grant the Council accepted on October 15, 2019.

**PUBLIC INFORMATION REQUIREMENTS:**

Information can be obtained through the Public Works Department.

**STAFF RECOMMENDATION/MOTION:**

Staff requests the Council concur to place Resolution No. 1169-0820 and Amendment No. 3 to the Rate Studies Contract with FCS Group on the September 15, 2020 Action agenda.

**RESOLUTION NO. 1169-0820**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SHELTON, WASHINGTON, AUTHORIZING THE CITY MANAGER TO APPROVE CONTRACT AMENDMENT NO. 3 TO THE PROFESSIONAL SERVICES AGREEMENT WITH FINANCIAL CONSULTING SOLUTIONS GROUP, INC. FOR THE COMPLETION OF THE STORMWATER RATE STUDY**

**WHEREAS**, the City Manager entered into a Contract on August 7, 2017 with Financial Consulting Solutions Group, Inc. ("FCS Group") for the completion of Sewer and Water Rate Updates; and

**WHEREAS**, on February 19, 2019 the City Council approved Amendment Number 1 to include the Stormwater utility in the FCS Group Rate Study Contract in order to prepare for the increased tasks and costs associated with the new NPDES Phase II Permit; and

**WHEREAS**, on November 5, 2019 the City Council approved Amendment Number 2 to the Contract, authorizing additional tasks and expenditures to evaluate a change in the stormwater rate structure; and

**WHEREAS**, City staff also recognized the need for a full evaluation of the multi-family, commercial, and industrial parcels within the City; measuring each parcel's impervious surface and pairing the data with the City's customer billing account numbers; and identifying any parcels that do not correspond to an existing customer billing account; and

**WHEREAS**, City staff has requested FCS Group complete those tasks, as well as allow for two virtual Council Meeting presentations to take place; and

**WHEREAS**, FCS Group has provided Contract Amendment Number 3, increasing the budget by \$44,860 in order to include the requested tasks.

**THEREFORE, BE IT RESOLVED** by the City Council of the City of Shelton that the City Manager is authorized to sign Amendment No. 3 to the Rate Studies Contract with FCS Group.

Passed by the City Council at its regular meeting held on the 15<sup>th</sup> day of September, 2020.

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Mayor Dorcy

ATTEST:

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City Clerk Nault

**CONTRACT AMENDMENT NO. 3**

**BETWEEN**

**FINANCIAL CONSULTING  
SOLUTIONS  
GROUP, INC.**

Redmond Town Center  
7525 – 166<sup>th</sup> Ave. NE, Suite D-215  
Redmond, Washington 98052

**AND**

**City of Shelton, WA**  
525 West Cota Street  
Shelton, WA 98584

**PROJECT: Rate Studies**

Whereas the City has requested additional services, the Sewer & Water Rate Study contract is amended as described herein.

The performance of the professional services herein described and authorized by the **City of Shelton**, as well as payment for such services, shall be in accordance with the terms and conditions presented in the original Agreement, dated August 7, 2017 and the following Exhibits which are attached and incorporated by reference.

**Exhibit A - Changes to Scope of Work & Budget**

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**APPROVED:**

**FINANCIAL CONSULTING  
SOLUTIONS GROUP, INC.**

**APPROVED:**

**CITY OF SHELTON, WA**

\_\_\_\_\_  
**John Ghilarducci**  
Principal

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

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

**Exhibit A - Changes to Scope of Work & Budget: Amendment No. 3**

**Added Tasks:**

Due to City staff turnover over the past 6-8 months, additional time was spent across multiple virtual meetings briefing new staff on study results to-date and formulating the next steps in the study. Some time was also spent researching NPDES permit holder credit policies for other jurisdictions across the state. Additionally, the revenue requirement analysis prepared in January 2020 assumed a mid-year rate increase – now that implementation timeline has been pushed to March/April 2021 which impacts the analysis and presentation materials. Due to these factors, additional budget is required to complete the study as originally planned.

The City has also requested that FCS GROUP provide an additional rate design scenario that incorporates new rate credits and a new equivalent service unit (ESU) value. The results of this scenario would be presented at a second City Council meeting, to follow the Revenue Requirement City Council presentation.

Lastly, the City has requested that FCS GROUP perform the following tasks in support of evaluating / augmenting the City's customer billing data – this data would also be incorporated into the recommended alternative rate structure:

- Measurement of impervious area for developed multi-family, commercial, and industrial parcels (estimating 500 parcels);
- Pairing the parcel numbers for these developed multi-family, commercial, and industrial parcels with the City's customer billing account numbers; and
- Identifying which developed multi-family, commercial, and industrial parcel numbers do not correspond to an existing customer billing account number to evaluate whether any of these existing parcels are not currently being billed a stormwater charge.

**Added Budget:**

The following table includes a request for an additional authorized budget of **\$44,860**, bringing the total stormwater utility rate study budget to **\$79,920**.

**City of Shelton**  
**Stormwater Rate Study**  
**BUDGET**

| Task Budget  | Principal    | Project Manager | Project Consultant | Analyst      | Admin. Support | Total Estimated Hours | Total Budget     |
|--|--------------|-----------------|--------------------|--------------|----------------|-----------------------|------------------|
| <i>Hourly Billing Rates:</i>   | <i>\$260</i> | <i>\$185</i>    | <i>\$165</i>       | <i>\$130</i> | <i>\$80</i>    |                       |                  |
| <b>TECHNICAL TASKS</b>   |              |                 |                    |              |                |                       |                  |
| Task 1   Data Collection & Validation  |              |                 |                    |              |                |                       |                  |
| 1a - Review and Validate Study Data  | -            | -               | -                  | 6            | -              | 6                     | \$ 780           |
| 1b - Customer Statistics Revenue Reconciliation                              | -            | -               | -                  | 8            | -              | 8                     | \$ 1,040         |
| Task 2   Revenue Requirement & Rate Plan (3 Scenarios)                       | 4            | 16              | -                  | 35           | -              | 55                    | \$ 8,550         |
| <b>TOTAL TECHNICAL</b>   | <b>4</b>     | <b>16</b>       | <b>0</b>           | <b>49</b>    | <b>0</b>       | <b>69</b>             | <b>\$ 10,370</b> |
| <b>PROCESS TASKS</b>   |              |                 |                    |              |                |                       |                  |
| Task 3   Meetings/Presentations  |              |                 |                    |              |                |                       |                  |
| 3a - Kick-off Meeting (1 on-site)  | -            | 4               | -                  | 4            | -              | 8                     | \$ 1,260         |
| 3b - Review Meetings (3 Ring Central)  | -            | 6               | -                  | 6            | -              | 12                    | \$ 1,890         |
| 3c - City Council Presentation (1 on-site)                                   | -            | 8               | -                  | 8            | -              | 16                    | \$ 2,520         |
| Task 4   Documentation   |              |                 |                    |              |                |                       |                  |
| 4a - Technical Memorandum  | 2            | 8               | -                  | 24           | -              | 34                    | \$ 5,120         |
| 4b - Presentation Materials  | 2            | 8               | -                  | 24           | -              | 34                    | \$ 5,120         |
| Project Administration   | -            | 4               | -                  | -            | 2              | 6                     | \$ 900           |
| <b>TOTAL PROCESS TASKS</b>   | <b>4</b>     | <b>38</b>       | <b>0</b>           | <b>66</b>    | <b>2</b>       | <b>110</b>            | <b>\$ 16,810</b> |
| Expenses (2 onsite meetings)   |              |                 |                    |              |                |                       | \$ 200           |
| <b>ORIGINAL BUDGET (AMENDMENT NO. 1)</b>                                     | <b>8</b>     | <b>54</b>       |                    | <b>115</b>   | <b>2</b>       | <b>179</b>            | <b>\$ 27,380</b> |
| Task 5   ESU Rate Design and Update to 2019 & 2020 Financials                | 4            | 12              |                    | 34           | -              | 50                    | \$ 7,680         |
| <b>AMENDMENT NO. 2</b>   | <b>4</b>     | <b>12</b>       | <b>0</b>           | <b>34</b>    | <b>-</b>       | <b>50</b>             | <b>\$ 7,680</b>  |
| <b>ORIGINAL BUDGET + AMENDMENT NO. 2</b>                                     | <b>12</b>    | <b>66</b>       |                    | <b>149</b>   | <b>2</b>       | <b>229</b>            | <b>\$ 35,060</b> |
| <u>Tasks for Amendment 3</u>   |              |                 |                    |              |                |                       |                  |
| Impervious Area Measurement (MFR, comm., & ind. parcels - est. 500 parcels)  | 1            | 2               | 125                | 2            | -              | 130                   | \$ 21,515        |
| Linking of Measured Parcels with Customer Billing Account                    | 1            | 2               | 15                 | 4            | -              | 22                    | \$ 3,625         |
| Identification of Parcels Not Linked to Existing Account                     | 1            | 2               | 10                 | -            | -              | 13                    | \$ 2,280         |
| Update Rate Design Using City's Proposed Credit Policy & New Impervious Data | 1            | 4               | -                  | 10           | -              | 15                    | \$ 2,300         |
| Update Revenue Requirement with 2020 YE est. & 2021 Prelim. Budget           | 1            | 2               | -                  | 16           | -              | 19                    | \$ 2,710         |
| Update Revenue Requirement PowerPoint  | 1            | 2               | -                  | 4            | -              | 7                     | \$ 1,150         |
| Give Revenue Requirement Presentation to City Council (Virtual)              | 2            | 2               | -                  | 2            | -              | 6                     | \$ 1,150         |
| Create Rate Design PowerPoint  | 2            | 4               | -                  | 12           | -              | 18                    | \$ 2,820         |
| Give Rate Design Presentation to City Council (Virtual)                      | 2            | 2               | -                  | 2            | -              | 6                     | \$ 1,150         |
| Draft & Final Rate Study Report  | 2            | 8               | -                  | 32           | -              | 42                    | \$ 6,160         |
| <b>AMENDMENT NO. 3</b>   | <b>14</b>    | <b>30</b>       | <b>150</b>         | <b>84</b>    | <b>0</b>       | <b>278</b>            | <b>\$ 44,860</b> |
| <b>ORIGINAL BUDGET + AMENDMENTS NO. 2 + 3</b>                                | <b>26</b>    | <b>96</b>       | <b>150</b>         | <b>233</b>   | <b>2</b>       | <b>507</b>            | <b>\$ 79,920</b> |



## CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E1)

Touch Date:  
Brief Date:  
Action Date: 09/01/2020

Department: Administrative Services  
Presented By: Michelle Sutherland

### APPROVED FOR COUNCIL PACKET:

Action Requested:

#### ROUTE TO:

#### REVIEWED:

☒ Dept. Head

☐ Finance Director

☐ Attorney

☒ City Clerk

☐ City Manager

PROGRAM/PROJECT TITLE:  
Updating City Policies

ATTACHMENTS:  
Policy 200-1860  
Policy 200-1870

☐ Ordinance

☐ Resolution

☒ Motion

☐ Other

### DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

As a result of COVID-19, two new City policies have been developed. The first policy is of limited duration and relates to Families First Coronavirus Response Act (FFCRA), which will be administered in accordance with the FFCRA statutes, regulations, and federal guidance. The second policy is permanent and addresses telecommuting as an alternative work arrangement for City employees.

### ANALYSIS/OPTIONS/ALTERNATIVES:

N/A

### BUDGET/FISCAL INFORMATION:

N/A

### PUBLIC INFORMATION REQUIREMENTS:

Additional information is available from the City Clerk's office.

### STAFF RECOMMENDATION/MOTION:

Staff recommends: "I move to approve City Policy number 200-1860 in support of the Families First Coronavirus Response Act and City Policy number 200-1870 in support of Telecommuting as an alternative work arrangement".



## POLICY AND PROCEDURE

|  |  |                            |
|--|--|----------------------------|
| <b>SUBJECT:</b><br>Families First Coronavirus<br>Response Act Policy | <b>DIVISION:</b><br>All  | <b>NUMBER:</b><br>200-1860 |
| <b>EFFECTIVE DATE:</b><br>April 1, 2020                              | <b>SUPERCEDES:</b><br>New Policy Limited Duration; Expires Dec. 31, 2020 |                            |
| <b>PREPARED BY:</b><br>Michelle Sutherland                           | <b>APPROVED BY:</b><br>Jeff Niten  |                            |

### 1. PURPOSE:

This policy provides temporary protected leave and paid leave benefits for certain absences arising from the COVID-19 outbreak in accordance with the federal Families First Coronavirus Response Act (FFCRA). The benefits available under this policy are available beginning on April 1, 2020. This policy will be administered in accordance with the FFCRA statute, regulations, and federal guidance.

### 2. DEPARTMENTS AFFECTED:

This policy impacts all departments of the City of Shelton.

### 3. POLICY AND PROCEDURE:

The FFCRA provides for two categories of leave. The first expands existing FMLA coverage to provide up to 12 weeks of partially-paid Public Health Emergency Leave ("PHEL/FMLA") for eligible employees forced to miss work due to closure of their child's school or the unavailability of the child's childcare provider for reasons related to COVID-19. The second provides up to 10 days of Emergency Paid Sick Leave ("EPSL") for various reasons related to the COVID-19 outbreak. Details regarding each category of leave are provided in the sections below.

#### **Public Health Emergency Leave (PHEL/FMLA)**

**Eligibility.** Employees who have worked for the City for at least 30 calendar days are eligible for PHEL/FMLA leave. An employee need not meet the eligibility requirements for regular FMLA (12 months of employment and 1250 hours worked in the prior year) to be eligible for PHEL/FMLA.

Leave Entitlement. An eligible employee may take up to 12 weeks of protected leave if the employee is unable to work, or telework, based on a need to care for the employee's child under age 18 because the child's school or place of care has been closed, or the child's child care provider is unavailable due to a public health emergency. A public health emergency means an emergency with respect to COVID-19 declared by a federal, state, or local authority. Per federal regulations, this leave is not available if another suitable individual is available to provide care. PHEL/FMLA may be taken intermittently only if approved by the City.

PHEL/FMLA is part of an employee's regular FMLA leave entitlement. Accordingly, if an employee has already used FMLA for other purposes during the FMLA leave year, the amount of available PHEL/FMLA will be reduced by the amount of FMLA leave already taken. PHEL/FMLA leave will be available through December 31, 2020.

Partial Pay Entitlement. The first 10 days of PHEL/FMLA will be unpaid, although employees may elect to use accrued leave or Emergency Sick Leave during this period. For leave beyond the first 10 days, the City will pay two-thirds of the employee's regular pay, up to a maximum of \$200 per day or \$10,000 in the aggregate. Pay is calculated based on the number of hours an employee would otherwise have been scheduled to work. For employees with variable hours, hours will be determined based on the average number of hours scheduled over the six-month period preceding the leave (including paid leave hours) or on a reasonable expectation at the time of hire as to the hours per day the employee would normally be scheduled to work. Employees may elect to supplement the PHEL/FMLA paid benefit with their accrued leave.

Notification; Verification. Employees who need to take PHEL/FMLA leave should notify Human Resources as soon as practicable after the need for leave arises. Under the law, an employee seeking PHEL/FMLA leave must provide the following:

1. the employee's name;
2. the date(s) for which leave is requested;
3. qualifying reasons for the leave;
4. the name of the child(ren) being cared for;
5. the name of the school(s) or childcare provider(s) that has/have closed or become unavailable; and
6. a representation that no other suitable person will be caring for the child while PHEL-FMLA leave is being used.

This policy will be administered consistent with the City's existing Family and Medical Leave (FMLA) policy, except as modified by the FFCRA.

### **Emergency Paid Sick Leave**



Eligibility. All employees of the City are eligible for up to 80 hours of Emergency Paid Sick Leave (EPSL). EPSL may be fully paid or partially paid, depending on the reason for taking leave (see below).

Covered Reasons for Using EPSL: Employees are entitled to use EPSL when they are unable to work, or telework, for any of the following reasons:

1. The employee is subject to a federal, state, or local quarantine or isolation order related to COVID-19. This includes a shelter-in-place or stay-at-home order issued by federal, state or local government if the order precludes the employee from working; an employee who is able to telework would not eligible to take leave for this reason.
2. The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
3. The employee is experiencing symptoms of COVID-19 and is seeking a medical diagnosis.
4. To care for an individual who is self-isolating for one of the reasons described in (1) or (2) above. The individual needing care must be the employee's immediate family member, a person who regularly resides in the employee's home, or a similar person with whom the employee has a relationship that creates an expectation that the employee would care for the person if he or she were quarantined or self-quarantined.
5. To care for the employee's child under age 18 due to closure of the child's school or unavailability of the child's childcare provider due to COVID-19 precautions. A "child" is defined the same as under the FMLA; *i.e.*, a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis who is either under 18 years of age or is 18 years of age or older and "incapable of self-care because of a mental or physical disability" at the time leave is to commence.
6. The employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of the Treasury and the Secretary of Labor.

Paid Leave Entitlement. Full-time employees are entitled to up to 80 hours of EPSL Leave. Part-time employees are entitled to EPSL equal to number of hours they typically work over a two-week period. For employees with variable hours, hours will be determined based on the average number of hours scheduled over the six-month period preceding the leave (including paid leave hours) or on a reasonable expectation at the time of hire as to the hours per day the employee would normally be scheduled to work. Any EPSL Leave available under this policy is in addition to accrued leave to which an employee was already entitled under existing City policies or labor agreements.

Reduced Benefit for Certain Leaves; Cap on Sick Leave Amount. Where EPSL is taken for reasons (1), (2), or (3) above (which cover leave due to the employee's own health or quarantine), the paid sick leave benefit is equal to the employee's regular rate of pay for the missed work time, provided that EPSL is capped at \$511 per day and \$5,110 in the aggregate when leave is taken for these reasons. Where leave is taken for reasons (4), (5), or (6) above (to care for another, to care for a child due to a school closure or unavailability of childcare, or

where the employee is experiencing a substantially similar condition), the paid sick leave benefit is two-thirds of the employee's regular rate of pay, provided that EPSL is capped at \$200 per day and \$2,000 in the aggregate when leave is taken for one of these reasons.

Use of Paid Sick Leave; Sequencing with Other Leave; Intermittent Use. Employees may access EPSL for a covered reason before exhausting other accrued leaves. If an absence is covered by this Emergency Paid Sick Leave policy and the PHEL/FMLA policy above, the employee may elect to use EPSL during the first 10 days of PHEL/FMLA in order to remain in paid status.

If an employee is using EPSL intermittently due to a closure of a child's school or unavailability of the childcare provider, the employee may take leave intermittently only with the City's approval. An employee may also use EPSL intermittently with City approval if unable to telework his/her normal schedule of hours due to a qualifying reason (for example, if an employee can telework in the morning, but needs to care for a child in the afternoon due to a school closure). Per federal regulations, where an employee is not teleworking, intermittent use of EPSL is not permitted when leave is taken for reasons (1), (2), (3), (4), or (6) above. In such cases, Emergency Sick Leave must be taken in full-day increments and once leave is initiated for one of these reasons, the employee must continue to use EPSL until either (i) the full amount of EPSL has been used; or (ii) the employee no longer has a qualifying reason for taking EPSL. The Department of Labor has explained that this requirement is imposed because if an employee is actually or possibly sick with COVID-19, or is caring for someone who is sick or possibly sick with COVID-19, the intent of the law is to provide paid leave to prevent the spread of the virus.

Carryover; Termination of Benefit. The EPSL benefit expires on December 31, 2020; any unused EPSL will not be carried over to the next calendar year or merged into other leave banks. Additionally, the entitlement to EPSL ceases beginning with the employee's next scheduled work shift immediately following the termination of the need for paid sick leave. However, to the extent an employee subsequently needed additional time off for another covered reason prior to December 31, 2020, the employee could use any remaining EPSL.

Notification. An employee who needs to take EPSL should notify Human Resources as soon as practicable. After the first workday (or portion thereof) that an employee takes EPSL, the employee must follow the notice requirements required for use of regular sick leave.

Verification. An employee requesting EPSL must: specify the qualifying reason for requesting leave; state that the employee is unable to work or telework, for that specified reason; and provide the date(s) for which leave is requested. Depending on the type of leave taken, the Department of Labor requires that an employee provide the following additional information to substantiate the leave request:

- Where leave is taken due to a quarantine or isolation order, the name of the government entity issuing the order;

- Where leave is taken due to the recommendation of a health care provider to self-quarantine, the name of the health care provider making the recommendation; or
- Where leave is taken due to a school closure or unavailability of a childcare provider:  
(1) the name of the child(ren) being cared for; (2) the name of the school(s) or childcare provider(s) that has/have closed or become unavailable; and (3) a representation that no other suitable person will be caring for the child while EPSL is being used.



## POLICY AND PROCEDURE

|  |                                   |                            |
|--|-----------------------------------|----------------------------|
| <b>SUBJECT:</b><br>Telecommute             | <b>GROUP:</b><br>All              | <b>NUMBER:</b><br>200-1870 |
| <b>EFFECTIVE DATE:</b><br>09/01/2020       | <b>SUPERCEDES:</b>                |                            |
| <b>PREPARED BY:</b><br>Michelle Sutherland | <b>APPROVED BY:</b><br>Jeff Niten |                            |

### I. PURPOSE

To establish a policy and procedures to encourage, where appropriate, the use of telecommuting in order to attract and retain a diverse and talented work force by adopting workplace strategies that support flexibility and mobility in the workplace, to be an employer of choice, reduce costs, encourage affordable traffic mitigation, and further goals of local, state and national policies and regulations such as the Clean Air Act and the Commute Trip Reduction Law. Additionally, to provide the City with the ability to select and place employees in a telecommuting status, based on public health and safety recommendations and measures.

Telecommuting is supported as an alternative work arrangement and allows the City to implement telecommuting arrangements where appropriate for eligible employees. Telecommuting is not a right and requires prior approval of the Department Director and the City Manager. The City or employee may discontinue the telecommuting arrangement at any time without advance notice.

### II. DEPARTMENTS AFFECTED

All departments with employees who meet the criterion for Telecommuting and request the opportunity to do so.

### II. DEFINITIONS

“Telecommuting” means work performed at an employee’s residence to conduct an employee’s job duties, or at other locations when approved by employee’s direct supervisor.

### III. POLICY

An employee may be permitted to telecommute for all or a portion of the employee’s workweek, if approved in advance by the employee’s department director and the City Manager.

Telecommuting may be approved by an employee's department director with final approval by the City Manager if they, in their discretion, find that the employee's telecommuting will not negatively impact service delivery, customer service, or the overall function of the work unit.

**Telecommuting Program Requirements:**

- The duties, obligations and responsibilities of an employee who telecommutes shall remain the same as the employee's duties, obligations and responsibilities prior to telecommuting
- The amount of time spent telecommuting during a work week may vary by position, department expectations and equipment needs.
- Unless authorized by a Director, telecommuting shall not be used as a substitute for dependent care. A telecommuting employee must make arrangements for dependent care during the telecommuting period to ensure that dependent care does not interfere with the employee's performance of their job responsibilities.
- Telecommuting employees shall not hold in person business meetings with internal or external clients, customers or colleagues at their residence.
- A telecommuting employee may not perform work for a non-City employer during the telecommuting period. Unless a telecommuting employee is on pre-approved leave, the employee must communicate effectively with supervisors, co-workers, support staff and external clients during telecommuting period(s).
- FLSA-exempt employees must indicate the hours they will be available to be reached by staff and customers, which shall also be approved by the employee's supervisor.
- As part of approval of a telecommuting request, a department director may outline specific job assignments and expectations the telecommuting employee must perform. Work schedule variations are subject to director approval.
- For Non-exempt employees covered under the Fair Labor Standards Act (FLSA), any hours beyond their normal work schedule must be authorized in advance by the employee's supervisor/director.
- Employees who telecommute will be covered by worker's compensation for all job-related injuries occurring at their home during their defined work period. The employee is responsible for maintaining a safe and ergonomic work environment. The City will not provide office furniture to employees who telecommute.
- All city employees must telecommute via Virtual Private Network (VPN) or Virtual Network. All remote access will be managed by the IT Department.
- Telecommuters shall make every effort to secure City information in their residence and prevent unauthorized access to any City system or information. If City equipment is stolen or damaged while at the employee's residence, the employee is required to report the loss to their Supervisor, the IT Department, and local law enforcement.
- The telecommuter or the director may end the telecommuting arrangement at any time.

- Telecommuters must understand and agree to the Program Requirements listed in this policy.
- Have job duties that are not required to be performed at the City's facilities.
- Can be available by cell phone, telephone, email or text, during all telecommuting hours.
- There is minimal need for specialized material, equipment or other resources for telecommuting capability.
- The employee's job is not dependent on the location of the workplace.
- The employee shall have previously demonstrated to the department director's satisfaction, their capability to work productively without direct supervision.
- Proposed Telecommuting day(s) per week and number of hours per day requested and proposed duration of telecommuting arrangements.
- Tasks the employee proposes performing while telecommuting.
- Core working hours during which the telecommuting employee will be on work status and available to be reached by staff and customers.
- Complete IT Department document *Remote Access Policy and Agreement* prior to start of telecommuting.

#### **Eligibility:**

Employees are eligible if they:

- Have job duties that are not required to be performed at the City's facilities.
- Can be available by cell phone, telephone, email or text, during all telecommuting hours.
- There is minimal need for specialized material, equipment or other resources for telecommuting capability.
- The employee's job is not dependent on the location of the workplace.
- The employee shall have previously demonstrated to the department director's satisfaction, their capability to work productively without direct supervision.

#### **Employee Responsibility:**

An eligible employee seeking to telecommute must submit a written request to their supervisor.

The written request must include:

- Tasks the employee proposes performing while telecommuting.
- Proposed Telecommuting day(s) per week and number of hours per day requested and proposed duration of telecommuting arrangements.
- Core working hours during which the telecommuting employee will be on work status and available to be reached by staff and customers.

- Complete IT Department document *Remote Access Policy and Agreement* prior to start of telecommuting.

**Assigned Telecommuting:**

Under other-than-normal circumstances, including but not limited to; natural disasters, risks to public safety and/or health, at the discretion of the City, employees may be asked to telecommute, in order to maintain effective operations of government. While not all employees will be able to telecommute, the City will identify employees who are essential to daily operations, and make every effort to provide telecommuting options for them, if/when the current status of the City, County and/or State recommends or requires it.



## CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E2)

Touch Date: 07/21/20  
Brief Date: 08/18/20  
Action Date: 09/01/20

Department: Public Works  
Presented By: Jay Harris

### APPROVED FOR COUNCIL PACKET:

Action Requested:

#### ROUTE TO:

#### REVIEWED:

PROGRAM/PROJECT TITLE:  
**2020 Residential Paving**

☐

Ordinance

☒ Dept. Head

JOH

☐ Finance Director

#### ATTACHMENTS:

☒

Resolution

☐ Attorney

- Invitation to Bid
- Map with Locations
- Bid Tabulation
- Resolution No. 1168-0820

☒

Motion

☒ City Clerk

☐

Other

☐ City Manager

### DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

There are areas throughout our City with pavement surfaces that require maintenance; the majority of these streets will not qualify for any type of grant or funding outside of normal city funds. The City's goal is to resurface multiple residential blocks each year. With the assistance of the pavement condition index rating system, Staff has been able to identify areas in the City that have the highest need of maintenance. This year, streets in the East Mountain View neighborhood have been identified as roadways having a high need of pavement maintenance. The attached map shows locations proposed for paving as dashed blue lines. Also shown on the map are solid jagged lines, which represent areas where utility adjustments, such as sewer manhole lids, are needed as a follow-up from last years' paving. Using the Municipal Research and Services Center (MRSC) Small Works Roster, an Invitation to Bid (ITB) was distributed on July 29, 2020, with a response deadline of August 12, 2020.

We received five bids in response to the ITB, with Agate Asphalt & Excavation having the lowest responsible bid of \$257,629.

### ANALYSIS/OPTIONS/ALTERNATIVES:

See below

### BUDGET/FISCAL INFORMATION:

The adopted 2020 budget allows \$400,000 for street maintenance activities; \$200,000 for Residential Paving and \$200,000 for Chip Seal. Awarding this Contract will utilize \$257,629 of the total budgeted amount; if Council accepts the staff recommendation of awarding only Schedule A for the Chip Seal Project, both projects can be completed within the combined budgeted amount of \$400,000.

### PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained from the Public Works Department.

### STAFF RECOMMENDATION/MOTION:

Staff recommends a reading of Resolution No. 1168-0820 and, *"I move to adopt Resolution Number 1168-0820, a resolution authorizing the City Manager to sign the Contract with Agate Asphalt & Excavation for the 2020 Residential Paving Project"*.



## INVITATION TO BID

### CITY OF SHELTON 2020 RESIDENTIAL PAVING PROJECT Small Works Project Project Estimate: \$195,000 to \$215,000

The City of Shelton is releasing a Small Works Project. As a Contractor on the City of Shelton MRSC Small Works Roster for "Asphalt Pavement Roadways", you are invited to submit a bid on this project on the enclosed Bid Proposal Form.

**Scope of Work:** The work to be performed consists of an asphalt lift applied to the road section(s) with a paved width surface being per the dimensions of each location's drawing. The HMA will be no less than 2 inches compacted depth. The HMA will be class 1/2" PG 58H-22. The unit contract price shall include the cost for all labor, materials, equipment and tools for placing, compacting, and constructing asphalt pavement. This includes sealing all cold joints with CSS-1H, tack coat grade of CRS-1 or special tack approved by City Engineer applied at rates specified in 2018 Washington State Department of Transportation Standard Specifications 5-04, and all other associated work as described in the Contract documents.

All prep work on existing asphalt roads, including pavement planing, will be performed by City crews. The City will provide traffic control for each project location and new iron for sewer manhole and water valve adjustments. Advanced construction notification will also be provided by the City to the public and any affected parties.

**Solicitation Documents:** An electronic copy of the bid packet can be downloaded from the City of Shelton Website on the Public Works Bid Opportunities page at [https://www.sheltonwa.gov/business\\_development/rfp\\_and\\_bid\\_opportunities.php](https://www.sheltonwa.gov/business_development/rfp_and_bid_opportunities.php). Any release of addenda, question and answers, or updates related to this ITB will be posted to the City Website. It is the responsibility of the bidder to frequently monitor this site for any updates regarding this solicitation.

**Delivery of Proposal:** City of Shelton, 525 W Cota Street, Shelton, WA 98584  
All proposals must be clearly marked on the outside **"2020 Residential Paving Project Bid"**.

**Bid Date:** Wednesday, August 12, 2020 at 2:00 pm

***Bidders must be registered on the City of Shelton MRSC Small Works Roster at the time of bid deadline, to be eligible to submit a bid for this project.***

Questions and requests for clarification of the specifications may be submitted in writing by **2:00pm, Pacific Time, August 4, 2020, to Brooke Kilts, Public Works Administrative Manager, via email to [brooke.kilts@sheltonwa.gov](mailto:brooke.kilts@sheltonwa.gov)**. In your email subject line, reference the procurement title. It is preferred that all questions be in the body of the email rather than in an

attachment. No further questions will be accepted after this date and time. The City will not be responsible for unsuccessful submittal of questions. No oral responses to questions by City personnel about the project will be binding on the City.

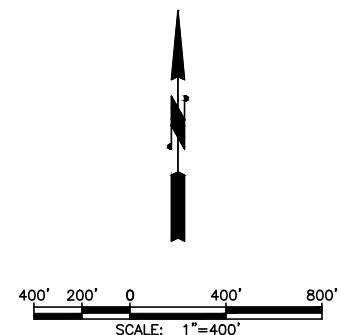
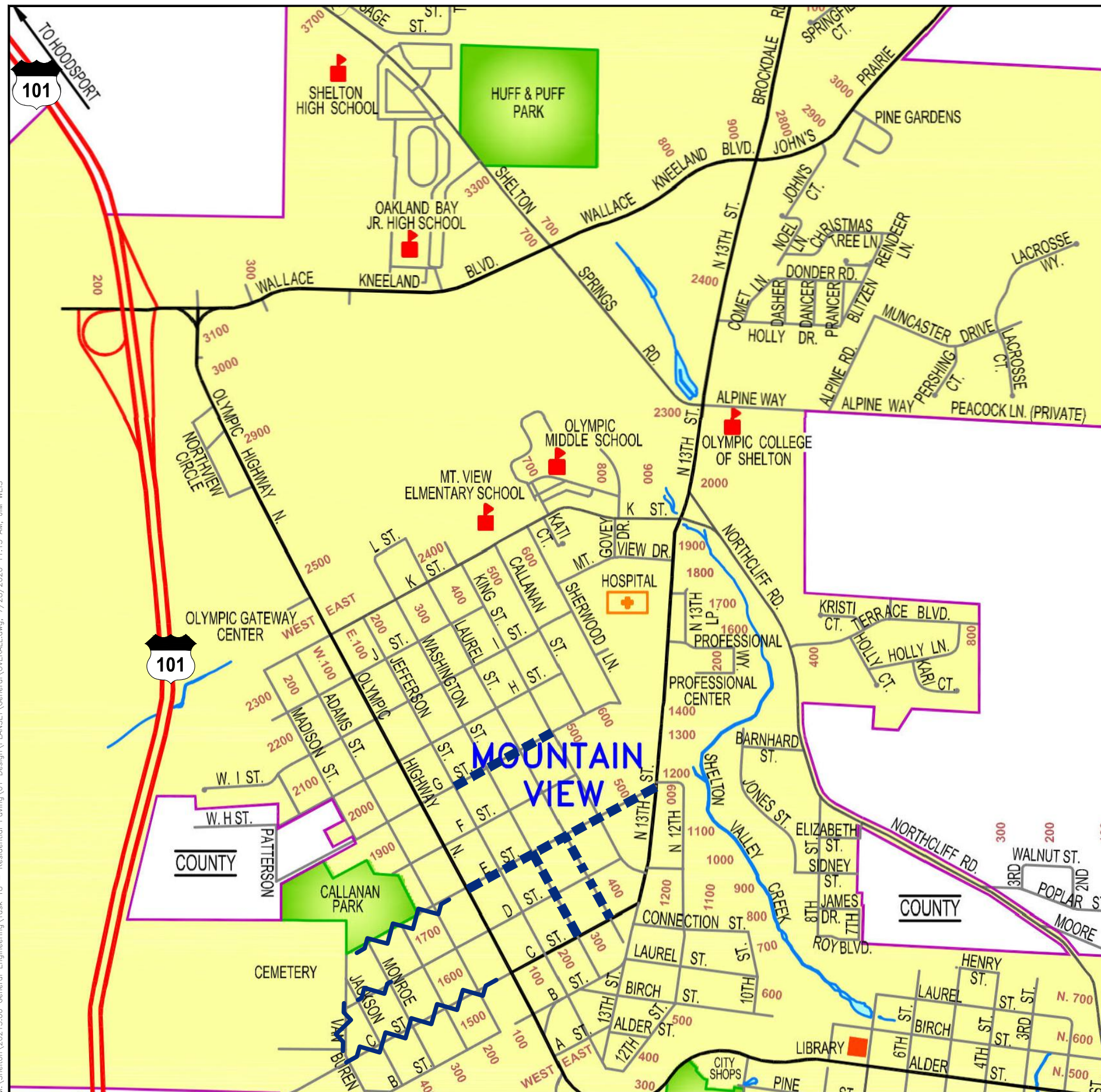
Written answers to all questions submitted will be emailed to the Contractors on the City of Shelton's MRSC Small Works Roster for "Asphalt Pavement Roadways", by 5:00pm August 5, 2020. The City reserves the discretion to group similar questions to provide a single answer or not to respond when the requested information is confidential. The answers are not typically considered an addendum.

The City of Shelton, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises as defined at 49 CFR Part 26 will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, or sex in consideration for an award

Discrimination is prohibited. Each Bidder, contractor, or subcontractor (hereinafter the Contractor) shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Contractor, on the basis of race, color, religion, creed, sex, age, national origin, marital status, or presence of any sensory, mental, or physical handicap, or any other legally protected status.

The City of Shelton reserves to waive informalities in the bidding, accept a proposal of the lowest responsible bidder, reject any or all bids, revise or cancel the work, or require the work to be done in another way if the best interest of the City is served.





|                   |
|-------------------|
| SHEET: 1          |
| OF: 11            |
| JOB NO.: 20213.18 |
| DWG:OVERALL       |



2020 Residential Paving  
BID TABULATION FORM  
Bid Opening: 8/12/2020, 2:00PM

| SCHEDULE A  |  |                  |      | Agate Asphalt |              | Tony Lind Paving |              | Puget Paving & Construction |              | Granite Construction |              | Engineers Estimate |              |
|---|--|------------------|------|---------------|--------------|------------------|--------------|-----------------------------|--------------|----------------------|--------------|--------------------|--------------|
| BID ITEM  | Description  | Approx. Quantity | Unit | Unit Price    | Total Price  | Unit Price       | Total Price  | Unit Price                  | Total Price  | Unit Price           | Total Price  | Unit Price         | Total Price  |
| A-1   | Minor Change<br>per lump sum                             | 1                | CALC | \$5,000.00    | \$5,000.00   | \$5,000.00       | \$5,000.00   | \$5,000.00                  | \$5,000.00   | \$5,000.00           | \$5,000.00   | \$5,000.00         | \$5,000.00   |
| A-2   | SPCC Plan<br>per lump sum                                | 1                | LS   | \$500.00      | \$500.00     | \$1,500.00       | \$1,500.00   | \$250.00                    | \$250.00     | \$1,500.00           | \$1,500.00   | \$500.00           | \$500.00     |
| A-3   | Mobilization, Cleanup and Demobilization<br>per lump sum | 1                | LS   | \$19,769.00   | \$19,769.00  | \$31,000.00      | \$31,000.00  | \$33,000.00                 | \$33,000.00  | \$29,000.00          | \$29,000.00  | \$25,000.00        | \$25,000.00  |
| A-4   | HMA CI 1/2" PG 58H-22<br>per lump sum                    | 2440             | TON  | \$87.00       | \$212,280.00 | \$100.00         | \$244,000.00 | \$91.00                     | \$222,040.00 | \$83.00              | \$202,520.00 | \$120.00           | \$292,800.00 |
| A-5   | Adjust Manhole<br>per lump sum                           | 17               | EA   | \$890.00      | \$15,130.00  | \$600.00         | \$10,200.00  | \$525.00                    | \$8,925.00   | \$750.00             | \$12,750.00  | \$500.00           | \$8,500.00   |
| A-6   | Erosion/Water Pollution Control<br>per each              | 1                | LS   | \$1,200.00    | \$1,200.00   | \$2,000.00       | \$2,000.00   | \$250.00                    | \$250.00     | \$3,000.00           | \$3,000.00   | \$2,000.00         | \$2,000.00   |
| A-7   | Monument Case and Cover<br>per each                      | 3                | EA   | \$250.00      | \$750.00     | \$500.00         | \$1,500.00   | \$540.00                    | \$1,620.00   | \$600.00             | \$1,800.00   | \$1,500.00         | \$4,500.00   |
| A-8   | Project Documenation<br>per lump sum                     | 1                | LS   | \$3,000.00    | \$3,000.00   | \$1,500.00       | \$1,500.00   | \$250.00                    | \$250.00     | \$4,200.00           | \$4,200.00   | \$500.00           | \$500.00     |
| Sub-Total Schedule A  |  |                  |      | \$257,629.00  |              | \$296,700.00     |              | \$271,335.00                |              | \$259,770.00         |              | \$338,800.00       |              |
| Washington State Sales Tax (0% Per W.S. Revenue Rule No. 171) |  |                  |      | \$0.00        |              | \$0.00           |              | \$0.00                      |              | \$0.00               |              | \$0.00             |              |
| Total Schedule A  |  |                  |      | \$257,629.00  |              | \$296,700.00     |              | \$271,335.00                |              | \$259,770.00         |              | \$338,800.00       |              |

DENOTES MATHEMATICAL ERROR OCCURRED ON ORIGINAL BID.  
CORRECTED AMOUNT SHOWN.

2020 Residential Paving  
BID TABULATION FORM  
Bid Opening: 8/12/2020, 2:00PM

| SCHEDULE A  |  |                     |      | Central Paving |                | Engineers Estimate |                |
|---|--|---------------------|------|----------------|----------------|--------------------|----------------|
| BID<br>ITEM   | Description  | Approx.<br>Quantity | Unit | Unit<br>Price  | Total<br>Price | Unit<br>Price      | Total<br>Price |
| A-1   | Minor Change<br>per lump sum                             | 1                   | CALC | \$5,000.00     | \$5,000.00     | \$5,000.00         | \$5,000.00     |
| A-2   | SPCC Plan<br>per lump sum                                | 1                   | LS   | \$500.00       | \$500.00       | \$500.00           | \$500.00       |
| A-3   | Mobilization, Cleanup and Demobilization<br>per lump sum | 1                   | LS   | \$42,500.00    | \$42,500.00    | \$25,000.00        | \$25,000.00    |
| A-4   | HMA CI 1 1/2" PG 58H-22<br>per lump sum                  | 2440                | TON  | \$90.00        | \$219,600.00   | \$120.00           | \$292,800.00   |
| A-5   | Adjust Manhole<br>per lump sum                           | 17                  | EA   | \$500.00       | \$8,500.00     | \$500.00           | \$8,500.00     |
| A-6   | Erosion/Water Pollution Control<br>per each              | 1                   | LS   | \$500.00       | \$500.00       | \$2,000.00         | \$2,000.00     |
| A-7   | Monument Case and Cover<br>per each                      | 3                   | EA   | \$800.00       | \$2,400.00     | \$1,500.00         | \$4,500.00     |
| A-8   | Project Documenation<br>per lump sum                     | 1                   | LS   | \$500.00       | \$500.00       | \$500.00           | \$500.00       |
| Sub-Total Schedule A  |  |                     |      | \$279,500.00   |                | \$338,800.00       |                |
| Washington State Sales Tax (0% Per W.S. Revenue Rule No. 171) |  |                     |      | \$0.00         |                | \$0.00             |                |
| Total Schedule A  |  |                     |      | \$279,500.00   |                | \$338,800.00       |                |

DENOTES MATHEMATICAL ERROR OCCURRED ON ORIGINAL BID.  
CORRECTED AMOUNT SHOWN.

**RESOLUTION NO. 1168-0820**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SHELTON, WASHINGTON, AUTHORIZING THE CITY MANAGER TO APPROVE A PUBLIC WORKS CONTRACT WITH AGATE ASPHALT & EXCAVATION FOR THE COMPLETION OF THE 2020 RESIDENTIAL PAVING PROJECT**

**WHEREAS**, an Invitation to Bid was advertised through the City of Shelton's Small Works Roster on July 29, 2020; and

**WHEREAS**, the Invitation to Bid identified certain roadways to be paved in the East Mountain View neighborhood; and

**WHEREAS**, the City received five bids in response to the Invitation to Bid, which were opened on August 12, 2020; and

**WHEREAS**, Agate Asphalt & Excavation had the lowest responsible bid of \$257,629.

**THEREFORE, BE IT RESOLVED** by the City Council of the City of Shelton that the City Manager is authorized to sign the Public Works Contract with Agate Asphalt & Excavation for the completion of the 2020 Residential Paving Project.

Passed by the City Council at its regular meeting held on the 1<sup>st</sup> day of September, 2020.

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Mayor Dorcy

ATTEST:

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City Clerk Nault



## CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E3)

Touch Date: 07/21/20  
Brief Date: 08/18/20  
Action Date: 09/01/20

Department: Public Works  
Presented By: Jay Harris

### APPROVED FOR COUNCIL PACKET:

Action Requested:

#### ROUTE TO:

#### REVIEWED:

PROGRAM/PROJECT TITLE:  
**2020 Chip Seal**

☐

Ordinance

☒ Dept. Head

JOH

☐ Finance Director

#### ATTACHMENTS:

☒

Resolution

☐ Attorney

- **Invitation to Bid**
- **Map with Locations**
- **Bid Tabulation Form**
- **Resolution 1167-0820**

☒

Motion

☒ City Clerk

☐

Other

☐ City Manager

### DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

Chip seal is a pavement surface treatment that is used to maintain city streets and prolong the life of a roadway. On July 29, 2020, using the Municipal Research and Services Center (MRSC) Roster, city staff emailed the Invitation to Bid (ITB) to all contractors on the Small Works Roster for Chip Seal/Bituminous Paving. The ITB specified two separate schedules of area to be chip sealed, allowing city staff to determine a low bid based on any combination of schedules and available budget.

We received three bids in response to the ITB, which were opened August 12, 2020 at 2:00pm. The responses for the combined schedules ranged from \$260,690 to \$296,054, with Doolittle Construction having the lowest responsible bid. Due to the amount of available budget for the project, staff has determined Schedule A to be in most need of the maintenance treatment, which again, Doolittle Construction had the lowest bid of \$135,046.

### ANALYSIS/OPTIONS/ALTERNATIVES:

See below

### BUDGET/FISCAL INFORMATION:

The adopted 2020 Budget allows \$400,000 for street maintenance activities; \$200,000 for Residential Paving and \$200,000 for Chip Seal. Awarding only Schedule A of the Chip Seal Project will utilize \$135,046 of the budgeted amount.

### PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained from the Public Works Department.

### STAFF RECOMMENDATION/MOTION:

Staff recommends a reading of Resolution No. 1167-0820 and, *"I move to adopt Resolution Number 1167-0820, a resolution authorizing the City Manager to sign the Contract with Doolittle Construction for the 2020 Chip Seal Project"*.

**INVITATION TO BID**  
**CITY OF SHELTON**  
**2020 CHIP SEAL PROJECT**  
**Small Works Project**  
**Project Estimate: \$260,000 - \$280,000**

The City of Shelton is releasing a Small Works Project. As a Contractor on the City of Shelton MRSC Small Works Roster for “Chip Seal/Bituminous Paving”, you are invited to submit a bid on this project on the enclosed Bid Proposal Form.

**Scope of Work:** Chip seal and fog seal on certain roads located in the City of Shelton. Materials shall be applied with computerized application rates; liquid asphalt emulsion shall be applied at a minimum of 0.45 gallons per square yard, and 3/8-#10 clean crushed rock shall be spread at 30 lb. per square yard. Compaction shall be with a 12-ton roller. Excess rock shall be cleaned upon completion and swept again prior to fog seal. The fog seal will be applied after the chip seal using CSS-1H, diluted 60:40, and applied at 0.14 gallons per SY. Work shall be done according to WSDOT Standard Specifications.

The Contractor will have 20 (twenty) working days for Schedule A and 20 (twenty) working days for Schedule B, to complete the work in compliance with all applicable laws and regulations.

**Solicitation Documents:** An electronic copy of the bid packet can be downloaded from the City of Shelton Website on the Public Works Bid Opportunities page at [https://www.sheltonwa.gov/business\\_development/rfp\\_and\\_bid\\_opportunities.php](https://www.sheltonwa.gov/business_development/rfp_and_bid_opportunities.php). Any release of addenda, question and answers, or updates related to this ITB will be posted to the City Website. It is the responsibility of the bidder to frequently monitor this site for any updates regarding this solicitation.

**Delivery of Proposal:** City of Shelton, 525 W Cota Street, Shelton, WA 98584  
All proposals must be clearly marked on the outside “**2020 Chip Seal Project Bid**”.

**Bid Date:** Wednesday, August 12, 2020 at 2:00 pm

***Bidders must be registered on the City of Shelton MRSC Small Works Roster at the time of bid deadline, to be eligible to submit a bid for this project.***

Questions and requests for clarification of the specifications may be submitted in writing by **2:00pm, Pacific Time, August 4, 2020, to Brooke Kilts, Public Works Administrative Manager, via email to [brooke.kilts@sheltonwa.gov](mailto:brooke.kilts@sheltonwa.gov)**. In your email subject line, reference the procurement title. It is preferred that all questions be in the body of the email rather than in an attachment. No further questions will be accepted after this date and time. The City will not be responsible for unsuccessful submittal of questions. No oral responses to questions by City personnel about the project will be binding on the City.



Written answers to all questions submitted will be emailed to the Contractors on the City of Shelton's MRSC Small Works Roster for "Chip Seal/Bituminous Paving", by 5:00pm August 5, 2020. The City reserves the discretion to group similar questions to provide a single answer or not to respond when the requested information is confidential. The answers are not typically considered an addendum.

The City of Shelton, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises as defined at 49 CFR Part 26 will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, or sex in consideration for an award

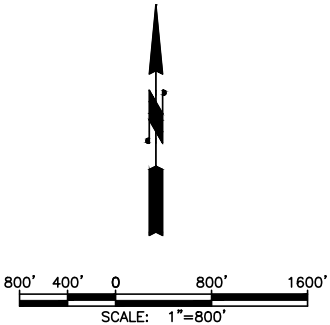
Discrimination is prohibited. Each Bidder, contractor, or subcontractor (hereinafter the Contractor) shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Contractor, on the basis of race, color, religion, creed, sex, age, national origin, marital status, or presence of any sensory, mental, or physical handicap, or any other legally protected status.

The City of Shelton reserves to waive informalities in the bidding, accept a proposal of the lowest responsible bidder, reject any or all bids, revise or cancel the work, or require the work to be done in another way if the best interest of the City is served.



LEGEND

- EXISTING      PROPOSED      DESCRIPTION
- SCHEDULE A: N 13TH ST
- SCHEDULE B: WALLACE KNEELAND BLVD AND JOHN'S PRAIRIE RD
- SINGLE SHOT CHIP SEAL AND FOG SEAL
- CITY BUILDINGS (AS NOTED)
- CITY SCHOOLS
- CITY LIMITS
- CITY PARKS



SHEET INDEX

| SHEET  | DESCRIPTION                               |
|--|---|
| OVERALL PROJECT SHEET                          |   |
| 1  | PROJECT AREA MAP, LEGEND, AND SHEET INDEX |
| SCHEDULE A - 13TH STREET                       |   |
| 2  | SCHEDULE A - STA 10+00 TO 18+00           |
| 3  | SCHEDULE A - STA 18+00 TO 26+00           |
| 4  | SCHEDULE A - STA 26+00 TO 34+00           |
| 5  | SCHEDULE A - STA 34+00 TO 42+00           |
| 6  | SCHEDULE A - STA 42+00 TO 43+40           |
| SCHEDULE B - WALLACE KNEELAND & JOHN'S PRAIRIE |   |
| 7  | SCHEDULE B - STA 200+00 TO 208+00         |
| 8  | SCHEDULE B - STA 208+00 TO 216+00         |
| 9  | SCHEDULE B - STA 216+00 TO 224+00         |
| 10   | SCHEDULE B - STA 224+00 TO 232+00         |
| 11   | SCHEDULE B - STA 232+00 TO 240+00         |



|                 |            |              |               |
|-----------------|------------|--------------|---------------|
| DATE: JULY 2020 | DRAWN: JPW | CHECKED: SCS | APPROVED: DJM |
|-----------------|------------|--------------|---------------|



CITY OF SHELTON  
WASHINGTON  
MASON COUNTY  
2020 CHIP SEAL PROJECT  
PROJECT AREA MAP, LEGEND,  
AND SHEET INDEX

SHEET: 1  
OF: 11

JOB NO.: 20213.19  
DWG:OVERALL

**2020 CHIP SEAL  
BID TABULATION FORM**  
Bid Opening: 8/12/2020, 02:00 PM

| SCHEDULE A  |   |                     |      | Doolittle Construction |                | Granite Construction |                | Sierra Santa Fe |                | Engineers Estimate |                |
|---|---|---------------------|------|------------------------|----------------|----------------------|----------------|-----------------|----------------|--------------------|----------------|
| BID<br>ITEM   | Description   | Approx.<br>Quantity | Unit | Unit<br>Price          | Total<br>Price | Unit<br>Price        | Total<br>Price | Unit<br>Price   | Total<br>Price | Unit<br>Price      | Total<br>Price |
| A-1   | Minor Change<br>per lump sum                                    | 1                   | CALC | \$5,000.00             | \$5,000.00     | \$5,000.00           | \$5,000.00     | \$5,000.00      | \$5,000.00     | \$5,000.00         | \$5,000.00     |
| A-2   | Mobilization, Cleanup, and Demobilization<br>per lump sum       | 1                   | LS   | \$16,400.00            | \$16,400.00    | \$22,000.00          | \$22,000.00    | \$18,357.95     | \$18,357.95    | \$13,000.00        | \$13,000.00    |
| A-3   | SPCC Plan<br>per lump sum                                       | 1                   | LS   | \$500.00               | \$500.00       | \$100.00             | \$100.00       | \$500.00        | \$500.00       | \$500.00           | \$500.00       |
| A-4   | Project Temporary Traffic Control<br>per lump sum               | 1                   | LS   | \$16,000.00            | \$16,000.00    | \$30,942.00          | \$30,942.00    | \$12,870.39     | \$12,870.39    | \$8,000.00         | \$8,000.00     |
| A-5   | Temporary Pavement Markings<br>per lineal foot                  | 8030                | LF   | \$0.20                 | \$1,606.00     | \$0.20               | \$1,606.00     | \$0.27          | \$2,168.10     | \$0.25             | \$2,007.50     |
| A-6   | Emulsified Asphalt CRS-2P<br>per ton                            | 30                  | TN   | \$1,000.00             | \$30,000.00    | \$700.00             | \$21,000.00    | \$717.17        | \$21,515.10    | \$860.00           | \$25,800.00    |
| A-7   | Asphalt for Fog Seal<br>per ton                                 | 6                   | TN   | \$750.00               | \$4,500.00     | \$1,500.00           | \$9,000.00     | \$1,459.58      | \$8,757.48     | \$850.00           | \$5,100.00     |
| A-8   | Furnishing and Placing Crushed 3/8 to No. 10<br>per square yard | 16770               | SY   | \$2.00                 | \$33,540.00    | \$1.50               | \$25,155.00    | \$2.42          | \$40,583.40    | \$3.50             | \$58,695.00    |
| A-9   | Crack Seal<br>per lane mile                                     | 1                   | LM   | \$5,500.00             | \$5,500.00     | \$11,650.00          | \$11,650.00    | \$10,869.57     | \$10,869.57    | \$4,500.00         | \$4,500.00     |
| A-10  | Pavement Markings<br>per lump sum                               | 1                   | LS   | \$22,000.00            | \$22,000.00    | \$23,500.00          | \$23,500.00    | \$21,907.61     | \$21,907.61    | \$20,500.00        | \$20,500.00    |
| Sub-Total Schedule A  |   |                     |      | \$135,046.00           |                | \$149,953.00         |                | \$142,529.60    |                | \$143,102.50       |                |
| Washington State Sales Tax (0% Per W.S. Revenue Rule No. 171) |   |                     |      | \$0.00                 |                | \$0.00               |                | \$0.00          |                | \$0.00             |                |
| Total Schedule A  |   |                     |      | \$135,046.00           |                | \$149,953.00         |                | \$142,529.60    |                | \$143,102.50       |                |

| SCHEDULE B  |   |          |      | Doolittle Construction |             | Granite Construction |             | Sierra Santa Fe |             | Engineers Estimate |             |
|---|---|----------|------|------------------------|-------------|----------------------|-------------|-----------------|-------------|--------------------|-------------|
| BID   |   | Approx.  |      | Unit                   | Total       | Unit                 | Total       | Unit            | Total       | Unit               | Total       |
| ITEM  | Description   | Quantity | Unit | Price                  | Price       | Price                | Price       | Price           | Price       | Price              | Price       |
| B-1   | Minor Change<br>per lump sum                                    | 1        | CALC | \$5,000.00             | \$5,000.00  | \$5,000.00           | \$5,000.00  | \$5,000.00      | \$5,000.00  | \$5,000.00         | \$5,000.00  |
| B-2   | Mobilization, Cleanup, and Demobilization<br>per lump sum       | 1        | LS   | \$12,200.00            | \$12,200.00 | \$22,000.00          | \$22,000.00 | \$14,998.41     | \$14,998.41 | \$15,000.00        | \$15,000.00 |
| B-3   | SPCC Plan<br>per lump sum                                       | 1        | LS   | \$500.00               | \$500.00    | \$100.00             | \$100.00    | \$500.00        | \$500.00    | \$500.00           | \$500.00    |
| B-4   | Project Temporary Traffic Control<br>per lump sum               | 1        | LS   | \$15,000.00            | \$15,000.00 | \$30,942.00          | \$30,942.00 | \$7,607.95      | \$7,607.95  | \$10,000.00        | \$10,000.00 |
| B-5   | Temporary Pavement Markings<br>per lineal foot                  | 10270    | LF   | \$0.20                 | \$2,054.00  | \$0.20               | \$2,054.00  | \$0.21          | \$2,156.70  | \$0.25             | \$2,567.50  |
| B-6   | Emulsified Asphalt CRS-2P<br>per ton                            | 27       | TN   | \$1,000.00             | \$27,000.00 | \$700.00             | \$18,900.00 | \$735.54        | \$19,859.58 | \$860.00           | \$23,220.00 |
| B-7   | Asphalt for Fog Seal<br>per ton                                 | 5        | TN   | \$750.00               | \$3,750.00  | \$1,500.00           | \$7,500.00  | \$1,226.54      | \$6,132.70  | \$850.00           | \$4,250.00  |
| B-8   | Furnishing and Placing Crushed 3/8 to No. 10<br>per square yard | 15070    | SY   | \$2.00                 | \$30,140.00 | \$1.50               | \$22,605.00 | \$1.92          | \$28,934.40 | \$3.50             | \$52,745.00 |
| B-9   | Crack Seal<br>per lane mile                                     | 1        | LM   | \$14,000.00            | \$14,000.00 | \$17,500.00          | \$17,500.00 | \$16,304.35     | \$16,304.35 | \$4,500.00         | \$4,500.00  |
| B-10  | Pavement Markings<br>per lump sum                               | 1        | LS   | \$16,000.00            | \$16,000.00 | \$19,500.00          | \$19,500.00 | \$18,206.52     | \$18,206.52 | \$18,500.00        | \$18,500.00 |
| Sub-Total Bid Schedule B                                      |   |          |      | \$125,644.00           |             | \$146,101.00         |             | \$119,700.61    |             | \$136,282.50       |             |
| Washington State Sales Tax (0% Per W.S. Revenue Rule No. 171) |   |          |      | \$0.00                 |             | \$0.00               |             | \$0.00          |             | \$0.00             |             |
| Total Bid Schedule B  |   |          |      | \$125,644.00           |             | \$146,101.00         |             | \$119,700.61    |             | \$136,282.50       |             |

|   | Doolittle Construction | Granite Construction | Sierra Santa Fe | Engineers Estimate |
|---|------------------------|----------------------|-----------------|--------------------|
| Restate Schedule A Total Bid Amount       | \$135,046.00           | \$149,953.00         | \$142,529.60    | \$143,102.50       |
| Restate Schedule B Total Bid Amount       | \$125,644.00           | \$146,101.00         | \$119,700.61    | \$136,282.50       |
| Total Bid Amount, Schedule A + Schedule B | \$260,690.00           | \$296,054.00         | \$262,230.21    | \$279,385.00       |

DENOTES MATHEMATICAL ERROR OCCURRED ON ORIGINAL BID.  
CORRECTED AMOUNT SHOWN.

**RESOLUTION NO. 1167-0820**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SHELTON, WASHINGTON, AUTHORIZING THE CITY MANAGER TO APPROVE A PUBLIC WORKS CONTRACT WITH DOOLITTLE CONSTRUCTION FOR THE COMPLETION OF THE 2020 CHIP SEAL PROJECT, SCHEDULE A**

**WHEREAS**, an Invitation to Bid was advertised through the City's Small Works Roster on July 29, 2020; and

**WHEREAS**, the Invitation to Bid specified two separate schedules of area to be chip sealed in order to allow the City to determine a low bid based on any combination of schedules and available budget; and

**WHEREAS**, the City received three bids in response to the Invitation to Bid, which were opened on August 12, 2020; and

**WHEREAS**, all bids for the combined schedules came in over the \$200,000 budgeted amount; and

**WHEREAS**, City staff determined Schedule A to have the highest need for the roadway maintenance application; and

**WHEREAS**, Doolittle Construction had the lowest responsible bid for Schedule A at \$135,046.

**THEREFORE, BE IT RESOLVED** by the City Council of the City of Shelton that the City Manager is authorized to sign the Public Works Contract with Doolittle Construction for the completion of the 2020 Chip Seal Project, Schedule A.

Passed by the City Council at its regular meeting held on the 1<sup>st</sup> day of September, 2020.

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Mayor Dorcy

ATTEST:

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City Clerk Nault





## CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E4)

Touch Date: 01/13/2020  
Brief Date: 07/20/2020  
Action Date: 09/01/2020

Department: Executive  
Presented By: Jeff Niten

### APPROVED FOR COUNCIL PACKET:

#### ROUTE TO:

- ☐ Dept. Head
- ☐ Finance Director
- ☐ Attorney
- ☒ City Clerk
- ☒ City Manager

#### REVIEWED:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### PROGRAM/PROJECT TITLE:

**Simpson Properties Purchase and Sale**

#### ATTACHMENTS:

**Resolution 1166-0820  
Purchase and Sale Agreement  
Map(s) of Properties**

#### Action Requested:

- ☐ Ordinance
- ☒ Resolution
- ☒ Motion
- ☐ Other

### DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

City of Shelton staff and representatives from the Simpson Lumber Company, LLC. have been in discussions for more than a year regarding potential opportunities for city acquisition and resident enjoyment of Simpson Railroad properties and several other separated parcels throughout the city for potential recreational amenities.

The properties presented for Council consideration, as shown on the attached map(s), include the entirety of the Railroad Right-of-Way from First St. adjacent to and immediately north of Kneeland Park in the east to the Highway 101 right-of-way to the west. These properties will be considered for potential regional recreational amenities by advisory bodies or other alternatives as those opportunities present themselves. Other properties under consideration are generally steep and/or remnants that the city will likely keep in an undeveloped state to provide open space.

City staff have had an opportunity to inspect the properties; however, no formal environmental analysis has been completed. Based on "rails to trails" programs reviewed in other jurisdictions similar to this one it is reasonable to expect little to no contamination on the subject site, and if any mitigation is required that will likely be an asphalt cap similar to the regional recreational amenities described above.

There is no cost to purchase the properties, other than payment of Real Estate Excise Tax (REET) to Mason County to facilitate the property transfer. The estimated REET is \$1,022.00.

### ANALYSIS/OPTIONS/ALTERNATIVES:

The Shelton City Council could opt to accept or reject conveyance of the Simpson Lumber Railroad and City properties. If rejected the rail line would likely remain in the same or similar condition as it exists today, and has the potential to carry rail traffic if desired by a future potential buyer.

**BUDGET/FISCAL INFORMATION:**

REET liability of approximately \$1,022.00.

**PUBLIC INFORMATION REQUIREMENTS:**

Information about this proposal may be obtained from the City Clerk.

**STAFF RECOMMENDATION/MOTION:**

“I move that the City Council authorize the Mayor to sign, on behalf of the Shelton City Council, Resolution No. 1166-0820 and the Real Estate Purchase and Sale Agreement with Simpson Lumber Company, LLC.”

**RESOLUTION NO. 1166-0820**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SHELTON, WASHINGTON, RATIFYING THE PURCHASE AND SALE AGREEMENT WITH SIMPSON LUMBER COMPANY LLC FOR CONVEYANCE OF RAILROAD, TIMBER, AND LUMBER PROPERTIES.**

**WHEREAS**, Simpson Lumber Company LLC (“Simpson”) desires to convey railroad rights-of-way it currently owns east of Highway 101, along with other parcels of real property used for lumber or timber purposes; and

**WHEREAS**, in exchange for the conveyance, the City has agreed to hold Simpson harmless from any future environmental liability for the Properties; and

**WHEREAS**, the City of Shelton has determined that the properties conveyed are intended to be used for a good governmental purpose including potential multi-modal transportation facilities benefiting the entire community; and

**WHEREAS**, the Purchase and Sale Agreement conveying the Properties to the City requires ratification by the Shelton City Council.

**THEREFORE, BE IT RESOLVED** by the City Council of the City of Shelton that the attached Real Estate Purchase and Sale Agreement with Simpson Lumber Company, LLC, is ratified.

Considered by the City Council at its regular meeting held on August 18, 2020 and Passed by the City Council at its regular meeting held on the 1<sup>st</sup> day of September, 2020.

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Mayor Dorcy

ATTEST:

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City Clerk Nault



## **REAL ESTATE PURCHASE AND SALE AGREEMENT**

This Real Estate Purchase and Sale Agreement is made as of August 18, 2020 (“Effective Date”), between Simpson Lumber Company, LLC, a Delaware limited liability company (“Simpson Lumber”), Simpson Timber Company, a Washington corporation (“Simpson Timber”) (collectively “Sellers”), and City of Shelton, a Washington municipal corporation (“Buyer”).

### **Recitals**

**A.** Simpson Lumber owns railroad rights-of-way lying east of U.S. Highway 101 in Mason County, Washington, as shown on attached Exhibit A (“Railroad Properties”).

**B.** Simpson Lumber is the owner of certain real property located in Mason County, Washington legally described on attached Exhibit B (“Lumber City Properties”).

**C.** Simpson Timber is the owner of certain real property located in Mason County, Washington legally described on attached Exhibit C (“Timber City Properties”).

**D.** Buyer desires to purchase the Properties from Sellers, and Sellers are willing to sell the Railroad Properties, Lumber City Properties and Timber City Properties (collectively “City Properties”) to Buyer, on the terms and conditions set forth in this Agreement.

**E.** Simpson Lumber desires to convey the Railroad Properties to Buyer solely in exchange for the Buyer’s assumption of risk and release described in Section 5.1 (“Buyer Assumption of Risk and Release”) without any monetary consideration payable at Closing for Seller’s conveyance of the Railroad Properties. Seller does not intend to donate the Railroad Properties but instead to convey them in exchange for the Buyer Release, and Buyer acknowledges that the Buyer Release constitutes full and adequate consideration for Seller conveying the Railroad Properties to Buyer, and that Seller’s conveyance of the Railroad Properties is full and adequate consideration for the Buyer Release.

**F.** Sellers desire to convey the City Properties to Buyer solely in exchange for the Buyer’s assumption of risk and indemnity described in Section 5.2 (“Buyer’s Indemnity”) without any monetary consideration payable at Closing for Sellers’ conveyance of the City Properties. Sellers do not intend to donate the City Properties but instead to convey them in exchange for the Buyer’s Indemnity, and Buyer acknowledges that the Buyer Indemnity constitutes full and adequate consideration for Sellers conveying the City Properties to Buyer, and that Sellers’ conveyance of the City Properties is full and adequate consideration for the Buyer Indemnity.

### **Terms**

Therefore, in consideration of the mutual covenants contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the parties agree as follows:

1. **Certain Defined Terms.** Unless separately defined in the text of this Agreement, or unless context clearly requires a different meaning, terms with initial capital letters shall have the meanings specified in the Glossary of Terms in Section 16.

2. **Closing.** Closing shall occur on or before September 2, 2020, after fulfillment of the Closing conditions set forth in Section 11 (“Closing Date”), at the offices of Mason County Title Company, located at 130 West Railroad Avenue, Shelton, Washington 98584.

3. **Purchase and Sale.** At the Closing, Sellers shall sell the Railroad Properties and City Properties to Buyer, and Buyer shall purchase the Railroad Properties and City Properties from Sellers.

4. **Purchase Price.** The purchase price shall be the Buyer Assumption of Risk and Release for the Railroad Properties and Buyer Release and Indemnity for City Properties (“Purchase Price”) without any monetary consideration payable for the Railroad Properties and City Properties at Closing from Buyer to Sellers.

Solely for purposes of establishing the “selling price” for the real estate excise tax affidavit (“REETA”) that Sellers and Buyer must execute in order to record a deed to the Railroad Properties and City Properties at Closing, the parties shall use the appraised value of \$63,860.00. As required by law, both Sellers and Buyer shall execute and deliver the REETA to the Mason County Recorder when recording the deed to the Property, and both Sellers and Buyer agree that the conveyance is not exempt from real estate excise tax as a gift because the conveyance of the Railroad Properties and City Properties are not a gift and Sellers are receiving consideration in the form of the Buyer Assumption of Risk and Release for the Railroad Properties and Buyer Assumption of Risk and Indemnity for the City Properties in exchange for conveyance of the Railroad Properties and City Properties.

5. **Buyer Assumption of Risk, Release, and Indemnity.**

5.1. Buyer acknowledges that it has had the opportunity to inspect the Railroad Properties and to observe their physical characteristics and existing conditions and any regulatory obligations as they relate to the Railroad Property as Buyer deems necessary, and Buyer hereby FOREVER RELEASES AND DISCHARGES Simpson Lumber from all responsibility and liability (other than that arising under the representations, warranties or covenants of Simpson Lumber expressly set forth in this Agreement or due to Simpson Lumber’s fraud), including without limitation, liabilities and responsibilities for the physical, environmental or legal compliance status of the Railroad Properties, whether arising before or after the Closing Date, whether known or unknown, and regarding the condition, valuation, salability or utility of the Railroad Properties, or their suitability for any purpose whatsoever (including, but not limited to, with respect to the presence in the soil, air, structures and surface and subsurface waters, of Hazardous Material or other materials or substances that have been or may in the future be determined to be toxic, hazardous, undesirable or subject to regulation and that may need to be specially treated, handled and/or removed from the Railroad Properties under current or future federal, state and local laws, regulations or guidelines, and any structural and geologic conditions, subsurface soil and water conditions and solid and

hazardous waste and Hazardous Material on, under, adjacent to or otherwise affecting the Railroad Properties). Except as to representations, warranties or covenants of Simpson Lumber expressly set forth in this Agreement, Buyer further hereby WAIVES (and by Closing this transaction will be deemed to have WAIVED) any and all objections and complaints (including, but not limited to, federal, state and local statutory and common law based actions, and any private right of action under any federal, state or local laws, regulations or guidelines to which the Railroad Properties are or may be subject, including, but not limited to, Environmental Laws) concerning the physical characteristics and any existing conditions of the Railroad Properties whether arising before or after the Closing Date.

**5.2.** Buyer agrees to defend, indemnify, and hold harmless Sellers from and against (a) any and all claims, liabilities, and obligations of every kind and description, contingent or otherwise, arising out of or related to the City Properties and (b) any and all damage or deficiency resulting from any material misrepresentation, breach of warranty or covenant, or nonfulfillment in any material respect of any agreement on the part of Buyer under this Agreement. Without limiting the generality of the foregoing, Buyer shall indemnify, defend, and hold harmless each Seller and its respective directors, officers, employees, affiliates, controlling persons, agents and representatives and their successors and assigns ("Seller Indemnitees") from and against all liability, demands, claims, actions or causes of action, assessments, losses, damages, costs and expenses (including reasonable attorneys' fees and costs) asserted against or incurred by any Seller Indemnitee as a result of or arising out of (i) any and all damage or deficiency resulting any material breach of representation or warranty on the part of Buyer contained in Section 8 of this Agreement, (ii) any breach of any agreement or covenant of Buyer contained in this Agreement, (iii) all liabilities arising from the use, operation or ownership of the City Properties after Closing, and/or (iv) all Environmental Liabilities and Environmental Penalties, known or unknown, arising out of or relating to ownership, operations, use, activities and release or migration of Hazardous Substances on, to or under the City Properties prior to Closing, including any obligation to remove, clean up or remediate all Hazardous Substances relating to the City Properties (collectively, "Indemnification Events"). Although Buyer shall be obligated, at its own expense, to defend against third-party Indemnification Events, Seller may participate, at its own expense, in the defense of third-party Indemnification Events, and Buyer shall not settle third-party claims against Sellers without the written consent of Sellers, which shall not be unreasonably withheld, conditioned, or delayed. This Buyer Indemnity shall survive the Closing indefinitely.

**6. Use Restrictions.** The following use restrictions, as will be recorded against the Railroad Properties in the Deed (attached hereto), shall apply to the Railroad Properties:

**6.1. Surface Use Only.** Excavations on the Railroad Properties within 10 feet to either side of the main rail centerline shall be limited to three feet below the existing surface grade of the Railroad Properties

**6.2. Contamination of Soil.** Any activity on the Railroad Properties identified in 6.1 that will compromise the Railroad Properties below three feet from the surface, including: drilling, digging, sampling, installing posts or stakes, grading, or excavating, is prohibited.

**6.3. Utility Crossings.** With 60 days notice to Simpson Lumber, City utility and franchise utility crossings of the Railroad Properties may be installed at any depth. Crossings shall have a maximum trenching width of forty-eight (48") inches.

**7. Seller's Representations and Warranties.** Seller represents and warrants to Buyer as follows:

**7.1. Status.** Simpson Lumber is a limited liability corporation duly organized and validly existing under the laws of the State of Delaware, is duly qualified and licensed to do business in the State of Washington, and has all requisite power to enter into and perform its obligations under this Agreement.

Simpson Timber is a corporation duly organized and validly existing under the laws of the State of Washington. Simpson Timber has all requisite power to enter into and perform its obligations under this Agreement.

**7.2. Authorization.** Sellers' execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary corporate action, and this Agreement constitutes a valid and legally binding obligation of Sellers, duly enforceable in accordance with its terms.

**7.3. Third-Party Consents.** No consent or approval of any third party is required in connection with Sellers' execution, delivery or performance of this Agreement.

**7.4. Absence of Impediments.** Sellers' execution, delivery and performance of this Agreement does not, and shall not, violate or constitute an event of default (with or without notice, time lapse or both) of any agreement or other instrument to which Sellers are a party or by which Sellers are bound.

**7.5. Condition of Property.** To the knowledge of Sellers without independent inspection, there are: (i) no hazardous or toxic materials located or released on or under the Railroad Properties or City Properties; (ii) no unremedied violations of environmental laws or environmental permits relating to the Railroad Properties or City Properties; and (iii) no latent and material defects in the Railroad Properties or City Properties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLERS MAKE NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE CONDITION, VALUE, COST, SUITABILITY, HABITABILITY, OR FITNESS OF THE RAILROAD PROPERTIES AND CITY PROPERTIES FOR ANY PARTICULAR PURPOSE AND IS SELLING THE RAILROAD PROPERTIES AND CITY PROPERTIES "AS IS, WHERE IS" WITH ALL OF THEIR FAULTS. Other than as set forth in Exhibit D, Sellers have not made any verbal or written representations, warranties, promises or guarantees (whether express, implied, statutory or otherwise) to Buyer with respect to the Sellers Railroad Properties and City Properties, or the results of any investigations. Buyer agrees that the transfer of the Railroad Properties and City Properties by Sellers constitutes good and sufficient consideration for the disclaimer by Sellers of any and all additional warranties and representations and Buyer's acceptance of this "as-is, where-is" sale. Buyer has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Sellers, past or present, with respect to the

Railroad Properties and City Properties of any kind or nature whatsoever, whether oral or written, express, implied, statutory or otherwise, from Sellers.

**7.6. Taxes.** All taxes due from Sellers with respect to the Railroad Properties and City Properties have been or will be paid by Sellers. Buyer is not required to withhold any tax from the Purchase Price due Sellers pursuant to Section 1445 of the Code as a result of the transactions contemplated in this Agreement because Sellers are not a foreign person within the meaning of Section 1445 of the Code and the United States Treasury regulations thereunder.

**7.7. Survival.** The representations and warranties of Seller in this Agreement shall survive the Closing for a period of twelve (12) months after the Closing Date.

**8. Buyer's Representations and Warranties.** Buyer represents and warrants to Sellers as follows:

**8.1. Status.** Buyer is a municipal corporation duly organized and validly existing under the laws of the State of Washington and has all requisite power and authority to enter into and perform its obligations under this Agreement.

**8.2. Authorization.** Buyer's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary municipal action, including approval by the Shelton City Council, and this Agreement constitutes a valid and legally binding obligation of Buyer, duly enforceable in accordance with its terms.

**8.3. Third-Party Consents.** No consent or approval of any third party is required in connection with Buyer's execution, delivery or performance of this Agreement.

**8.4. Absence of Impediments.** Buyer's execution, delivery and performance of this Agreement does not, and shall not, violate or constitute an event of default (with or without notice, time lapse or both) of any trust agreement, contract, order, directive or other instrument to which Buyer is a party or by which Buyer is bound.

**8.5. Brokerage.** Buyer has not employed any finder or broker who is entitled to any fee or commission in connection with the transaction described in this Agreement.

**8.6. Survival.** The representations and warranties of Buyer in this Agreement shall survive the Closing for the applicable period of limitations.

**9. Conduct Prior To Closing.** Sellers shall endeavor to preserve the status quo with respect to the Railroad Properties and City Properties and shall not mortgage or enter into any material contract affecting the Railroad Properties or City Properties without first obtaining Buyer's consent, which shall not be unreasonably withheld, conditioned or delayed. Prior to Closing, Simpson Lumber shall ensure that Parcel Numbers 32017-34-00020, 32020-12-00010, and 32020-12-00050 are cleaned up, including the removal of all litter, garbage, and personal property. The Buyer shall supervise the clean-up, provide notice to vacate to any trespassers on the property, and will arrange for, at no cost to Simpson, the necessary dumpsters, transport, and disposal fees for any debris removed.

**10. Possession.** Buyer shall take possession of the Railroad Properties and City Properties at and after the Closing. After Closing, Buyer shall assume all responsibility for maintenance and development of the Railroad Properties and City Properties, including but not limited to any necessary or required environmental remediation studies or actions.

**11. Closing Conditions.** As a condition to each party's obligation to close the purchase and sale described in this Agreement, the other party's representations and warranties shall be true as of the Closing Date as though then made and the other party shall have performed all covenants and conditions required to be performed on its or their part prior to the Closing.

**12. Closing Obligations.** At the Closing:

**12.1. Sellers' Obligations.** Sellers shall: (i) execute and deliver to Buyer, warranty deed deeds to the Railroad Properties and City Properties conveying the Sellers' entire interest in the Railroad Properties and City Properties to Buyer; and (ii) execute and deliver a real estate excise tax affidavit to Buyer for the sale of the Railroad Property and City Properties.

**12.2. Buyer's Obligations.** Buyer shall: (i) execute and deliver a real estate excise tax affidavit to the Sellers for the purchase of the Property; (ii) pay any recording fees, any premium owing to a title company, or escrow fees and costs incurred in closing the transaction, and (iii) pay the real estate excise tax due upon conveyance of the Railroad Properties and City Properties.

**13. Prorations.** At the Closing, Buyer and Seller shall prorate all real estate taxes and assessments payable and all rents receivable with respect to the Railroad Properties and City Properties during the calendar year in which the Closing occurs.

**14. Notices.** All notices and other communications required or permitted hereunder shall be written and given by (i) personal delivery, (ii) first class registered or certified mail, postage prepaid and return receipt requested, (iii) overnight receipted courier delivery, or (iv) electronic mail along with a hard copy by regular mail, addressed or transmitted to the recipient at the street and email addresses specified below or at such other address or addresses as the recipient may specify by notice as herein provided:

To Seller: Simpson Lumber Company, LLC  
1301 Fifth Avenue, Suite 2700  
Seattle, WA 98101-2675  
Attn: Kathryn Navarro  
Email Address: [Kathryn.Navarro@simpson.com](mailto:Kathryn.Navarro@simpson.com)

Simpson Timber Company  
1301 Fifth Avenue, Suite 2700  
Seattle, WA 98101-2675  
Attn: Kathryn Navarro  
Email Address: [Kathryn.Navarro@simpson.com](mailto:Kathryn.Navarro@simpson.com)

To Buyer: City of Shelton  
525 W Cota Street  
Shelton, WA 98584  
Attn: Jeff Niten, City Manager  
Email Address: jeff.niten@sheltonwa.gov

Notices that are personally delivered shall be effective upon delivery, and personal delivery shall include delivery by overnight-receipted courier or email at the addresses indicated.

**15. Enforcement.** If either party commences a legal proceeding to enforce, interpret or recover damages for breach of this Agreement, the substantially prevailing party shall be entitled to recover its reasonable attorneys' fees and expenses incurred at trial, during pre-trial preparation and on appeal from the non-prevailing party.

**16. Glossary of Terms.** Unless separately defined in this Agreement, the following terms shall have the meanings specified below:

**"Environmental Laws"** shall mean any federal, state or local laws and the regulations promulgated thereunder relating to pollution (including emissions, discharges, disseminations, releases or threatened releases of Hazardous Substances into the environment), protection of the environment (including ambient air, surface water, ground water, soil, land surface or subsurface strata, flora, fauna, and other natural resources) or the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances.

**"Hazardous Substances"** shall mean any chemical, compound, constituent, material, waste, contaminant (including petroleum, crude oil or any fraction thereof) or other substance, defined as hazardous or toxic, or otherwise regulated by any Environmental Laws promulgated and as amended from time to time prior to Closing, including: (i) the Comprehensive Environmental Response, Compensation and Liability Act (as amended by the Superfund Amendments and Reauthorization Act), 42 U.S.C. § 9601 et seq.; (ii) the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 690 et seq.; (iii) the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq.; (iv) the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; (v) the Clean Water Act, 33 U.S.C. § 1251 et seq.; (vi) the Clean Air Act, 42 U.S.C. § 7401 et seq.; (vii) the Model Toxics Control Act, RCW 70.105D et seq. ("MTCA"); and (viii) any federal, state or local laws based on, or substantially similar to, the federal statutes listed in parts (i) through (vi) of this paragraph.

**"Knowledge"** shall mean, with respect to Seller, the actual knowledge of Jerry Enslow and Dave McEntee.

**"Law"** shall mean any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

**"Person"** shall mean any individual, partnership, limited liability company, association, group, joint venture, corporation, trust, unincorporated organization, government or

any department or agency thereof, or any other entity.

**“Release”** shall mean any spill, leak, pumping, pouring, emission, discharge, injection, escape, leaching, disposal, or other release into the environment (including ambient air, surface water, ground water, soil, land surface or subsurface strata, flora, fauna and other natural resources) of any Hazardous Substance.

**17. Ratification by Shelton City Council.** As a condition to Closing, this Agreement shall be approved by the Shelton City Council in an open public meeting, pursuant to Chap. 42.30 RCW. Ratification by the City Council shall constitute final and irrevocable acceptance of all terms in the Agreement, including but not limited to indemnification obligations.

**18. Washington Disclosure Statement.** Attached hereto as Exhibit E is a completed, signed and dated Disclosure Statement required by Section 64.06.013 of the Revised Code of Washington, and Buyer hereby acknowledges receipt thereof and hereby waives its right to rescind this Agreement pursuant to Section 64.06.030 of the Revised Code of Washington.

**19. Miscellaneous Provisions.** This Agreement (i) constitutes the entire understanding of Sellers and Buyer on the purchase and sale of the Railroad Properties and City Properties; (ii) supersedes all prior and contemporaneous understandings on the subject; (iii) may only be amended by an instrument in writing signed by both parties; (iv) shall be binding upon and inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties; (v) may be executed in counterparts, each of which shall be considered an original of the same instrument; (vi) may be delivered electronically by email or fax with the same legal force and effect as an instrument bearing original signatures; and (vii) shall be governed by and construed in accordance with the laws of the State of Washington without regard to its choice of law rules.

**EXECUTED** as of the date first above written.

**Sellers:**

**Buyer:**

**SIMPSON TIMBER COMPANY**

**CITY OF SHELTON**

**SIMPSON LUMBER COMPANY, LLC**



## EXHIBIT A

### PROPERTY TRANSFER LEGAL DESCRIPTION

1. Abbreviated Legal Description:

50' RR R/W 1325' SE NE & KNEELAND ADD PENDING CITY BLA #01-16 AF #2053782  
S 42/115-119 S 43/28 43/29 S 44/72-76.

*To be replaced with Legal Description.*

**Parcel No. 32019-14-00070**

2. Legal Description:

A STRIP OF LAND, 50 FEET IN WIDTH, BEING 25 FEET IN WIDTH ON EACH SIDE OF THE CENTERLINE OF THE TRACK OF THE PENINSULAR RAILWAY COMPANY OVER AND ACROSS THE SOUTHWEST QUARTER (SW ¼) OF THE NORTHEAST QUARTER (NE ¼) OF SECTION NINETEEN (19), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., AS CONVEYED IN DEED DATED MAY 26, 1913, RECORDED MAY 29, 1913, AUDITOR'S FILE NO. 28257, AND AGREEMENT RECORDED MAY 19, 1914, AUDITOR'S FILE NO. 29515, SAID CENTERLINE BEING PARTICULARLY DESCRIBED PURSUANT TO SAID INSTRUMENTS AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER (SW ¼) OF THE NORTHEAST QUARTER (NE ¼); THENCE SOUTH, ALONG THE WEST LINE THEREOF, 294 FEET, TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED CENTERLINE; THENCE, ANGLE LEFT 45°40' AND RUN ON A TANGENT 300 FEET; THENCE ON A 5°45' LEFT CURVE (ANGLE 18°24'), 320 FEET; THENCE TANGENT 450 FEET; THENCE A 6° LEFT CURVE (ANGLE 25°40'), 423.3 FEET, TO A POINT ON THE EASTERLY LINE OF SAID SOUTHWEST QUARTER (SW ¼) OF THE NORTHEAST QUARTER (NE ¼), 335 FEET NORTH OF THE SOUTHEASTERLY CORNER THEREOF, AND THE TERMINUS OF THE HEREIN DESCRIBED CENTERLINE.

**Parcel No. 32019-13-00800**

3. Legal Description:

A TRACT OF LAND SITUATED IN THE SW1/4NE1/4 OF SECTION 19, TOWNSHIP 20 NORTH, RANGE 3 WEST OF THE WILLAMETTE MERIDIAN, MASON COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO-WIT:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SW1/4NE1/4; THENCE

NORTH 00°45' WEST ALONG THE EAST LINE OF SAID SW1/4NE1/4 A DISTANCE OF 208.7 FEET; THENCE NORTH 88°00' WEST, 350.0 FEET; THENCE NORTH 00°45' WEST, 98 FEET, MORE OR LESS, TO A POINT DISTANT 125.0 FEET SOUTHWESTERLY, AS MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF THE MAIN TRACK OF THE PENINSULAR RAILWAY COMPANY, AS NOW CONSTRUCTED AND OPERATED ACROSS SAID SECTION 19, SAID POINT BEING THE TRUE POINT OF BEGINNING OF THE TRACT OF LAND HEREIN DESCRIBED; THENCE NORTH 66°02' WEST, ON A LINE PARALLEL WITH A DISTANT 125.0 FEET SOUTHWESTERLY, AS MEASURED AT RIGHT ANGLES FROM SAID MAIN TRACK CENTERLINE A DISTANCE OF 630.0 FEET; THENCE NORTH 39°14' WEST A DISTANCE OF 500.0 FEET TO A POINT BEING 25.0 FEET SOUTHWESTERLY, AS MEASURED AT RIGHT ANGLES FROM SAID MAIN TRACK CENTERLINE; THENCE SOUTH 47°08' EAST, PARALLEL WITH SAID MAIN TRACK CENTERLINE 257.9 FEET, MORE OR LESS, TO A POINT OF CURVE; THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 781.1 FEET AND A CHORD BEARING SOUTH 56°28' EAST, 253.35 FEET; THENCE SOUTH 65°48' EAST, TANGENT TO THE LAST DESCRIBED CURVE, A DISTANCE OF 521.7 FEET TO A POINT OF CURVE; THENCE SOUTHEASTERLY AND EASTERLY ALONG A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 766.46 FEET AND A CHORD BEARING SOUTH 78°13' EAST, 329.61 FEET; THENCE NORTH 89°22' EAST, TANGENT TO THE LAST DESCRIBED CURVE, A DISTANCE OF 40.4 FEET TO THE EAST LINE OF SAID SW1/4NE1/4; THENCE SOUTH ALONG SAID EAST LINE TO A POINT BEING 185.0 FEET SOUTHERLY, AS MEASURED AT RIGHT ANGLES FROM SAID MAIN TRACK CENTERLINE; THENCE SOUTH 89°22' WEST, PARALLEL WITH SAID MAIN TRACK CENTERLINE 37.3 FEET TO A POINT OF CURVE; THENCE WESTERLY ALONG A TANGENTIAL CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 926.46 FEET AN ARC DISTANCE OF 318 FEET, MORE OR LESS, TO THE INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND DISTANCE 350.0 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES FROM THE EAST LINE OF SAID SW1/4NE1/4; THENCE NORTH 00°45' WEST, 62.7 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

**Parcel No. 32019-13-60850**

4. Abbreviated Legal Description:

TR 54 OF NE SE.

*To be replaced with Legal Description.*

**Parcel No. 32019-41-00540**

5. Legal Description:

A STRIP OF LAND, 30 FEET IN WIDTH, BEING 15 FEET ON EACH SIDE OF THE CENTERLINE OF THE TRACK, OVER AND ACROSS THE SOUTHEAST QUARTER (SE ¼) OF THE NORTHWEST QUARTER (NW ¼) OF SECTION NINETEEN (19),

TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., AS CONVEYED TO MASON COUNTY CENTRAL RAILROAD COMPANY IN DEED DATED OCTOBER 19, 1888, RECORDED OCTOBER 20, 1888, IN VOLUME J PAGE 310, RECORDS OF MASON COUNTY, WASHINGTON, SAID CENTERLINE BEING DESCRIBED PURSUANT TO SAID DEED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SOUTHEAST QUARTER (SE  $\frac{1}{4}$ ) OF THE NORTHWEST QUARTER (NW  $\frac{1}{4}$ ), 3 CHAINS AND 11 LINKS SOUTH OF THE NORTHEAST CORNER THEREOF; THENCE NORTHWESTERLY TO A POINT ON THE NORTH LINE OF SAID SOUTHEAST QUARTER (SE  $\frac{1}{4}$ ) OF THE NORTHWEST QUARTER (NW  $\frac{1}{4}$ ), 2 CHAINS AND 63 LINKS WEST OF SAID NORTHEAST CORNER, AND THE TERMINUS OF THE HEREIN DESCRIBED CENTERLINE.

**Parcel No. 32019-24-00270**

6. Legal Description:

ALL THAT PORTION OF A STRIP OF LAND, 30 FEET IN WIDTH, BEING FIFTEEN FEET ON EACH SIDE OF THE CENTERLINE OF THE TRACT OF THE MASON COUNTY CENTRAL RAILROAD, AS GRANTED IN DEED DATED AUGUST 28, 1888, RECORDED OCTOBER 17, 1888, IN VOLUME J, PAGE 293, RECORDS OF MASON COUNTY, WASHINGTON, LYING WITHIN THE NORTHEAST QUARTER (NE  $\frac{1}{4}$ ) OF THE NORTHEAST QUARTER (NE  $\frac{1}{4}$ ) OF SECTION TWENTYFOUR (24), TOWNSHIP TWENTY (20) NORTH, RANGE FOUR (4) WEST, W.M., AND WITHIN THE NORTH HALF (N  $\frac{1}{2}$ ) OF THE NORTHWEST QUARTER (NW  $\frac{1}{4}$ ) OF SECTION NINETEEN (19), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., SAID CENTERLINE BEING PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING ON THE SOUTH BOUNDARY OF DAVID SHELTON'S DONATION LAND CLAIM IN SECTION NINETEEN (17), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., AT STATION 2409, 185 FEET WEST OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER (SE  $\frac{1}{4}$ ) OF THE NORTHWEST QUARTER (NW  $\frac{1}{4}$ ) OF SAID SECTION NINETEEN (19); THENCE NORTH  $36^{\circ}30'$  WEST, 91 FEET; THENCE NORTH  $26^{\circ}30'$  WEST, 864 FEET; THENCE CURVE TO THE LEFT  $6^{\circ}$ , 369.8 FEET; THENCE NORTH  $82^{\circ}30'$  WEST, ALONG SATSOP RAILROAD TRACK, 1362 FEET; THENCE CURVING TO LEFT  $3^{\circ}$ , 100 FEET; THENCE CURVING TO LEFT  $3^{\circ}$ , 400 FEET; THENCE CURVE TO LEFT  $4^{\circ}$ , 300 FEET; THENCE SOUTH  $2730'$  WEST, 905 FEET; THENCE CURVING TO THE LEFT  $6^{\circ}$  FOR A DISTANCE OF 250 FEET, TO THE WEST LINE OF SAID DAVID SHELTON'S DONATION LAND CLAIM AT A POINT 1320 FEET WEST AND 1400 FEET SOUTH OF THE NORTHWEST CORNER OF SAID SECTION NINETEEN (19), SAID POINT BEING IN THE NORTHEAST QUARTER (NE  $\frac{1}{4}$ ) OF SECTION TWENTYFOUR (24), TOWNSHIP TWENTY (20) NORTH, RANGE FOUR (4) WEST, W.M.;

EXCEPTING THEREFROM, ALL THAT PORTION THEREOF WHICH LIES WESTERLY AND SOUTHWESTERLY OF THE EASTERLY LINE OF "THE GEORGE

SHORTER PLACE", AS PARTICULARLY DESCRIBED PURSUANT TO DEED RECORDED JANUARY 4, 1910, IN VOLUME 22 OF DEEDS, PAGE 56, AUDITOR'S FILE NO. 24246, RECORDS OF MASON COUNTY, WASHINGTON, AS FOLLOWS:

COMMENCING AT THE NORTHEASTERLY CORNER OF SAID SECTION TWENTYFOUR (24); THENCE SOUTH 1321 FEET, TO A POINT ON THE SOUTH BOUNDARY LINE OF DAVID SHELTON'S DONATION LAND CLAIM; THENCE "TURN THE NORTHWEST ANGLE WHICH IS 92°16'" THENCE ALONG THE SOUTH BOUNDARY LINE OF SAID DONATION LAND CLAIM, 243 FEET, TO THE SOUTHEAST CORNER AND THE POINT OF BEGINNING OF THE TRACT OF LAND HEREBY DESCRIBED; THENCE WEST 961.4 FEET, TO THE SOUTHWEST CORNER OF SAID TRACT; THENCE "'BACK RIGHT' ON THE LINE, TURN 38°15' LEFT" AND RUN 220.4 FEET; THENCE "DEFLECT 8°14' RIGHT"; THENCE NORTHEASTERLY 924 FEET TO THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT OF LAND; THENCE "'BACK RIGHT' ON THE LINE AND TURN 56°27'" AND RUN A DISTANCE OF 597.4 FEET, TO THE POINT OF BEGINNING.

**Parcel No. 32019-21-00010 and a portion of Parcel No. 42024-11-00000**

7. **Legal Description:**

ALL THAT PORTION OF LOTS 1, 2, AND 3, BLOCK 23, DAVID SHELTON'S THIRD ADDITION TO SHELTON, WASHINGTON, ACCORDING TO THE RECORDED PLAT THEREOF, PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST COMER OF LOT 1, SAID BLOCK 23; THENCE SOUTH 7°30' WEST, 75.1 FEET TO A POINT ON THE EAST LINE OF SAID LOT 1, BLOCK 23, AND BEING THE INITIAL POINT OF THE TRACT, HEREBY DESCRIBED; THENCE NORTH 52°36' WEST 69.21 FEET TO A POINT ON THE WEST LINE OF SAID LOT 1, WHICH POINT LIES SOUTH 7°30' WEST 40.6 FEET FROM THE NORTHWEST COMER OF SAID LOT 1; THENCE NORTH 56°28' WEST, 66.77 FEET TO A POINT ON THE WEST LINE OF LOT 2, WHICH POINT LIES SOUTH 7°30' WEST, 11.3 FEET FROM THE NORTHWEST COMER OF SAID LOT 2; THENCE NORTH 59°01' WEST, 28.35 FEET TO A POINT ON THE NORTH LINE OF LOT 3, WHICH POINT LIES NORTH 82°30' WEST 26.0 FEET FROM THE NORTHEAST COMER OF SAID LOT 3; THENCE NORTH 82°30' WEST, 16.1 FEET, MORE OR LESS, ALONG THE NORTH BOUNDARY OF SAID BLOCK 23 TO THE POINT OF INTERSECTION WITH THE NORTH BOUNDARY OF SIMPSON TIMBER COMPANY'S RAILROAD RIGHT-OF-WAY, AS NOW ESTABLISHED; THENCE SOUTHEASTERLY, ALONG THE NORTH BOUNDARY OF SAID RAILROAD RIGHT-OF-WAY TO THE INTERSECTION WITH THE EAST BOUNDARY OF LOT 1, SAID BLOCK 23; THENCE NORTH 7°30' EAST, ALONG THE EAST BOUNDARY LINE OF SAID LOT 1 TO THE INITIAL POINT OF THIS DESCRIPTION, CONTAINING 0.015 ACRES, MORE OR LESS.

**Parcel No. 32019-63-23907**

8. Legal Description:

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*To be replaced with Legal Description.*

**Parcel No. 32019-88-88888**

9. Abbreviated Legal Description:

60' R.R R/W IN NE NE.

*To be replaced with complete Legal Description.*

**Parcel No. 42024-11-00000**

10. Legal Description:

ALL THAT PORTION OF THE NORTHWEST QUARTER (NW  $\frac{1}{4}$ ) OF THE NORTHEAST QUARTER (NE  $\frac{1}{4}$ ) OF SECTION TWENTYFOUR (24), TOWNSHIP TWENTY (20) NORTH, RANGE FOUR (4) WEST, W.M., "AS IS WITHIN THE RIGHT OF WAY OF THE PENINSULAR RAILWAY COMPANY", AS EXCLUDED FROM DEED DATED APRIL 20, 1931, RECORDED MAY 22, 1931, AUDITOR'S FILE NO. 66997.

**Parcel No. 42024-12-00020**

11. Legal Description:

ALL THAT PORTION OF THE SOUTHWEST QUARTER (SW  $\frac{1}{4}$ ) OF THE NORTHEAST QUARTER (NE  $\frac{1}{4}$ ) OF SECTION TWENTYFOUR (24), TOWNSHIP TWENTY (20) NORTH, RANGE FOUR (4) WEST, W.M., LYING NORTHERLY OF THE SOUTHERLY LINE OF A STRIP OF LAND, 25 FEET IN WIDTH, BEING 12.5 FEET ON EITHER SIDE OF THE CENTERLINE OF "THE PENINSULAR RAILWAY COMPANY'S LINE OF RAILROAD AS NOW LOCATED, USED AND OCCUPIED", AS CONVEYED TO PENINSULAR RAILWAY COMPANY IN DEED DATED JUNE 29, 1907, RECORDED JULY 8, 1907, IN VOLUME 16 OF DEEDS, PAGE 461, RECORDS OF MASON COUNTY, WASHINGTON, AND THAT PORTION OF THAT CERTAIN TRACT OF LAND CONVEYED TO MARY EDNA OLLI IN DEED RECORDED JANUARY 22, 1945, AUDITOR'S FILE NO. 109964, LYING NORTH OF A LINE 22  $\frac{1}{2}$  FEET SOUTH OF THE CENTERLINE OF "THE MAIN LINE OF THE SIMPSON LOGGING COMPANY RAILROAD AS NOW ESTABLISHED AND IN USE", AS CONVEYED TO SIMPSON LOGGING COMPANY IN DEED DATED MARCH 2, 1949, RECORDED MARCH 4, 1949, AUDITOR'S FILE NO. 128499, EXCEPTING FROM THE FOREGOING, ALL THAT PORTION THEREOF WHICH LIES NORTHERLY OF THE "NORTH LINE OF THE SIMPSON LOGGING COMPANY RAILROAD RIGHT OF WAY AS NOW

CONSTRUCTED AND OPERATED”, AS DESCRIBED IN DEED DATED FEBRUARY 27, 1945, RECORDED MARCH 3, 1945, AUDITOR’S FILE NO. 110247.

**Parcel No. 42024-13-00020**

12. **Legal Description:**

ALL THAT PORTION OF THE SOUTHEAST QUARTER (SE ¼) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION SEVENTEEN (17), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST COMER OF HAZEL STREET AND SHELTON AVENUE IN THE AMENDED AND CORRECTED PLAT OF THE ORIGINAL TOWN OF SHELTON, VOLUME 2 OF PLATS, PAGE 19, RECORDS OF MASON COUNTY, WASHINGTON; THENCE SOUTH ALONG THE WEST LINE OF SAID SHELTON AVENUE, 180 FEET, MORE OR LESS, TO THE SECTION LINE BETWEEN SECTIONS SEVENTEEN (17) AND TWENTY (20) OF SAID TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M.; THENCE WEST, ALONG SAID SECTION LINE, 685 FEET, MORE OR LESS, TO THE EAST LINE OF LOT THIRTY SEVEN (37), BLOCK ONE (1) OF SAID AMENDED AND CORRECTED PLAT OF THE ORIGINAL TOWN OF SHELTON, THENCE NORTH, ALONG SAID EAST LINE, TO THE SOUTH BOUNDARY OF SAN JOAQUIN AVENUE; THENCE NORTHEASTERLY, ALONG THE SOUTH BOUNDARY OF SAN JOAQUIN AVENUE, TO THE SOUTH BOUNDARY OF HAZEL STREET; THENCE EAST, ALONG THE SOUTH BOUNDARY OF HAZEL STREET, 540 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

**Parcel No. 32017-34-00020**

13. **Abbreviated Legal Description:**

AMENDED AND CORRECTED PLAT OF SHELTON BLK: 7 10' R/W.

*To be replaced with Legal Description.*

**Parcel No. 32017-51-07900**

14. **Legal Description:**

LOT NINE (9), BLOCK ONE (I), REED'S ADDITION TO SHELTON, WASHINGTON, VOLUME 3 OF PLATS, PAGE 5, RECORDS OF MASON COUNTY, WASHINGTON; EXCEPTING THEREFROM, THE SOUTH 125 FEET THEREOF.

**Parcel No. 32018-52-01009**

15. **Legal Description:**

ALL THAT PORTION OF THE NORTHEAST QUARTER (NE ¼) OF THE NORTHWEST QUARTER (NW ¼) OF SECTION NINETEEN (19), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST COMER OF BLOCK SEVENTEEN (17), DAVID SHELTON'S SECOND ADDITION TO THE TOWN (NOW CITY) OF SHELTON, WASHINGTON, VOLUME I OF PLATS, PAGE 3, RECORDS OF MASON COUNTY, WASHINGTON; THENCE SOUTH 7°30' WEST, TO THE SOUTH LINE OF DAVID SHELTON'S DONATION LAND CLAIM NO. 37, ALSO REFERENCED OF RECORD AS FRANCIS SHELTON'S DONATION LAND CLAIM; THENCE IN AN EASTERLY DIRECTION, ALONG THE SOUTH LINE OF SAID DONATION LAND CLAIM, TO THE RIGHT-OF-WAY OF THE PENINSULAR RAILWAY; THENCE FOLLOWING SAID RIGHT-OF-WAY IN A NORTHWESTERLY DIRECTION, TO A POINT ON LINE WITH THE SOUTH LINES OF BLOCKS SEVENTEEN (17) AND EIGHTEEN (18) OF SAID PLAT; THENCE WESTERLY, ALONG SAID LINE AND ALONG THE SOUTH LINE OF SAID BLOCK SEVENTEEN (17), TO THE POINT OF BEGINNING;

EXCEPTING THEREFROM, ALL THAT PORTION THEREOF WHICH LIES WITHIN A TRACT OF LAND PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST COMER OF BLOCK SEVENTEEN (17), DAVID SHELTON'S SECOND ADDITION TO THE TOWN (NOW CITY) OF SHELTON, WASHINGTON, VOLUME 1 OF PLATS, PAGE 3, RECORDS OF MASON COUNTY, WASHINGTON; THENCE SOUTH 82°30' EAST, 155.00 FEET;

THENCE SOUTH 7°30' WEST, TO THE SOUTH LINE OF DAVID SHELTON ' S DONATION LAND CLAIM NO. 37, ALSO REFERENCED OF RECORD AS FRANCIS SHELTON'S DONATION LAND CLAIM; THENCE IN A WESTERLY DIRECTION, ALONG THE SOUTH LINE OF SAID DONATION LAND CLAIM, TO A POINT SOUTH 7°30' WEST FROM THE POINT OF BEGINNING; THENCE NORTH 7°30' EAST, TO THE POINT OF BEGINNING.

**Parcel No. 32019-25-01310**

16. **Legal Description:**

ALL THAT PORTION OF GOVERNMENT LOT ONE (1), SECTION TWENTY (20), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST COMER OF LOT THREE (3), BLOCK ONE (1), AMENDED AND CORRECTED PLAT OF THE ORIGINAL TOWN OF SHELTON, VOLUME 2 OF PLATS, PAGE 19, RECORDS OF MASON COUNTY, WASHINGTON; THENCE NORTH, ALONG THE EAST LINE OF LOTS FOUR (4) AND THIRTY SEVEN

(37) OF SAID BLOCK ONE (1), TO THE SECTION LINE BETWEEN SECTIONS SEVENTEEN (17) AND TWENTY (20) OF SAID TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M.; THENCE EAST, ALONG SAID SECTION LINE, 685 FEET, MORE OR LESS, TO THE WEST BOUNDARY OF SHELTON AVENUE; THENCE SOUTH, ALONG THE WEST BOUNDARY OF SHELTON AVENUE, 125 FEET, MORE OR LESS, TO A POINT; THENCE SOUTHWESTERLY, 185 FEET, MORE OR LESS, TO THE SOUTHEAST COMER OF LOT SIX (6), BLOCK SEVEN (7), OF THE AFOREMENTIONED PLAT; THENCE IN A NORTHWESTERLY DIRECTION, 120 FEET, MORE OR LESS, ALONG THE EAST BOUNDARY OF SAID LOT SIX (6), TO THE NORTHEAST CORNER OF SAID LOT SIX (6); THENCE IN A SOUTHWESTERLY DIRECTION, ALONG THE NORTH BOUNDARIES OF LOTS SIX (6) TO ELEVEN (11) INCLUSIVE OF SAID BLOCK SEVEN (7), AND LOTS ONE (1), TWO (2) AND THREE (3) OF SAID BLOCK ONE (1), TO THE POINT OF BEGINNING.

**Parcel No. 32020-12-00010**

17. **Legal Description:**

ALL THAT PORTION OF GOVERNMENT LOT ONE (1), SECTION TWENTY (20), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., AND OF GOVERNMENT LOT TWO (2), SECTION SEVENTEEN (17), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M., PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE QUARTER SECTION CORNER COMMON TO SECTIONS SEVENTEEN (17) AND TWENTY (20), TOWNSHIP TWENTY (20) NORTH, RANGE THREE (3) WEST, W.M.; THENCE SOUTH (VAR. 22°30' EAST), 327.36 FEET, TO THE COUNTY ROAD; THENCE, ALONG SAID COUNTY ROAD, NORTH 63°30' EAST 174.9 FEET; THENCE NORTH 12°05' WEST, 396 FEET; THENCE SOUTH 42°58' WEST, 114.84 FEET; THENCE SOUTH 57.42 FEET, TO THE POINT OF BEGINNING.

ALSO, ALL THAT PORTION OF SAID GOVERNMENT LOT ONE (1) LYING NORTH OF LOT NINE (9), SHELTON TIDE LANDS, ACCORDING TO THE PLAT THEREOF ON FILE ON THE OFFICE OF THE COMMISSIONER OF PUBLIC LANDS, AND BETWEEN SAID LOT NINE (9) AND THE COUNTY ROAD.

EXCEPTING FROM ALL OF THE FOREGOING, RIGHT-OF-WAY FOR STATE ROUTE 3, AND RIGHT-OF- WAY FOR THE U.S. NAVY RAILROAD.

**Parcel No. 32020-12-00050**

18. **Legal Description:**

A TRACT OF LAND IN THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 20 NORTH, RANGE 4, W.M., IN MASON COUNTY WASHINGTON, DESCRIBED AS FOLLOWS:



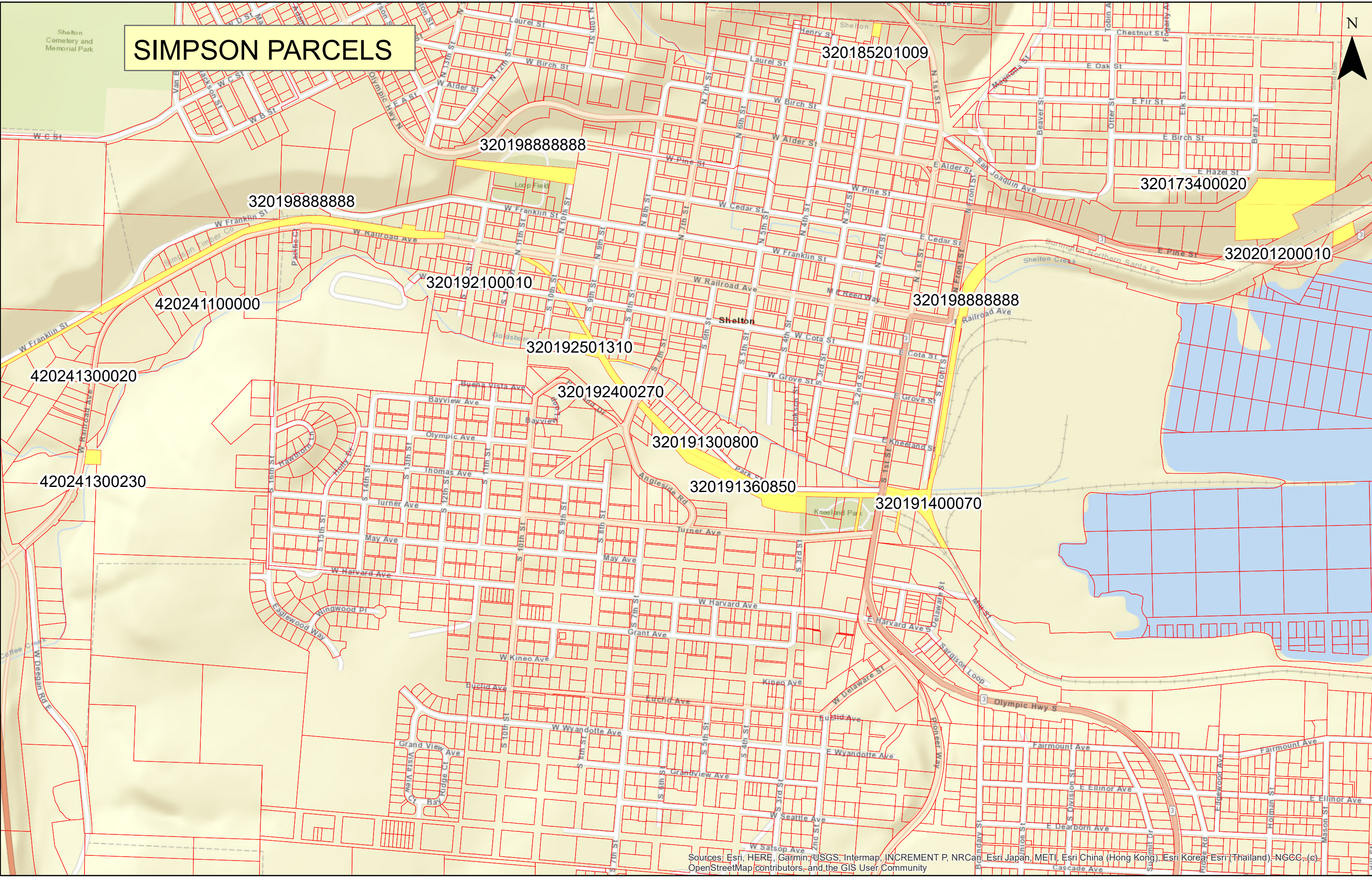
BEGINNING AT THE QUARTER SECTION CORNER BETWEEN SECTION 24, TOWNSHIP 20 NORTH, RANGE 4 WEST, W.M., IN MASON COUNTY, WASHINGTON AND SECTION 19, TOWNSHIP 20 NORTH, RANGE 3 WEST, W.M., IN MASON COUNTY, WASHINGTON; THENCE WEST ALONG A LINE TO THE CENTER OF SECTION 24, TOWNSHIP 20 NORTH, RANGE 4 WEST, W.M., IN MASON COUNTY, WASHINGTON A DISTANCE OF 1295 FEET TO A POINT MARKED BY AN IRON POST; THENCE TURN 90° TO THE RIGHT AND RUN NORTH 162.5 FEET TO A POINT MARKED BY AN IRON POST WHICH IS THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION AND THE SOUTHEAST CORNER OF THE FOLLOWING-DESCRIBED TRACT OF LAND; THENCE CONTINUE NORTH A DISTANCE OF 106 FEET, ALONG THE SAME COURSE, TO A POINT WHICH IS THE NORTHEAST CORNER OF THE TRACT, THIS POINT BEING MARKED BY AN IRON POST; THENCE TURN 90° TO THE LEFT AND CONTINUE IN A WESTERLY DIRECTION A DISTANCE OF 86 FEET, MORE OR LESS, TO THE EASTERLY RIGHT OF WAY LINE OF PERMANENT HIGHWAY NO. 7A, WHICH IS THE NORTHWEST CORNER OF THE TRACT; THENCE SOUTHERLY, ALONG THE EASTERLY RIGHT OF WAY LINE OF SAID PERMANENT HIGHWAY NO. 7A, 106 FEET, MORE OR LESS, TO A POINT THEREON DUE WEST OF THE TRUE POINT OF BEGINNING, WHICH IS THE SOUTHWEST CORNER OF THE TRACT; THENCE EAST 96 FEET, MORE OR LESS TO THE TRUE POINT OF BEGINNING.

**Parcel No. 42024-13-00230**

**SUBJECT TO** easements and encumbrances of records.  
(end of Exhibit)



# SIMPSON PARCELS



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community



# SIMPSON PARCELS

