



Shelton City Council
Meeting Agenda – Virtual Platform
October 5, 2021 at 6:00 p.m.

A. Call to Order

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

B. Council Reports

C. Consent Agenda (Action)

1. Vouchers numbered 105904 through 105955 in the total amount of \$203,412.93 and Vouchers numbered 105986 through 106032 in the total amount of \$133,841.78
2. Shelton Veterans Village Status Update – September 16, 2021 and September 23, 2021

D. Presentations

1. Proposed 2022 Budget – Presented by Budget Coordinator Don Kuismi

E. General Public Comment (3-minute time limit)

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

1. Resolution No. 1208-0921 Western Gateway Design Contract Amendment No. 3 – Presented by City Engineer Ken Gill
2. Resolution No. 1209-1021 Utility Property Surplus – Presented by Public Works Director Jay Harris
3. Resolution No. 1210-1021 SPD Body Worn Cameras – Presented by Police Chief Carole Beason
4. Resolution No. 1211-1021 JAVS A/V System Replacement in Courtroom/Council Chambers – Presented by City Manager Jeff Niten
5. LTAC Grant Recommendations – City Manager Jeff Niten
6. FCS Contract – ER&R – Interim Finance Director Teri Schnitzer

G. Action Agenda (Action/Public Comment Taken)

1. Public Hearing – Ordinance No. 1974-0821 2021 Budget Supplemental 1 – Presented by Budget Coordinator Don Kuismi
2. Ordinance No. 1975-0821 Debt Management Policy – Presented by Interim Finance Director Teri Schnitzer
3. Ordinance No. 1976-0821 Investment Policy – Presented by Interim Finance Director Teri Schnitzer
4. Surplus of City Assets Policy – Presented by City Manager Jeff Niten
5. HOPE Community Garden at Callanan Park – Presented by Community Development Director Mark Ziegler
6. SMC Steering Committee Appointments – Presented by Community Development Director Mark Ziegler

H. Administration Reports

1. City Manager Report

I. New Items for Discussion

J. Announcement of Next Meeting – October 19, 2021 at 6:00 p.m.

J. Adjourn

Special Note for Public Participation

The meeting can be viewed at: masonwebtv.com

The public can provide comments by:

Email: jeff.niten@sheltonwa.gov Telephone: (360) 432-5105

Joining the Zoom meeting by clicking on the link posted on the City Council's webpage

Your comments will be relayed directly to the Council.



2021 Looking Ahead

(Items and dates are subject to change)

Tues. 9/28 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> • 2022 Budget • Homeless Encampment Ordinance 	Packet Items Due: Fri. 9/24 @ noon
Tues. 10/5 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> • Proposed 2022 Budget Business Agenda <ul style="list-style-type: none"> • Resolution No. 1208-0921 Western Gateway Design Contract Amendment No. 3 • Resolution No. 1209-1021 Utility Property Surplus • Resolution No. 1210-1021 SPD Body Worn Cameras • Resolution No. 1211-1021 JAVS A/V System Replacement in Courtroom/Council Chambers • LTAC Grant Recommendations • FCS Contract – ER&R Action Agenda <ul style="list-style-type: none"> • Public Hearing Ordinance No. 1974-0821 2021 Budget Supplemental • Ordinance No. 1975-0821 Debt Management Policy • Ordinance No. 1976-0821 Investment Policy • Surplus Policy • HOPE Garden Callanan Park Agreement • SMC Steering Committee Apointments Administration Report <ul style="list-style-type: none"> • 	Packet Items Due: 9/24 – 5:00 p.m.
Tues. 10/12 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> • Pavement Condition Rating Presentation 	Packet Items Due: Fri. 10/8 @ noon
Tues. 10/19 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes • August Financial Status Report Presentations <ul style="list-style-type: none"> • Business Agenda <ul style="list-style-type: none"> • Ordinance No. 1977-0921 Homeless Encampment • Prosecution Services Contract Action Agenda <ul style="list-style-type: none"> • 	Packet Items Due: 10/8 – 5:00 p.m.

		<ul style="list-style-type: none"> Resolution No. 1208-0921 Western Gateway Design Contract Amendment No. 3 Resolution No. 1209-1021 Utility Property Surplus Resolution No. 1210-1021 SPD Body Worn Cameras Resolution No. 1211-1021 JAVS A/V System Replacement in Courtroom/Council Chambers LTAC Grant Recommendations FCS Contract – ER&R Administration Report	
Tues. 10/26 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> Animal Ordinance 	Packet Items Due: Fri. 10/22 @ noon
Tues. 11/2 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> Business Agenda <ul style="list-style-type: none"> Resolution No. 1186-1220 Surplus Computer Equipment Action Agenda <ul style="list-style-type: none"> Ordinance No. 1977-0921 Homeless Encampment Prosecution Services Contract Administration Report <ul style="list-style-type: none"> 	Packet Items Due: 10/22 – 5:00 p.m.
Tues. 11/9 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> Noise Ordinance 	Packet Items Due: Fri. 11/5 @ noon
Tues. 11/16 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes September Financial Status Report Presentations <ul style="list-style-type: none"> Business Agenda <ul style="list-style-type: none"> Action Agenda <ul style="list-style-type: none"> Resolution No. 1186-1220 Surplus Computer Equipment Administration Report <ul style="list-style-type: none"> 	Packet Items Due: 11/5 – 5:00 p.m.
Tues. 11/23 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> 	Packet Items Due: Fri. 11/19 @ noon
Tues. 12/7 5:30 p.m.	Special Meeting	Executive Session <ul style="list-style-type: none"> Performance of a Public Employee 	N/A
Tues. 12/7	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> Business Agenda	Packet Items Due: 11/24 – 5:00 p.m.

		<ul style="list-style-type: none"> Public Hearing Ordinance No. 1968-0321 Water Comp Plan Adoption Action Agenda <ul style="list-style-type: none"> Administration Report 	
Tues. 12/14 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> 	Packet Items Due: Fri. 12/10 @ noon
Tues. 12/21 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes October Financial Status Report Presentations <ul style="list-style-type: none"> Business Agenda <ul style="list-style-type: none"> Action Agenda <ul style="list-style-type: none"> Ordinance No. 1968-0321 Water Comp Plan Adoption Administration Report <ul style="list-style-type: none"> 	Packet Items Due: 12/10 – 5:00 p.m.
		<ul style="list-style-type: none"> 	
		<ul style="list-style-type: none"> 	

Other – TBD

- UGA/Annexation Policy (Water/Sewer Extensions)
- More Standing Committees by the Council
- Surplus Property
- December 7, 2021 – C Street Update
- Downtown Street Trees

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 105904 through number 105955 in the total amount of \$203,412.93 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 15th of September, 2021.


Interim 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 _____, 2021.

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 105986 through number 106032 in the total amount of \$133,841.78 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 24th of September, 2021.



Interim 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 _____, 2021.

Mayor Kevin Dorcy

Deputy Mayor Deidre Peterson

Councilmember James Boad

Councilmember Megan Fiess

Councilmember Kathy McDowell

Councilmember Eric Onisko

Councilmember Joe Schmit

Shelton Veterans Village

9/16/2021 Status Updates

Next Meetings: 9:00 AM, Thursday, September 23. Then 9AM, Thursday Oct 14 & 28 (2nd & 4th Thurs)

Via Email To:	Alberto Del Toro, Garner Miller, Dan Campbell, Michelle Hallen, Chris Merritt, Jaycie Osterberg, Colleen Carmichael	
Entity	Notes	Action
Olympic Engineering	<ul style="list-style-type: none">Re-submitted Civil plan to City of Shelton sufficient for initial site grading.	<ul style="list-style-type: none">Has City approved Civil plan or are further updates needed?Is Mason Co. Conserv. Dist updated landscape plan sufficient?
MSGs Architecture	<ul style="list-style-type: none">Awaiting updated landscape plan/specs for ESDS binder.	<ul style="list-style-type: none">Clarifying kitchen hood/fan. To resubmit community building plan to City.
Quixote Communities	<ul style="list-style-type: none">Consider dumpster enclosure alternates: wheeled dumpster or multiple cans	<ul style="list-style-type: none">Seeking Conserv. Dist. landscaping cost.
Forma Construction	<ul style="list-style-type: none">To price onsite work after division of duties is clear.	<ul style="list-style-type: none">To email indieDwell comments to clarify division of duties.
indieDwell	<ul style="list-style-type: none">Submitted updated plans to L&I Sept 1.	<ul style="list-style-type: none">Need clarified Division of DutiesNeed modular price ASAP
Mason County Conservation District	<ul style="list-style-type: none">Evan Bauder is primary contact.Provided landscape plan update to Olympic Engineering.	<ul style="list-style-type: none">Prices for landscaping scope & installation.

Shelton Veterans Village

9/23/2021 Status Updates

Next Meetings: **9:00 AM, Thursday, Oct 14.** Then 9AM, Thursday Oct 28, Nov 11 (2nd & 4th Thurs)

Via Email To:	Alberto Del Toro, Garner Miller, Dan Campbell, Michelle Hallen, Chris Merritt, Jaycie Osterberg, Colleen Carmichael	
Entity	Notes	Action
Olympic Engineering	<ul style="list-style-type: none">Re-submitted Civil plan to City of Shelton sufficient for initial site grading.	<ul style="list-style-type: none">Has City approved Civil plan or are further updates needed?Is Mason Co. Conserv. Dist updated landscape plan sufficient?
MSGs Architecture	<ul style="list-style-type: none">Awaiting updated landscape plan/specs for ESDS binder.Community building plan is submitted to City of Shelton	<ul style="list-style-type: none">ESDS checklist nearly complete. Paul getting Commerce deadline.To markup design for Forma.
Quixote Communities	<ul style="list-style-type: none">Consider dumpster enclosure alternates: wheeled dumpster or multiple cans	<ul style="list-style-type: none">Creating list of donation sources (landscaping & building).
Forma Construction	<ul style="list-style-type: none">Emailed indieDwell detailed request to clarify responsibilities Matrix.	<ul style="list-style-type: none">To price onsite work.
indieDwell	<ul style="list-style-type: none">Submitted updated plans to L&I Sept 1.	<ul style="list-style-type: none">Need response to clarified responsibilities matrix.Need modular price ASAP
Mason County Conservation District	<ul style="list-style-type: none">Evan Bauder is primary contact.Provided landscape plan update to Olympic Engineering.	<ul style="list-style-type: none">Need landscaping scope & installation price.

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BUDGETING AND BUDGET PROCESS

City Council Meeting
October 5, 2022

Budgeting

- The 2022 budget was built using realistic, albeit conservative, revenue assumptions and matching expenses to those revenues. Matching revenues to desired expenditure levels is an unsustainable practice.
 - *By the end of the current year, Council must adopt a balanced budget where resources at least meet the planned expenditures for the next year.*
 - *The 2022 Proposed budget is built using an incremental budgeting process to build the 2022 base budget. Increases to expenditure levels are dependent on available on-going revenue.*
 - *One-time resources, including accumulated fund balance, is only used to fund one-time expenses, generally capital or major maintenance activities.*
 - *The budget and budget process is a tool for control, management, and planning. The resulting appropriation approved by Council through Ordinance is the legal authority to expend funds.*

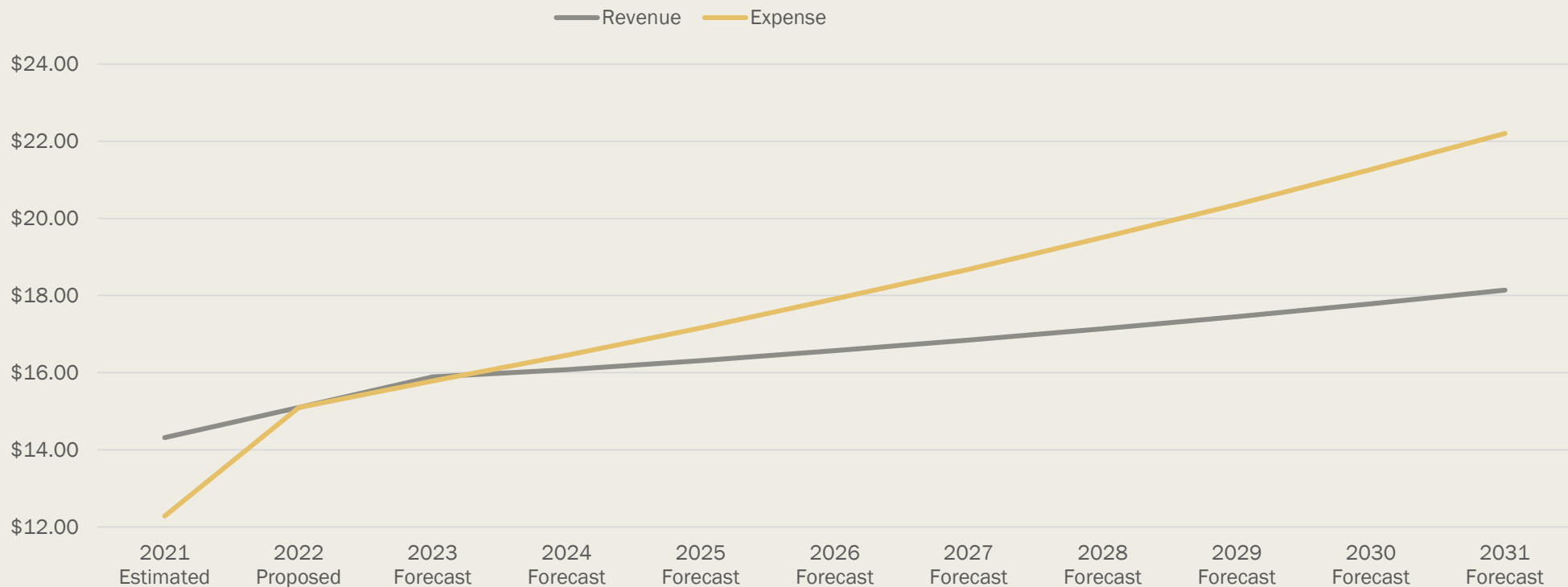
Budgeting - Fund Structure

- Funds are a self-balancing set of accounts which include both resources and expenditures. The City's budget is a collection of individually balanced funds.
- General Fund resources can be used for any good governmental purpose while the resources in Special Revenue, Enterprise, Internal Service, Pension Trust, and Permanent Funds are reserved and can only be used to support the allowable activities for which they are collected.
- City Funds:
 - *General Fund*
 - *Special Revenue Funds (Street, Tourism, Capital Resources Funds)*
 - *Debt Service Funds (Bond Fund)*
 - *Capital Project Funds (Capital Projects Fund)*
 - *Enterprise Funds (Water, Sewer, Storm Drainage, Solid Waste Funds)*
 - *Internal Service Funds (Payroll Benefits, EM&R Funds)*
 - *Pension Trust Fund (Firefighters Pension Fund)*
 - *Permanent Fund (Library Endowment Fund)*

Structural Imbalance

- Like other Governments, expense drivers (salary, benefits, and service costs to maintain current levels of service) continue to increase at a faster pace than ongoing revenue.
 - *At this time, the City has no specific mechanism in place to compensate for this imbalance (out of alignment with Council goal – Accountable Government).*

General Fund 10-Year Forecast (\$ In Millions):



2022 Proposed Budget – October 5, 2022

Council Budget Process Planned Next Steps

- Council Meetings to discuss the 2022 Proposed budget are scheduled for 10/19 and 11/16. We can schedule more if the Council desires.
 - *Today:*
 - Budget letter and overview of Proposed Budget book
 - *10/19 Regular Council Meeting:*
 - Property Tax Ordinance
 - Budget Ordinance
 - 10-Year Forecast
 - Six-Year Capital Improvement Plan
 - Questions & Answers
 - *11/16 Regular Council Meeting:*
 - Planned approval of Property Tax and 2022 budget Ordinances
 - *Additional meeting if requested*



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item F1)

Touch Date: 09/07/2021
Brief Date: 10/05/2021
Action Date: 10/19/2021

Department: Public Works
Presented By: Ken Gill

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

PROGRAM/PROJECT TITLE:
Western Gateway Design Contract
Amendment No. 3

☐ Ordinance

☒ Dept. Head

JOH

☒ Resolution

☐ Finance Director

ATTACHMENTS:

☒ Motion

☐ Attorney

- Resolution No. 1208-0921
- Supplemental Agreement No. 3

☐ Other

☐ City Clerk

☐ City Manager

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

In June of 2018, the Council approved a contract with Gray & Osborne Inc. in the amount of \$35,500, for a funding application level design of the Western Gateway Project. The funding application level design was submitted to the Transportation Improvement Board (TIB) and in November of that year, TIB announced the award of two grants for the project. Following the acceptance of the TIB grants, Council approved design Supplemental Agreement (also known as Contract Amendment) No. 1, which allowed Gray & Osborne to complete the design of the project, adding \$171,000 to the contract amount and extending the contract expiration date to June 1, 2020. At the time of the applications for TIB funding, the City intended to complete only the sidewalks and asphalt overlay, with limited stormwater improvements and City-funded water main improvements. During the preliminary design phase, a Project Public Meeting was held for citizens to provide feedback and input. Citizens voiced their desire for the project to have an outcome similar to the Downtown Connector Project, to which the City then elected to evaluate a more expansive corridor project to meet the requests of the citizens as well as the Downtown Visioning Plan. The expanded project would include road widening, bike lanes and street lighting, and trigger more extensive stormwater improvements for treatment and flow control. At the time, the City had also begun discussions with Simpson Timber Company for dedication of the railroad right-of-way to the City. The disposition of the railroad right-of-way represented an unknown with respect to a potential future trail along the railroad alignment versus bike lanes within the roadway section. The City engaged Gray & Osborne to prepare conceptual and preliminary plans and cost estimates for the expanded project. In 2020, while the new cost estimates were being figured, Supplemental Agreement No. 2 was executed, extending the contract expiration to December 31, 2021 but did not add any additional design costs. The City then pursued external and internal funding allocations in an effort to fund the increased project costs. The funding pursuits (PRTPO, Direct Appropriation) were largely unsuccessful and the City has elected to return to the initial intended project. The majority of the previously allocated design funds have been expended on reconfiguring the potentials of the railroad removal and the larger project, and additional funds are needed to return the design to the reduced scope. The City was awarded a Safe Routes to Schools grant; a portion will be allocated to the flashing beacon at 9th and RR Ave.

When design began Shelton was not subject to the requirements of the Western Washington Phase II Municipal Stormwater Permit, effective October 2019. Adding the requirement to treat stormwater prior to discharge to Goldsborough Creek, upsizing the water main from 8 to 12 inch to serve future users and adding bump outs at intersections (for increased pedestrian safety) have increased construction costs. The total

design engineering fees for the project are \$271,000, or 9.4% of the construction cost of \$2,890,000. This is within the standard of practice for design (design equals 10% of construction costs).

ANALYSIS/OPTIONS/ALTERNATIVES:

Council has the option to maintain the project scope and table the project until additional funds are sought, but staff does not recommend this as the grant funds awarded from TIB will be withdrawn and the City will have to return the \$36,000 TIB had already reimbursed for design costs.

BUDGET/FISCAL INFORMATION:

<i>Contract</i>	<i>End Date</i>	<i>Amount</i>	<i>Total Contract Amount</i>
Original	10/31/2018	\$35,500	\$35,500
Amend. No. 1	06/01/2020	\$171,000	\$206,500
Amend. No. 2	12/31/2021	\$0.00	\$206,500
Amend. No. 3	04/30/2022	\$100,000	\$306,500

PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained through the Public Works Department.

STAFF RECOMMENDATION/MOTION:

Staff recommends: *"I move to forward Resolution No. 1208-0921 and the Western Gateway Design Contract Amendment No. 3 to the October 19th Council meeting Action Agenda for further consideration".*

RESOLUTION NO. 1208-0921

A RESOLUTION OF THE COUNCIL OF THE CITY OF SHELTON, WASHINGTON, AUTHORIZING THE CITY MANAGER TO APPROVE SUPPLEMENTAL AGREEMENT NO. 3 TO THE PROFESSIONAL SERVICES AGREEMENT WITH GRAY & OSBORNE, INC. TITLED, ACCESS SHELTON PHASE IV, WEST DOWNTOWN (WESTERN GATEWAY)

WHEREAS, on June 19, 2018, the City Council approved a \$35,500 Contract with Gray & Osborne, Inc. for funding application level design efforts for Access Shelton Phase IV, West Downtown, now known as the Western Gateway Project; and

WHEREAS, the funding application level design was completed and submitted to the Transportation Improvement Board (TIB) to apply for an Arterial Preservation Program Grant and a Sidewalk Grant; and

WHEREAS, on May 7, 2019, following the award of the two TIB Grants, the Council approved Supplemental Agreement No. 1 to the Contract with Gray & Osborne, authorizing an additional \$171,000 be spent on the design efforts and extending the Contract end date to June 1, 2020; and

WHEREAS, Project Public Meetings were held where citizen input was heard, the desire to expand the project to align with the Downtown Visioning Plan, and discussions with Simpson Timber Company possibly dedicating the railroad right-of-way to the City, resulted in multiple changes from the initial design concept; and

WHEREAS, In June of 2020, Supplemental Agreement No. 2 was executed, extending the Contract end date to December 31, 2021, while Gray & Osborne worked to prepare new conceptual and preliminary plans and cost estimates for the changes; and

WHEREAS, in an effort to fund the increased project costs, the City pursued additional external and internal funding allocations; and

WHEREAS, the funding pursuits were largely unsuccessful and the City has elected to return to the initial intended project; and

WHEREAS, the majority of previously allocated design funds had been expended on the reconfiguration of the roadway, the potentials of having the railroad removed or not, and expanding the project beyond the original concept; and

WHEREAS, Supplemental Agreement No. 3 will add \$100,00 to the Contract, for a new not to exceed total of \$306,500 and will extend the Contract end date to April 30, 2022, allowing Gray & Osborne to reduce the design to what was originally intended.

THEREFORE, BE IT RESOLVED by the City Council of the City of Shelton that the City Manager is authorized to sign Supplemental Agreement No. 3 to the Professional Services Contract with Gray & Osborne, Inc. for the completion of the design of the Western Gateway Project.

Passed by the City Council at its regular meeting held on the 19th day of October, 2021.

Mayor Dorcy

ATTEST:

City Clerk Nault



**Washington State
Department of Transportation**

Supplemental Agreement Number <u>03</u>		Organization and Address	
Original Agreement Number		Gray & Osborne, Inc. 2102 Carriage Drive Building I Olympia, WA 98502	
Project Number		Phone: (360) 292-7481	
Project Title		Execution Date	Completion Date
(Western Gateway) Access Shelton Phase IV, West Downtown		October 19, 2021	April 30, 2022
New Maximum Amount Payable			
\$306,500			
Description of Work Complete design for the construction of curb, gutter, sidewalks, parking strip area treatment, and ADA ramps in the downtown area in three phases. Phase A is Railroad Avenue from 8th Street to City Limits. Phase B is 7th Street from Railroad Avenue to Alder Street, and Phase C is Franklin and Cota Streets from 7th to 12th, Cedar and Pine from 7th to 8th, 8th from Cota to Pine, and 9th, 10th, 11th, and 12th Streets from Cota to Franklin.			

The Local Agency of the City of Shelton

desires to supplement the agreement entered in to with Gray & Osborne, Inc.

and executed on June 19, 2018 and identified as Agreement No. Access Shelton Phase IV, West Downtown (Western Gateway)

All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:

The Scope of Work has been divided into three phases; Phase A, Phase B, and Phase C. The projected level of additional effort required for SERVICES for Phase A, Railroad Ave from 8th Street to City Limits, are described in Exhibit A-3 attached hereto and by this reference made a part of the AGREEMENT. The Scope of Work was developed utilizing performance based contracting methodologies. Scope and Budget for remaining phases will be added via additional Supplemental Agreements.

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of the work to read: April 30, 2022

III

Section V, PAYMENT, shall be amended as follows:

The CONSULTANT shall be paid for SERVICES as specified on Exhibits "A-3A", "A-3B", and "A-3C", attached hereto and by this reference made a part of the AGREEMENT. Payment for these additional services shall not exceed \$100,000, for a new maximum amount payable of \$306,500.00.

~~as set forth in the attached Exhibit A, and by this reference made a part of this supplement.~~

If you concur with this supplement and agree to the changes as stated above, please sign in the Appropriate spaces below and return to this office for final action.

By: _____ By: _____

Consultant Signature

Approving Authority Signature

Date

EXHIBIT A-3

SCOPE OF WORK

CITY OF SHELTON REVISED WESTERN GATEWAY/RAILROAD AVENUE IMPROVEMENT PROJECT

PROJECT UNDERSTANDING

The City plans to complete the design for the Revised Western Gateway / Railroad Avenue Improvement Project during 2021 with construction to begin in 2022. Railroad Avenue is a 2-lane asphalt roadway providing access to US Highway 101 to the Shelton downtown business district. The project extents on Railroad Avenue are the City limits to 8th Street. Sidewalks are located along both sides of the roadway from 8th Street to 10th Street after which the south sidewalks extend to approximately 300 feet westerly past the 12th Street.

Planned improvements include restoration of the existing roadway surfaces with an asphalt overlay throughout the project limits. Existing sidewalks will be removed and replaced with new sidewalks and ADA compliant curb ramps at the intersections of Railroad Avenue. New sidewalks will be installed to fill in the gaps along the north side of Railroad Avenue to the intersection with 12th Street and to extend the sidewalk along south side from 12th Street intersection to Pacific Court. Curb and gutter will be installed at all intersections to ensure stormwater will be conveyed to the stormwater collection system. Stormwater collection and conveyance will include installing new piping and catch basins. Stormwater treatment and detention will be provided by infiltration trenches installed parallel to Railroad Avenue. Stormwater improvements will also consist of adjusting the existing catch basins to the finished grade. Sanitary sewer improvements will include adjustment of cleanouts on laterals to grade and replacement of frames and covers. Other improvements include the installation of ADA compliant curb ramps, channelization and replacing the existing signs throughout the project area.

As a separate schedule of work funded by the City, water mains will be replaced within the extents of project, with stubouts on side streets outside of the paving limits. Approximately 3,000 lineal feet of new 12-inch ductile iron water main will be installed as the main line in Railroad Avenue with another 600 lineal feet of 8-inch ductile iron water main to be installed to connect to existing water mains at intersecting streets. The water main work will include hydrants, valves, and water services.

The City has been awarded Washington State Transportation Improvement Board (TIB) funding under its Arterial Preservation Program (APP) and Urban Sidewalk Program (USP) for grant funding of \$760,400. Previously, the total estimated project cost was \$1,350,000. With significant revisions to the extents of hardscape and stormwater improvements, plus the upsizing of water main from 8-inch to 12-inch, and increase in general construction costs, the current estimated total project cost is \$2,756,000. This

amendment covers the additional engineering design work to complete the larger project. The engineering design work under Supplemental Agreement 1 covered the original construction project scope. The current project scope and year 2022 construction cost has resulted in an estimated project cost over twice the original construction project scope. The design engineering fees for the original project were \$171,000, or 10.7% of the construction cost of \$1,593,000. The design engineering fees for the current project are \$271,000, or 9.4% of the construction cost of \$2,890,000.

SCOPE OF WORK

The proposed engineering services include the following tasks.

Task 1 – Project Management

- A. Provide project management of the design work, including project budget control and scheduling, communication with the City, coordination of design staff assignments, project reporting, and documentation assistance to the City.
- B. Oversee quality assurance/quality control (QA/QC) reviews of engineering products including constructability review, risk management assessment, and identification and pursuit of critical path items.
- C. Provide coordination and contract administration of subconsultant work and work products.
- D. Manage and oversee the schedule of deliverables.

Task 2 – Geotechnical

- A. Provide the services of a qualified geotechnical engineer to provide geotechnical services to include research, site visits, subsurface explorations, soil conditions analysis, and design recommendations to assist with the development of the project design with respect to stormwater infiltration and treatment.
- B. The Geotechnical Subconsultant (PanGEO, Inc.) will perform the following tasks in support of stormwater treatment and infiltration:
 - 1. Site Reconnaissance – Conduct reconnaissance along the project alignment to observe surface conditions that could impact the proposed stormwater improvements. In addition, mark test pit locations (see Item 2 below) for utility locates. Coordinate the test pit locations with the City and Gray & Osborne.

2. Subsurface Explorations – Observe, take the necessary soil samples. Test pits will be excavated by the City of Shelton Public Works staff. The test results will be used to evaluate the engineering soil properties.
3. Laboratory Tests – Laboratory tests will be conducted on representative soil samples. The tests may include moisture content, grain size distribution, and cation exchange capacity.
4. Report – A draft report will be prepared and submitted to the project team for review. The draft report will be revised and finalized following receipt of review comments from the project team. In general, the report will include:
 - a. A vicinity map showing site location and a site map with approximate locations of subsurface explorations;
 - b. Summary of test pit information, including depth, stormwater infiltration rate and cation exchange capacity.

Task 3 – Stormwater Analysis

- A. Prepare a Technical Information Report (TIR) to include a stormwater analysis in accordance with the City’s adopted Stormwater Manual (2019 Department of Ecology).
- B. Evaluate tributary areas to size storm facilities for collection, conveyance and treatment. Identify downstream connections to existing City stormwater facilities.
- C. Submit a draft TIR with the 90 percent design submittal. Submit a final TIR with the 100 percent design submittal.
- D. Based on disturbance of 1 or more acres, a Construction Stormwater Permit will be required from the Washington State Department of Ecology. Assist the City in preparation of a Stormwater Pollution Prevention Plan (SWPPP) as part of the Stormwater Report. Assist the City with submitting a Notice of Intent (NOI) and obtaining the Construction Stormwater Permit in the name of the City prior to bidding of the project. Identify in the project specifications for the permit to be transferred to the contractor prior to initiation of construction activities.

Task 4 – 90 Percent Design

- A. Prepare preliminary plans, drawings, sections, special details, standard details, etc., of roadway plan and profile views, channelization, sidewalks,

ADA ramps, storm drainage collection, conveyance and treatment, water mains and water appurtenances, signage, and related improvements at 90 percent level of design in City-approved format.

- B. Prepare project specifications to include proposal, contract, and bonding forms, and Special Provisions based on the Washington State Department of Transportation (WSDOT) Standard Specifications for Road, Bridge and Municipal Construction (2020). Full project specifications will be submitted at the 90 percent level design.
- C. Prepare a construction cost estimate at 90 percent design levels. Prepare takeoffs, calculations, and estimates for appropriate unit price bid items. Prepare estimates for appropriate lump sum bid items. Include construction contingency in the cost estimate.

Task 5 – Final Design

- A. Prepare and submit final (100 percent) project plans, specifications, and cost estimates to include evaluation and incorporation of all previous and pertinent City and/or TIB comments.
- B. Submit final plans, specifications, engineer's cost estimate (construction), and solicit authorization to bid the project from both the City and TIB.

Task 6 – Project Quality Assurance/Quality Control

- A. Perform internal QA/QC review of the project elements at the 90 percent and final design levels.

Task 7 – Bid and Award Services

- A. Answer bid inquiries during bid phase. Provide design document interpretation.
- B. Prepare any bid addenda as may be required. Transmit pdf version of any bid addenda to City Staff.

Task 8 – Meetings

- A. Attend meetings with the City to review 90 percent and final design levels. The budget includes two meetings at City Public Works offices with City staff.

DELIVERABLES

- 1. 90 Percent Design Submittal:

- Draft Stormwater Report (three hard copies, one pdf copy)
 - 90 Percent Plans (three half-size (11" x 17"), one pdf copy)
 - 90 Percent Specifications (three hard copies, one pdf copy)
2. Final (100 Percent) Design Submittal:
- Final Stormwater Report (three hard copies, one pdf copy)
 - Final (100 Percent) Plans (three half-size (11" x 17"), one pdf copy)
 - Final (100 Percent) Specifications (three hard copies, one pdf copy)

ASSUMPTIONS

1. Only basic landscaping will be included in the project. Irrigation is not included.
2. Right-of-way acquisition is not anticipated or included.
3. Any required Temporary Construction Easements will be obtained by the City.
4. Project-specific decorative signage, stamping, benches, features, fencing, etc., are not included in the design. City standard items identified by the City during preliminary design from previous City projects will be incorporated as requested by the City.

BUDGET

Based on the scope of work described above, the total estimated cost for completing the engineering services tasks is as follows:

- \$30,500, as shown in the attached Exhibit A-3A.
- \$49,900, as shown in the attached Exhibit A-3B.
- \$19,600, as shown in the attached Exhibit A-3C.

SCHEDULE

Milestone	Date
90% Design Submittal	October 21, 2021
Final (100%) Design Submittal	December 16, 2021
Final Bid Documents	January 13, 2022

EXHIBIT A-3A

ENGINEERING SERVICES SCOPE AND ESTIMATED COST

*City of Shelton - Revised Western Gateway / Railroad Avenue Improvement Project
Design of Arterial Preservation Program (APP) Improvements*

Tasks	Principal Hours	Project Manager Hours	Project Engineer Hours	Civil Engineer Hours	Technician Hours
1. Project Management	2	4			
2. Geotechnical	1	2	4		
3. Stormwater Report		2	2	8	
4. 90% Design	6	12	20	12	56
5. Final Design	4	8	12	6	32
6. Project QA/QC	4	6	6	4	4
7. Bid and Award Services	1	2	2		
8. Meetings	1	2	2		
Hour Estimate:	19	38	48	30	92
Estimated Hourly Rates:	\$190	\$185	\$135	\$125	\$100
Direct Labor Cost	\$3,610	\$7,030	\$6,480	\$3,750	\$9,200

Total Fully Burdened Labor Cost: \$ 30,070

Direct Non-Salary Cost:

Mileage & Expenses (Mileage @ current IRS rate) \$ 100

Printing \$ 330

TOTAL ESTIMATED COST: \$ 30,500

* Actual labor cost will be based on each employee's actual rate. Estimated rates are for determining total estimated cost only. Fully burdened billing rates include direct salary cost, overhead, and profit.

EXHIBIT A-3B

ENGINEERING SERVICES SCOPE AND ESTIMATED COST

*City of Shelton - Revised Western Gateway / Railroad Avenue Improvement Project
Design of Urban Sidewalk (USP) Improvements*

Tasks	Principal Hours	Project Manager Hours	Project Engineer Hours	Civil Engineer Hours	Technician Hours
1. Project Management	4	6			
2. Geotechnical	1	4	6		
3. Stormwater Report	1	6	8	24	8
4. 90% Design	6	14	44	32	64
5. Final Design	4	6	16	12	32
6. Project QA/QC	6	8	6	4	4
7. Bid and Award Services	1	2	2		
8. Meetings	1	2	2		
Hour Estimate:	24	48	84	72	108
Estimated Hourly Rates:	\$190	\$185	\$135	\$125	\$100
Direct Labor Cost	\$4,560	\$8,880	\$11,340	\$9,000	\$10,800

Total Fully Burdened Labor Cost: \$ 44,580

Direct Non-Salary Cost:

Mileage & Expenses (Mileage @ current IRS rate) \$ 150

Printing \$ 629

Subconsultants

Geotechnical (PanGeo, Inc.) \$ 4,128

Subconsultant Markup (10%) \$ 413

TOTAL ESTIMATED COST: \$ 49,900

* Actual labor cost will be based on each employee's actual rate. Estimated rates are for determining total estimated cost only. Fully burdened billing rates include direct salary cost, overhead, and profit.

EXHIBIT A-3C

ENGINEERING SERVICES SCOPE AND ESTIMATED COST

*City of Shelton - Revised Western Gateway / Railroad Avenue Improvement Project
Design of Water Main Improvements*

Tasks	Principal Hours	Project Manager Hours	Project Engineer Hours	Civil Engineer Hours	Technician Hours
1. Project Management	2	4			
2. Geotechnical	1	2	2		
4. 90% Design	2	10	16	16	32
5. Final Design	1	4	8	8	16
6. Project QA/QC	2	2	2	2	2
7. Bid and Award Services	1	2	2		
8. Meetings	1	2	2		
Hour Estimate:	10	26	32	26	50
Estimated Hourly Rates:	\$190	\$185	\$135	\$125	\$100
Direct Labor Cost	\$1,900	\$4,810	\$4,320	\$3,250	\$5,000

Total Fully Burdened Labor Cost: \$ 19,280

Direct Non-Salary Cost:

Mileage & Expenses (Mileage @ current IRS rate) \$ 80

Printing \$ 240

TOTAL ESTIMATED COST: \$ 19,600

* Actual labor cost will be based on each employee's actual rate. Estimated rates are for determining total estimated cost only. Fully burdened billing rates include direct salary cost, overhead, and profit.



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item F2)

Touch Date: 09/23/2021
Brief Date: 10/05/2021
Action Date: 10/19/2021

Department: Public Works
Presented By: Jay Harris

APPROVED FOR COUNCIL PACKET:

ROUTE TO:

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

REVIEWED:

J.O.H.

PROGRAM/PROJECT TITLE:

Resolution No. 1209-1021 Surplus of
City Real Property

ATTACHMENTS:

- Resolution No. 1209-1021
- Exhibit #1 to Resolution
- Exhibit #2 to Resolution
- Exhibit #3 to Resolution
- City Policy 300-21
- Public Hearing Notice

Action Requested:

- ☐ Ordinance
☒ Resolution
☒ Motion
☐ Other

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

The City of Shelton owns multiple parcels of real property, which are identified below, that are no longer needed for City operations and can be declared as surplus:

#	Mason Co. PIN	Site address	Legal Description	Size	Assessed Value
1	32019-65-00005 (Water Fund)	1427 W Harvard Ave	Eaglewood Div. #1, Lot 5	0.21 ac.	\$33,035
2	32019-65-00006 (Water Fund)	no address (Harvard)	Eaglewood Div. #1, Lot 6	0.21 ac.	\$33,035
3	32019-65-00007 (Water Fund)	no address (Harvard)	Eaglewood Div. #1, Lot 7	0.21 ac.	\$33,035
4	32019-65-00008 (Water Fund)	no address (Harvard)	Eaglewood Div. #1, Lot 8	0.21 ac.	\$32,380
5	32018-24-60060 (Water Fund)	no address (13th)	Tract 6 of Gov't. Lot 5, W. of Prairie Creek & S. of Professional Center	2.15 ac.	\$16,630

#	Mason Co. PIN	Site address	Legal Description	Size	Assessed Value
6	32018-25-60120 (Water Fund)	no address (13 th)	David Shelton's DLC #37, Tract 12, E. Side of 13 th , N. of Maurice Apartments	5.17 ac.	\$99,125
7	32019-15-01490 (General Fund)	224 N. Front Street	David Shelton's DNC #37, Tracts 149&151 S 28/63-65 Lambert House & Old Pear Orchard	0.50 ac.	\$57,250

Refer to the attached surplus property sketches labeled Exhibit #1 to #3 for additional information for each property, such as utility locations, topographic features, adjacent uses, and land use zoning.

The City has the adopted policy #300-21 from 2018 that outlines the procedure for surplus property sales. The first step in the process is for the City Council to adopt by Resolution findings that the property is not needed for operations by the City. Once the property is declared as surplus, City Staff will order an appraisal to determine the fair market value of the properties (unless Council waives the appraisal requirement), and begin marketing the property for sale. Once written offers are received to purchase the property(s), City staff will schedule a City Council hearing for consideration of the sale of the property(s). The hearing will be conducted in open meeting, or in an executive session, depending on whether the disclosure of the negotiation process would lead to likelihood of a decreased price.

Conditions are likely to be added to each property sale during negotiations that may include, but are not limited to, easements for water, sewer, storm drainage infrastructure, pedestrian access easements, right-of-way dedications, franchise utility easements, conservation area easements, and vehicular ingress-egress access easements.

ANALYSIS/OPTIONS/ALTERNATIVES:

The City Council has the option to remove a portion or all of the real properties from the proposed surplus property Resolution. The City Council also has the option to add additional condition(s) of sale to one or all of the properties, as deemed appropriate.

BUDGET/FISCAL INFORMATION:

Proceeds from the future potential sale of properties #1 to #6 identified above will be deposited into the City Water Utility Fund. Proceeds from the future/potential sale of property #7 identified above will be deposited into the City General Fund.

PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained through the Public Works Department.

STAFF RECOMMENDATION/MOTION:

Staff recommends: *"I move to forward Resolution No. 1209-1021, a resolution to surplus the identified City owned real properties, to the October 19th Council meeting Action Agenda for further consideration".*

RESOLUTION NO. 1209-1021

A RESOLUTION OF THE COUNCIL OF THE CITY OF SHELTON, WASHINGTON, DECLARING MULTIPLE CITY PROPERTIES AS SURPLUS, AND AUTHORIZING THE CITY MANAGER TO COMMENCE THE PROCESS TO SELL THE REAL PROPERTIES

WHEREAS, the City owns multiple parcels of real property listed below that are no longer needed for City operations and can be declared as surplus;

#	Mason Co. PIN	Site address	Legal Description	Size	Assessed Value
1	32019-65-00005 (Water Fund)	1427 W Harvard Ave	Eaglewood Div. #1, Lot 5	0.21 ac.	\$33,035
2	32019-65-00006 (Water Fund)	no address (Harvard)	Eaglewood Div. #1, Lot 6	0.21 ac.	\$33,035
3	32019-65-00007 (Water Fund)	no address (Harvard)	Eaglewood Div. #1, Lot 7	0.21 ac.	\$33,035
4	32019-65-00008 (Water Fund)	no address (Harvard)	Eaglewood Div. #1, Lot 8	0.21 ac.	\$32,380
5	32018-24-60060 (Water Fund)	no address (13th)	Tract 6 of Gov't. Lot 5, W. of Prairie Creek & S. of Professional Center	2.15 ac.	\$16,630
6	32018-25-60120 (Water Fund)	no address (13 th)	David Shelton's DLC #37, Tract 12, E. Side of 13 th , N. of Maurice Apartments	5.17 ac.	\$99,125
7	32019-15-01490 (General Fund)	224 N. Front Street	David Shelton's DNC #37, Tracts 149&151 S 28/63-65 Lambert House & Old Pear Orchard	0.50 ac.	\$57,250

WHEREAS, RCW 35.94.040 requires the City Council to hold a public hearing on the surplus of any real property originally acquired for public utility purposes; and

WHEREAS, the public hearing for consideration of the surplus properties was held on Tuesday, the 19th day of October, 2021; and

WHEREAS, under City policy #300-21, which outlines the procedure for surplus real estate sales, the City Council must adopt by Resolution findings that the real property is surplus and is not needed for operations by the City; and

WHEREAS, supplemental information for each property, such as utility locations, topographic features, adjacent uses, and land use zoning, are hereby attached as Exhibits #1 to #3, and are included into the Resolution by reference; and

WHEREAS, the City Council hereby finds that it is in the best interest of the City to sell the real property(s), such that the property(s) can be developed and put to use by an interested purchasing party;

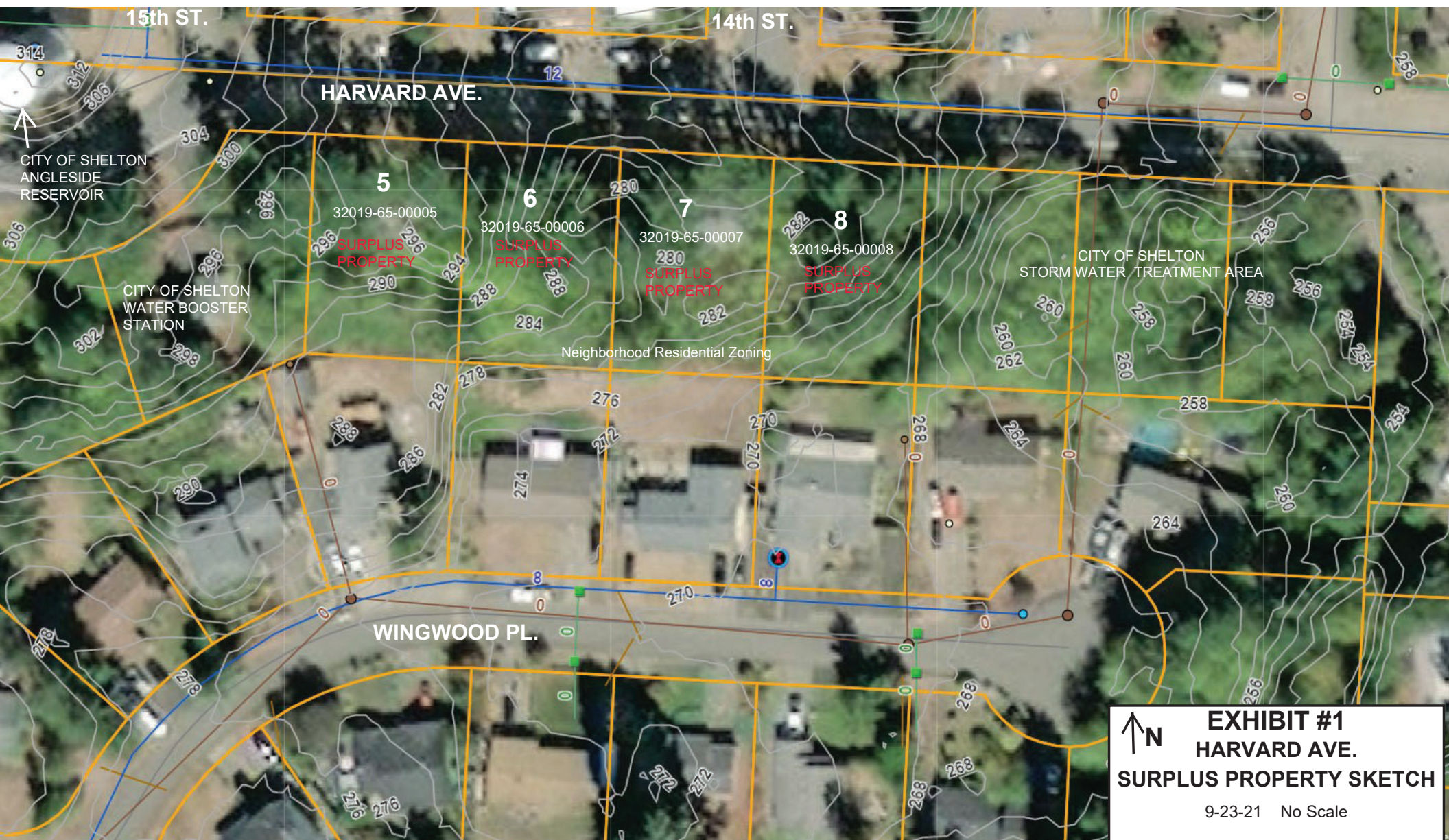
THEREFORE, BE IT RESOLVED by the City Council of the City of Shelton that the City Council hereby finds that the subject real properties identified above are no longer required for municipal purposes, and the surplus of said property shall be through a negotiated purchase process to be administered by the City Manager, consistent with Washington State Law and adopted City Policy #301-21. City Staff shall order an appraisal to determine the fair market value of the properties and begin marketing the property for sale. Staff shall bring written offers to purchase to the City Council for consideration. A discussion of the sales price may be conducted in executive session if disclosure of the negotiation process would lead to likelihood of a decreased price.

Passed by the City Council at its regular meeting held on the 19th day of October, 2021.

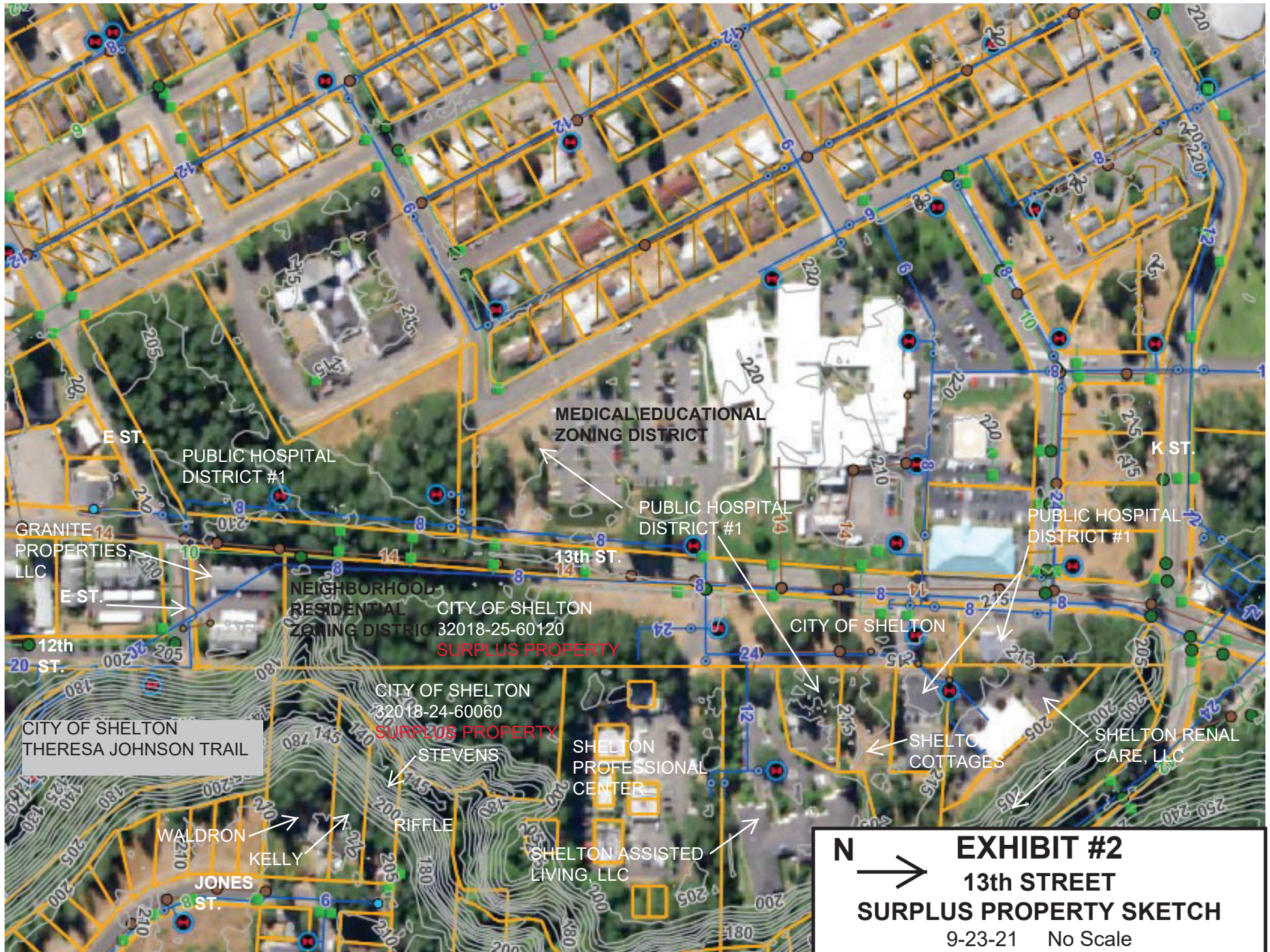
Mayor Dorcy

ATTEST:

City Clerk Nault



↑N
EXHIBIT #1
HARVARD AVE.
SURPLUS PROPERTY SKETCH
9-23-21 No Scale



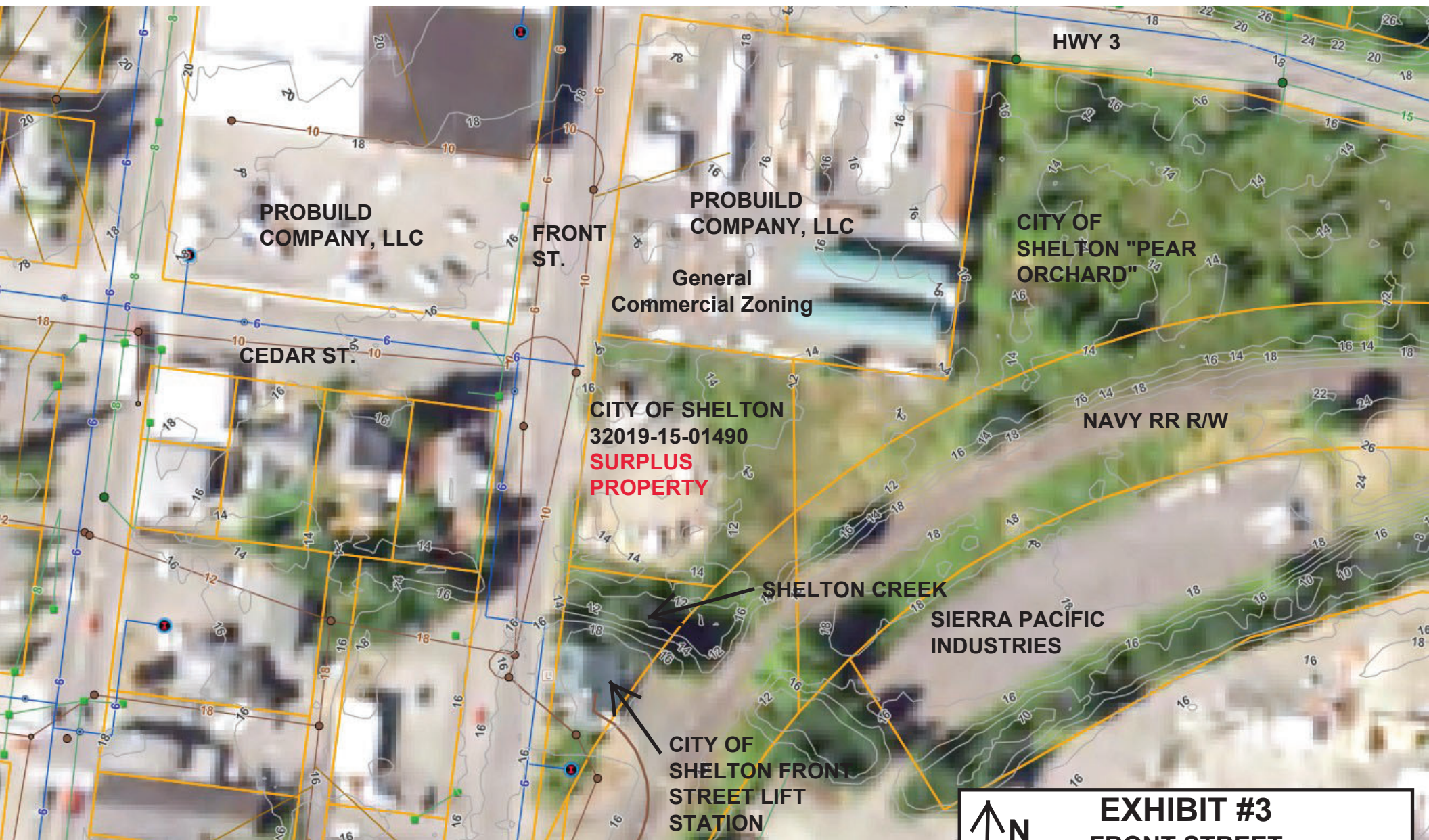



EXHIBIT #3
FRONT STREET
SURPLUS PROPERTY SKETCH

9-23-21

No Scale



POLICY AND PROCEDURE

Subject: Surplus Real Estate Sales Procedure	Group:	Number: 300-21
Effective Date: November 20, 2018	Supersedes: N.A.	Page 1 of 4
Prepared By: Mark Ziegler		

1.0 PURPOSE:

To facilitate a fiscally responsible process for the sale of surplus real estate

2.0 DEPARTMENTS AFFECTED:

All departments

3.0 REFERENCES:

Resolution # 1138-1018

RCW 42.30.110(c)

RCW 39.33.020

RCW 18.85

4.0 POLICY

It is the policy of the City of Shelton to sell surplus real estate using methods that ensure the greatest value for City taxpayers while giving the City flexibility to convey property between funds, or to other governmental entities on mutually beneficial terms.

5.0 PROCEDURE

5.1 Responsibility: The City Manager and Department Directors are responsible for administration of this policy.

5.2.1 Agreement to Purchase: An agreement between a buyer and the City setting forth the agreed terms of sale such as sales price, marketable title, closing date, and any other provisions that are negotiated between the parties. A template of this agreement shall be pre-approved by the City Attorney.

5.2.2 City Staff: The City Manager or his/her designee.

5.3 Procedure: Unless the City is selling real estate to any municipality, Washington State or any political subdivision thereof, or the federal government, or is transferring property between funds, the following procedures are to be followed:

5.3.1 Declaration of Surplus Property:

- A. Before any other process occurs, the City Council must adopt a resolution declaring the property to be surplus to the needs of the City. If the City Council wishes to establish any deed or sales restrictions, these may be included in the resolution.
- B. If the real estate was originally acquired for public utility purposes, the City Council shall conduct a public hearing to consider the resolution, unless the property would be transferred from one City department to another City department.

5.3.2 Appraisal: A qualified appraiser must establish market value for the property, taking into account any deed or sales restrictions. However, the City Council shall have the authority to waive the appraisal requirement when obtaining an appraisal would be unduly burdensome or expensive in light of the circumstances or the probable value of the property.

5.3.3 Marketing Property for Sale:

5.3.3.1 Marketing Property Using the Services of a Broker: The City may hire a real estate broker to facilitate the sale of surplus real estate. Selection of the broker should include the following process:

- A. Consideration of Proposals:
 - 1. Real Estate Brokers do not customarily list their companies on the City's Professional Service Roster. For that reason, the City must use other processes to attract proposals from qualified brokers.
 - 2. Advertising for proposals is required.
 - 3. Only written proposals will be accepted.

- B. City Staff is to review the qualifications of the competing brokers. Selection criteria should include, but not necessarily be limited to:
 - 1. Licensure: The broker shall be licensed to sell real estate under RCW 18.85.
 - 2. Marketing Plan: Does the marketing plan make sense and is the plan most likely to result in the highest possible value for the City?
 - 3. Statement of experience and qualifications: The broker should provide a list current and past residential and commercial listings and sales, description of regional expertise, experience working with local governments, and knowledge of Shelton.
 - 4. Compensation: What is the commission rate or other compensation, including but not limited to: a flat amount, a percentage of the sales price, or hourly rate?
 - 5. References: Provide at least three (3) references from previous clients.
- C. Assuming that a qualified broker is identified in this process, City Staff will recommend to the City Council consider a professional services agreement with the broker...
- D. City Staff shall also ask the City Council to consider a written listing agreement with the recommended broker in an open public meeting. The agreement is to include any stipulations that arose in the selection process, or that the Council previously established.
- E. The listing agreement must be signed by the selected real estate broker, prior to the Council's consideration.
- F. The listing agreement may be approved, modified, or rejected by the City Council - at their option.
- G. If the Council and broker do not agree to a listing agreement with identical terms, City Staff may select another real estate broker from the original list, or re-solicit for proposals in accordance with this Policy and Procedure - at City Staff's option.

5.3.3.2 Immediate Sale: The City may consider an offer to purchase real property from a willing buyer, regardless of whether the buyer and/or City are using the services of a real estate broker.

- A. Before accepting an offer to purchase Real Estate, the City must first declare the property to be surplus to the needs of the City (Section 5.3.1) and establish fair market value of the property through an appraisal (Section 5.3.2), unless the City Council waives the appraisal requirement.

5.3.4 Negotiations:

5.3.4.1 Offers to Purchase: Once a buyer has made a written offer to purchase the property, and all other standards herein have been met, City Staff shall schedule it for consideration by the City Council. City Staff shall recommend whether the offer, including any subsequent negotiations, is to be presented in open session or in an executive session. This decision shall turn on whether public disclosure of the negotiation process would lead to a likelihood of a decreased price.

- A. Council Considerations: The Council may accept the offer, reject the offer, or propose an alternative offer.
- B. Negotiations: Assuming the Council wishes to propose an alternative offer, they may authorize City Staff to negotiate on behalf of the City. Such authorization may include a counter proposal and a range of options that would be acceptable to the City Council. Assuming City Staff is unable to secure terms of sale within the authorized range of options; City Staff will report the same to the City Council.
- C. Rejecting an offer: At any time during the negotiation process, City Staff may reject any offer that is not within the range of options authorized by the City Council.
- D. Once the buyer has agreed to terms that fall within the range acceptable to the City Council, the buyer should sign a written Agreement to Purchase acknowledging such. The City Council shall then consider the Agreement to Purchase in an open public meeting.

5.4 Procedure Exception: When the City sells real estate to any municipality or the state or political subdivision thereof, or the federal government, such sale may be processed according to RCW 39.33. Specifically, the City and the governmental entity to which the property is being transferred may negotiate "such terms and conditions as may be mutually agreed upon by the proper authorities of the state and/or the subdivisions concerned." Prior to sale or transfer, the property shall be declared surplus pursuant to Section 5.3.1 of this Policy. If the value of the property is estimated to be over \$50,000, the publication and public hearing requirements of RCW 39.33.020 shall be followed.

5.5 Inter-fund Transfer Exception: Any transfer of real estate between the various City funds shall be exempt from this procedure.



**NOTICE OF PUBLIC HEARING
THE CITY OF SHELTON, WA
NOTICE OF PROPOSED ACTION TO SURPLUS UTILITY PROPERTY
October 19, 2021
6:00 p.m.**

Public Comment: The Shelton City Council will hold a public hearing to consider an action to surplus city owned property on October 19, 2021 beginning at 6:00 p.m. Interested persons are invited to provide testimony in favor or opposed to the action to surplus. The review authority will also consider written comments received by 3:00 p.m. on October 19.

Mail comments to:
City of Shelton
525 W. Cota Street
Shelton, WA 98584
Attention: City Manager

Email written comments to:
City Manager Jeff Niten at jeff.niten@sheltonwa.gov
City Clerk Donna Nault at donna.nault@sheltonwa.gov

Proposal:
The City will consider an action to surplus City owned parcels, several owned by utility funds in three separate locations:

<u>Water Fund</u>	<u>Address</u>		<u>Acre(s)</u>	<u>Amount</u>
32019-65-00005	1427 W. Harvard Avenue	Eaglewood Div. #1, Lot 5	0.21	\$33,035.00
32019-65-00006	No address (Harvard)	Eaglewood Div. #1, Lot 6	0.21	\$33,035.00
32019-65-00007	No address (Harvard)	Eaglewood Div. #1, Lot 7	0.21	\$33,035.00
32019-65-00008	No address (Harvard)	Eaglewood Div. #1, Lot 8	0.21	\$32,380.00
32018-24-60060	No address (13 th)	Tract 6 of Gov't. Lot 5, W. of Prairie Creek & S. of Professional Center	2.15	\$16,630.00
32018-25-60120	No address (13 th)	David Shelton's DLC #37, Tract 12, E. Side of 13 th , N. of Maurice Apartments	5.17	\$99,125.00
<u>General Fund</u>				
32019-15-01490	224 N. Front Street	David Shelton's DNC #37	0.50	\$57,250

Due to Governor Inslee's Order, the Council will meet on a virtual platform to conduct City business. The public will have an opportunity to view the virtual meeting, and make comments via e-mail, telephone or by joining the Zoom meeting.

The meeting can be viewed at: masonwebtv.com
The public can provide comments by: **Email • jeff.niten@sheltonwa.gov Telephone • (360) 432-5105**
Join Zoom Meeting • Link on City Council's Webpage (You must state your full name and whether you are a City resident, County resident or reside elsewhere.) Your comments will be relayed directly to the Council.



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item F3)

Touch Date: 08/28/2021
Brief Date: 10/05/2021
Action Date: 10/19/2021

Department: Police
Presented By: Chief Carole Beason

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

☐ Dept. Head

☐ Finance Director

☐ Attorney

☒ City Clerk

☐ City Manager

PROGRAM/PROJECT TITLE:
Surplus Vehicles

ATTACHMENTS:
Resolution No.
Body worn cameras/dash cameras

☐

Ordinance

☒

Resolution

☐

Motion

☐

Other

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

The Police Department utilizes body worn cameras and in car dash cameras to enhance officer safety and promote transparency during interactions in our community. The cameras the department currently has are no longer in production because the company we originally purchased them from was bought out by another company and the model we purchased is no longer produced. We need to replace our current body worn cameras and dash cameras as soon as possible to ensure every member of the department has a functional camera to use on duty.

ANALYSIS/OPTIONS/ALTERNATIVES:

Police Department personnel researched options and received quotes from Getac, Digital Alley, and Axon. Based on the information we received, we determined the Getac camera system would be the best value with optimal local customer service support.

BUDGET/FISCAL INFORMATION:

Purchase of all necessary hardware to include cameras, docking stations/chargers and mounting equipment, applicable software and storage space for videos for the next five years will cost \$249,566.53. This expenditure meets the requirements to utilize American Recovery Act funds to cover most of this purchase, and General Fund dollars to support data retention.

PUBLIC INFORMATION REQUIREMENTS:

N/A

STAFF RECOMMENDATION/MOTION:

Staff and the Police department recommend that the Council concur to move this item to the Action Agenda for October 19, 2021.

RESOLUTION NO. 1210-1021

A RESOLUTION OF THE COUNCIL OF THE CITY OF SHELTON, WASHINGTON, AUTHORIZING THE CITY MANAGER TO SIGN PURCHASE ORDERS FOR THE ACQUISITION OF BODY WORN CAMERAS

WHEREAS, the 2021 adopted supplemental budget (Ord. 1974-0821) included an expenditure of \$249,580 from the Capital Fund for Shelton Police Department Body Worn cameras; and

WHEREAS, City Staff has obtained quotes from three providers that provide public safety video services; and

WHEREAS, Getac was determined to be the most appropriate provider of public safety video services for the Shelton Police Department;

THEREFORE, BE IT RESOLVED by the City Council of the City of Shelton that the City Manager is authorized to sign a contract with Rugged Development for the purchase of Body Worn cameras and associated components for the Shelton Police Department.

Passed by the City Council at its regular meeting held on the 19th day of October, 2021.

Mayor Dorcy

ATTEST:

City Clerk Nault

Quote

Quote# QTE000077



Rugged Development

2218 E. Granite Circle

Mesa Arizona 85204
U.S.A

Bill To

Shelton, WA Police Department

Chris Kostad
525 W Cota Street
Shelton
98584 Washington

Ship To

525 W Cota Street
Shelton
98584 Washington

Quote Date : 10 May 2021

Expires : 24 Oct 2021

Sales Person : Jesse Stefko

#	Item & Description	MSRP	Qty	RD Price	Amount
1	Getac Enterprise BWC(BC-02) w/1Refresh & Extended Warranty OVWX2MXXXXX1 - GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02),64GB + FHD/HD/WVGA + WiFi + GPS + BLE, 1 year hardware warranty (compatible with magnetic charge cable ORB39X). OVWX2MXXXX21 - GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02), 25th month device refresh option program, full upfront, 1 year hardware warranty. GE-SVBWEXT1Y - GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02) - BC-02 Extended Warranty - Year 2. GE-SVBWRF2Y - GETAC VIDEO SOLUTIONS INC. : BC-02 Extended Warranty for 2nd refresh program-Year 2&3 - Getac, Body Worn Device, BWC 1st Refresh Program warranty, 2, Year	\$832.24	25	742.00	18,550.00
2	Getac (BC-02) - 8 Port Multidock with Datamover (MD-02D) GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02) - 8 Port Multidock with Datamover (MD-02D), includes 90W AC Adapter (US)	\$1,299.00	3	1,251.00	3,753.00

#	Item & Description	MSRP	Qty	RD Price	Amount
3	Getac Body Worn Camera(BC-02) Dock Extended 2 yr Warranty GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02) - MD-02D Dock w/ 90W - Extended Warranty - Years 2, 3, 4 & 5	\$249.99	3	224.00	672.00
4	Getac Body Worn Camera (BC-02) - Single Port Dock GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02) - Single Port Dock (VD-02), includes USB AC adapter, USB Cable (3.94 ft)	\$107.00	25	105.00	2,625.00
5	Getac BWC(BC-02) Single Port Dock GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02) - Single Port Dock (VD-02), dock ONLY	\$69.00	14	65.00	910.00
6	Getac Body Worn Camera (BC-02) - VD-02 Dock GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02) - VD-02 Dock - Extended Warranty - Years 2, 3, 4 & 5	\$19.99	39	17.00	663.00
7	Getac BC-02) - Bluetooth Trigger Box - Extended Warranty 5yr GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02) - Bluetooth Trigger Box - Extended Warranty - Years 2, 3, 4 & 5	\$59.99	14	53.00	742.00
8	Body Worn Camera Bluetooth Trigger Box GETAC VIDEO SOLUTIONS INC. : Body Worn Camera Bluetooth Trigger Box (TB-02)	\$149.00	14	141.00	1,974.00
9	Getac Body Worn Camera USB Extension Cable 12.5 ft GETAC VIDEO SOLUTIONS INC. : Body Worn Camera USB Extension Cable for VD-02, 12.5 ft	\$19.00	14	18.00	252.00
10	Getac BWC Molle Mount GETAC VIDEO SOLUTIONS INC. : Body Worn Camera Molle mount	\$20.12	25	20.00	500.00
11	Getac Body Worn Camera(BC-02) Magnetic Quick Release Charge Cable GETAC VIDEO SOLUTIONS INC. : Body Worn Camera (BC-02), magnetic quick release charging USB cable	\$39.00	25	35.00	875.00
12	Getac VR-X20 In-Car Video Kit w/Mic GETAC VIDEO SOLUTIONS INC. : VR-X20 for In Car Video - VR-X20 i5 Only with Blackbox Recording, Display (CU-D50), ZeroDark FHD Dual Omni IP Camera CA-NF22-180/70, ZeroDark FHD IP Camera CA-NF21-146IR, (MM-G01)-In-Car Microphone, Wiring kit(25ft) GPS antenna(14ft) WiFi/BT antenna	\$5,593.00	14	3,764.00	52,696.00
13	Getac Ethernet Cable - RJ45/CAT5e (25 ft) GETAC VIDEO SOLUTIONS INC. : Ethernet Cable - RJ45/CAT5e (25 ft)	\$19.00	14	15.00	210.00
14	GETAC: DVR Extended Warranty GETAC VIDEO SOLUTIONS INC. : DVR + Cameras + Display Extended Warranty - Years 2, 3, 4 & 5	\$849.00	14	690.00	9,660.00

#	Item & Description	MSRP	Qty	RD Price	Amount
15	Mounting Bracket (Visor) - ZeroDark Camera AND Display (CU-D50) - Interceptor GETAC VIDEO SOLUTIONS INC. : Mounting Bracket (Visor) - ZeroDark Camera AND Display (CU-D50) - Interceptor	\$69.00	14	54.00	756.00
16	AXIS M3066-V Network Camera AXIS M3066-V Network Camera	\$369.00	1	355.00	355.00
17	Getac DVR Display Extended Warranty GETAC VIDEO SOLUTIONS INC. : DVR Display Extended Warranty - Years 2, 3, 4 & 5	\$64.99	1	58.00	58.00
18	Getac Wired MIC GETAC VIDEO SOLUTIONS INC. : Wired MIC (MM-G01) - Interview Room Microphone, includes cable (100 ft)	\$89.00	2	70.00	140.00
19	DVR (VR-X10) - AC ADAPTER KIT (U GETAC VIDEO SOLUTIONS INC. : DVR (VR-X10) - 150W AC ADAPTER KIT (US)	\$148.56	1	132.00	132.00
20	Getac Display - 5inch Touch Display, GETAC VIDEO SOLUTIONS INC. : Display (CU-D50) - 5inch Touch Display, includes cable (16ft)	\$299.00	1	265.00	265.00
21	Getac DVR Extended Warranty GETAC VIDEO SOLUTIONS INC. : DVR EXTENDED WARRANTY - YEARS 2 - 5	\$499.00	1	472.00	472.00
22	Getac Video Managed Service & Cloud 60 Month GETAC VIDEO SOLUTIONS INC. : Getac Managed Service & Cloud - Plan 4 (Cloud Unlimited, SW maintenance), 60 Months Pay Upfront	\$5,300.00	1	2,960.00	2,960.00
23	GETAC VIDEO SOLUTIONS INC. : VR-X20 i5 Only with Blackbox Recording,DVR GETAC VIDEO SOLUTIONS INC. : VR-X20 i5 Only with Blackbox Recording,DVR (VR-X20) - Integrated 8GB RAM + 256GB SSD + 2nd 256GB SSD + Battery Backup + WIFI + GPS + Crash Sensor, DVR mounting bracket, A/V input cable, 1 year hardware warranty	\$4,388.00	1	3,481.00	3,481.00
24	Getac Video Managed Service & Cloud-Video License & Annual Maintenance GETAC VIDEO SOLUTIONS INC. : Getac Managed Service & Cloud-Video License and Annual Maintenance (Per DATA MOVER Software device) 60 Months Pay Upfront	\$1,000.00	3	900.00	2,700.00
25	Getac Tier 1 Cloud Deployment Service GETAC VIDEO SOLUTIONS INC. : Tier 1 Cloud Deployment Service, 1 Remote Setup Days / Up to 3 Days Onsite (Project /Training)	\$9,500.00	1	8,540.00	8,540.00

#	Item & Description	MSRP	Qty	RD Price	Amount
26	Getac Video Managed Service & Cloud 60 Month GETAC VIDEO SOLUTIONS INC. : Getac Managed Service & Cloud - Plan 4 (Cloud Unlimited, SW maintenance), 60 Months Pay Upfront	\$5,300.00	39	2,960.00	115,440.00
				Sub Total	229,381.00
				Shelton Washington (8.8%)	20,185.53
				Total	\$249,566.53

Notes

We look forward to working with you, and please let us know if you have any questions about the items on your quote.

Terms & Conditions

Upon accepting this quote, you agree to pay the total amount due within this quote at the agreed upon time, which will be provided in an invoice following the acceptance of this quote. Should there be any change(s) in price on any item(s), a new quote and invoice will be provided.

You also acknowledge upon acceptance of this quote and the provided invoice for this quote, that there are no returns on any item(s) unless authorized by Rugged Development and the product(s) manufacturer(s).



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item F4)

Touch Date: 09/01/2021
Brief Date: 10/05/2021
Action Date: 10/19/2021

Judicial Branch: Shelton Municipal Court

Presented By: Dyan Smolinsky, Court Administrator

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

PROGRAM/PROJECT TITLE:

☐

Ordinance

☒ Dept. Head

SDG

JAVS Audio Visual System
Replacement for Courtroom/Council
Chambers

☐

Resolution

☐ Finance
Director

ATTACHMENTS:

☐

Motion

☐ Attorney

JAVS Proposal and Project Summary

☒

Other

☒ City Clerk

☒ City Manager

JN

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

The current Audio Visual system is sixteen years old and has been failing for years. The City's IT department had been able to keep the system operable up until April of 2021 when the video feed with Mason County Jail failed. The court has had to rely on the assistance of the Shelton Police Department for court transports from Mason County Jail creating unnecessary safety risks. The JAVS system is the same system currently used in all Mason County Courts and allows the users to have clear concise HD video and audio recordings as well as remote hearings.

ANALYSIS/OPTIONS/ALTERNATIVES:

The current AV system is 16 years old and no longer functioning at an acceptable level for keeping clear, concise, and accurate court and council meeting records. This has caused many delays and even the relocation of court hearings for four months this year. Without the system replacement, we will only have more breakdowns and increased repair and maintenance costs.

BUDGET/FISCAL INFORMATION:

\$80,500.11 2021 Capital Fund Expense

PUBLIC INFORMATION REQUIREMENTS:

The Municipal Court administrator can provide any requested public information

STAFF RECOMMENDATION/MOTION:

The Judge and Administrator of Shelton Municipal Court recommend the following motion:

"I move to place the JAVS system installation on the October 19th action agenda for further consideration".

PROPOSAL

JUST-2281

Revision:

WA Shelton Municipal A/V system replacement

WA Shelton Municipal Court

525 W. Cota Street
Shelton, WA 98584

Modified: 7/12/2021
Quote Valid for 90 Days
OPP-48349



Presented By:

Kevin Otey

Justice AV Solutions, Inc

13020 Middletown Industrial Blvd
Louisville, KY 40223 US
(502) 244-8788
www.javs.com



www.javs.com

SCOPE OF WORK

Justice AV Solutions (JAVS, vendor) located at 13020 Middletown Industrial Blvd., Louisville, KY 40223 proposes to provide and install JAVS HD Hybrid A/V system to Shelton Municipal Court located at 525 W Cota Street Shelton, WA 98584

Municipal Court JAVS HD Hybrid A/V system will be located in the courtroom and will replace existing A/V equipment.

Includes:

Recorder Appliance

(1) Recorder 8 HD Package (1) Secondary Audio only backup recorder (1) Centro A/O (1) HDX package and accessories

*Include Multi view processor

Software

(1) Autolog 8 Recorder and logging software, (1) Publisher 8 (1) Viewer 8
Installed on OFE computer

Microphones

(5) JM14 Microphones in courtroom, located at Judge, Judge Approach, Witness, Left Law, Right Law tables
(2) Wireless Handheld microphones

Sound Reinforcement

(1) PA system package, Replace existing (6) ceiling speakers in courtroom

ADA Hearing Impaired device

(1) Williams sound ADA package for large courtroom

Cameras

(3) Vaddio PTZ cameras. located in courtroom and Video Conference system

OFE Monitors

(1) Supply system video to OFE Courtroom Monitor, (1) OFE Judge monitor

Video Conference

Vaddio Bridge connected to OFE PC running customers purchased Zoom Account

Teleconference

(1) Tic/Toc telephone interface device connect to OFE telephone set on bench

System Controls

(1)Kramer TP located at clerks or judges station to control Start/Stop of recorder(s), System modes, Video Conference controls, Telephonic controls, control camera PTZ/presets, and Turn on/off courtroom monitor

Equipment Rack

To replace existing Vaddio control system behind clerk

Main Components for HD Switching & Signal Routing

1	CENTRO-AO & CENTRO-HDX Main Switching Components (AL8) - No Cabinet	\$21,816.73
	Includes: (1) CENTRO-AO Audio Processor, (1) CENTRO-HDX SDI/HDMI Matrix Switcher, Switching Control Software, (1) GS116LP 16 Port POE Network Switch, & (1) Camera Power Supply	
1	JAVS JAV-CENTRO-AO JAVS Audio Only - HD Ready Centro	\$3,300.00
1	JAVS JAV-AVIX-1204 AVIX Video Switching Software	\$6,300.00
1	JAVS JAV-CENTRO-HDX JAVS HD Video Switcher 8/4 in, 6/3 out (HD-SDI/HDMI)	\$5,000.00
1	Netgear, Inc GS116LP-100NAS Netgear 16-Port 76W PoE/PoE+ Gigabit Ethernet Unmanaged Switch	\$250.00
1	AtlasIED TSD-DCPD DC power distribution for TSD device	\$61.99
1	AtlasIED TSD-RMK TSD Series Rack Mount Kit	\$86.99
1	MCM 28-19387 AC/DC Power Supply, 1 Output, 60 W, 12 VDC, 5 A Supports up to ten (10) cameras	\$17.75
40	JAVS Labor for HD Main Component Installation Labor for HD Main Component Installation	

Equipment: \$15,016.73

Labor: \$6,800.00

Main Components for HD Switching & Signal Routing Total

\$21,816.73

WA Shelton Municipal A/V system replacement

High Definition Recorder's

1	Recorder 8 HD - Multi-Channel Primary & Audio Only Secondary	\$6,540.00
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Includes: (1) Primary HD Video & Multi-Channel Audio Recorder, (1) Secondary Audio Only Recorder, (1) Dual Recorder Rack mount Kit, Cabling & Connectors, & Labor for Installation & Setup

1	JAVS JAV-REC8-HD-M JAVS Recorder 8 w/ HD Video & Multichannel Audio Recorder	\$4,100.00
1	JAVS JAV-REC8-AO Recorder 8 Multichannel Audio Recorder	\$2,200.00
1	JAVS JAV-DRMK Rack Mount Kit for (2) Two JAVS Recorders	\$70.00
1	JAVS Labor for Recorder Installation Labor for Recorder Installation	

Equipment:	\$6,370.00
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Labor:	\$170.00
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High Definition Recorder's Total	\$6,540.00
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WA Shelton Municipal A/V system replacement

Autolog 8 Recording/Logging Software

1	AutoLog 8 Software - Software Suite & UPS	\$2,212.90
	Includes: (1) Autolog 8 Recording/Logging Software Suite, (1) UPS for Workstation, Cabling, Connectors, & Labor for Installation & Setup	
1	JAVS JAV-SW-AL8S JAVS AutoLog 8 Logging and Control Software for JAVS Recorder 8	\$1,000.00
1	JAVS JAV-SW-P8S Publisher 8 Session Publishing Software	\$375.00
1	JAVS JAV-SW-V8S Viewer 8 Session Viewing Software for Transcription	\$0.00
1	APC BE550G Back-UPS 550 - 330 Watt/550 VA, 120 Volt Input/Output and USB Interface Port	\$79.70
150	Windy City Wire 556600-S 23-4P UNS SOL PLNM C6 Wht Jkt	\$75.00
1	Monoprice 5380 Cat6 Punch Down Keystone Jack - Green	\$2.50
2	Monoprice 7266 Cat6 Plug Solid W/Insert 50U	\$0.70
4	JAVS Labor for Autolog Software Installation Labor for Autolog Software Installation	

Equipment: \$1,532.90

Labor: \$680.00

Autolog 8 Recording/Logging Software Total	\$2,212.90
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WA Shelton Municipal A/V system replacement

Microphones & Accessories

1	(2) Handheld Mics	\$1,309.00
	Includes: (1) Rack-mount Receiver Chassis, (2) Receiver Unit, (2) Wireless Handheld Microphone, Cabling, Connectors, & Labor for Installation & Setup	
1	Audio Technica ATW-1322 System 10 PRO Digital Wireless Dual Handheld Microphone System	\$899.00
2	JAVS JAV-MPA-PHX Microphone Pre-Amp Adapter with 3-Pos Phoenix connector for adding non-Flex Mics to the JAVS Processor	\$240.00
1	JAVS Labor for Microphone Installation Labor for Microphone Installation	
4	JM14 Mic on Plexi	\$2,248.76
	Includes: (1) JM-14 Microphone, (1) Microphone Stand, (1) 10' CAT6 Patch Cable, Connectors, & Labor for Installation & Setup	
4	JAVS JAV-JM14 JAVS FlexMic with Multicolor LED and Touch Button	\$1,120.00
4	C2G 27153 10ft Cat6 550 MHz Snagless (UTP) Patch Cable - Black	\$55.96
4	JAVS JAV-PLX FlexMic Plexiglass - C Bend	\$80.00
600	Windy City Wire 556600-S 23-4P UNS SOL PLNM C6 Wht Jkt	\$300.00
4	Monoprice 5380 Cat6 Punch Down Keystone Jack - Green	\$10.00
8	Monoprice 7266 Cat6 Plug Solid W/Insert 50U	\$2.80
4	JAVS Labor for Microphone Installation Labor for Microphone Installation	
Equipment:		\$2,707.76
Labor:		\$850.00
Microphones & Accessories Total		\$3,557.76

WA Shelton Municipal A/V system replacement

Sound Reinforcement

1	Suppressor, Amplifier & (6) Lay-in Speakers	\$2,961.46
	Includes: (1) AFS2 Feedback Suppressor, (1) CSA 280Z 2-Channel Amplifier, (6) LCT 81C/T 2x2 Lay-In Speakers, Cabling. & Labor for Installation & Setup	
1	JBL CSA 280Z CSA series audio amplifier, 2 x 80 watt	\$686.46
1	DBX AFS2 Advanced Feedback Suppression processor with full LCD display	\$400.00
6	JBL Pro LCT 81C/T Low-profile lay-In 2" x 2" ceiling tile loudspeaker with 200 mm (8") driver	\$780.00
300	Windy City Wire 1802P-BLK 18 Gage Stranded Speaker Cable, Plenum Rated	\$75.00
6	JAVS Labor for PA System Installation Labor for PA System Installation	

Equipment: \$1,941.46

Labor: \$1,020.00

Sound Reinforcement Total	\$2,961.46
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WA Shelton Municipal A/V system replacement

Assisted Listening System

1	Assisted Listening Large Room - (4) Body Packs & (2) Teleloops	\$3,469.40
Includes: (1) WIR TX90 DC IR Transmitter, (4) Body-pack Receivers, (4) Sets of Rechargeable Batteries, (2) 2-Bay Drop-in Chargers, (4) Sets of Headphones, (2) Telecoil Loops for Hearing Aids, (1) Wall Mount, Adapters, Cabling, Connectors, & Labor for Installation & Setup		
1	Williams Sound WIR-SYS-6 JAVS Assisted Listening Courtroom Body-Pack Package - Includes: - 1 WIRTX90 Combination Modulator & Emitter - 4 WIRRX22-4N Body-Pack 4 Channel IR Receiver - 2 BAT KT6 - 2 Bay Chargers & Rechargeable Batteries - 2 NKL001 Neckloops - 4 HED021 Headphones	\$2,663.00
1	JAVS JAV-CENTRO-ALA Centro Assistive Listening Adapter	\$140.00
300	Windy City Wire 556600-S 23-4P UNS SOL PLNM C6 Wht Jkt	\$150.00
2	Monoprice 5380 Cat6 Punch Down Keystone Jack - Green	\$5.00
4	Monoprice 7266 Cat6 Plug Solid W/Insert 50U	\$1.40
3	JAVS Labor for Assisted Listening Installation Labor for Assisted Listening Installation	
Equipment:		\$2,959.40
Labor:		\$510.00
Assisted Listening System Total		\$3,469.40

WA Shelton Municipal A/V system replacement

High Definition Cameras

3	HD PTZ Camera - SDI	\$11,437.14
	Includes: (1) HD-SDI PTZ Camera, (1) Wall Mount, Adapters Cabling, Connectors, Labor for Installation & Setup	
3	Marshall Electronics CV620-BK	\$7,497.00
	Black Broadcast PTZ Conference Camera 20x Optical Zoom AF (4.7~94mm, F1.6~3.5) RS232/RS422 - Power Supply included - 1080i60/59.94/50, 1080p60/59.94/50/30/29.97/25, 720p60/50/30/29.97 - HD/3G-SDI, HDMI (DVI), Component (VGA), Composite	
3	Marshall Electronics CV-PTZ-WM	\$897.00
	Wall Mount KIT for CV600-series cameras (CV620-BK/WH, CV612HT-4K, CV620-IP), sturdy, metal case structure, hidden wire features	
3	Marshall Electronics CV620-CABLE-06	\$74.97
	Cat5 Controller cable connector RS232 to Cat5/6 (RJ45) -VS-PTC-200 Controller-side that extends RS232 cable runs to 100m	
3	Marshall Electronics CV620-CABLE-07	\$74.97
	Cat5 Controller cable connector RS232 to Cat5/6 (RJ45) -CV-620 CAMERA-side that extends RS232 cable runs to 100m	
3	Monoprice 5378	\$7.50
	Cat6 Punch Down Keystone Jack - Black	
6	Windy City Wire HOL-BNC6-MCV	\$11.10
	RG6 Compression BNC	
450	Windy City Wire RG6HDP-BLK	\$495.00
	Type RG 6/U Plenum, 18 AWG Bare Copper Serial Digital [Black]	
450	Windy City Wire 556600-S	\$225.00
	23-4P UNS SOL PLNM C6 Wht Jkt	
6	Monoprice 7266	\$2.10
	Cat6 Plug Solid W/Insert 50U	
450	Windy City Wire 1802P-BLK	\$112.50
	18 Gage Stranded Speaker Cable, Plenum Rated	
12	JAVS Labor for PTZ Camera Installation	
	Labor for PTZ Camera Installation	

Equipment: \$9,397.14

Labor: \$2,040.00

High Definition Cameras Total \$11,437.14

WA Shelton Municipal A/V system replacement

Monitor @ Judge's Bench for Viewing

1	OFE Display - HD	\$733.69
	Includes: (1) Scaler, (1) Surge Protector, (1) HDMI Cable, Cabling, Connectors, & Labor for Installation & Setup.	
1	JAVS JAV-MC-BD Bi-Directional SDI/HDMI with Power Supply	\$200.00
1	Comprehensive Cable MHD18G-3PROBLK MicroFlex Pro AV/IT Certified 4K60 18G High Speed HDMI Cable with ProGrip Jet Black 3ft	\$24.99
150	Windy City Wire RG6HDP-BLK Type RG 6/U Plenum, 18 AWG Bare Copper Serial Digital [Black]	\$165.00
2	Windy City Wire HOL-BNC6-MCV RG6 Compression BNC	\$3.70
2	JAVS Labor for Display Installation Labor for Display Installation	
Equipment:		\$393.69
Labor:		\$340.00
Monitor @ Judge's Bench for Viewing Total		\$733.69

Courtroom Monitor for Public Viewing

1	OFE Display - HD	\$733.69
	Includes: (1) Scaler, (1) Surge Protector, (1) HDMI Cable, Cabling, Connectors, & Labor for Installation & Setup.	
1	JAVS JAV-MC-BD Bi-Directional SDI/HDMI with Power Supply	\$200.00
1	Comprehensive Cable MHD18G-3PROBLK MicroFlex Pro AV/IT Certified 4K60 18G High Speed HDMI Cable with ProGrip Jet Black 3ft	\$24.99
150	Windy City Wire RG6HDP-BLK Type RG 6/U Plenum, 18 AWG Bare Copper Serial Digital [Black]	\$165.00
2	Windy City Wire HOL-BNC6-MCV RG6 Compression BNC	\$3.70
2	JAVS Labor for Display Installation Labor for Display Installation	
Equipment:		\$393.69
Labor:		\$340.00
Courtroom Monitor for Public Viewing Total		\$733.69

WA Shelton Municipal A/V system replacement

Audio Feed to Court Reporter

1	Headphone Box Package	\$403.20
	Includes: (1) Headphone Amplifier, (1) Set of Headphones, Cabling, Connectors & Labor for Installation, Setup & Training	
1	JAVS JAV-CENTRO-CHA Centro Headphone Amplifier	\$120.00
1	Hamilton Buhl HA2V Personal Headset with volume	\$35.00
150	Windy City Wire 556600-S 23-4P UNS SOL PLNM C6 Wht Jkt	\$75.00
1	Monoprice 5380 Cat6 Punch Down Keystone Jack - Green	\$2.50
2	Monoprice 7266 Cat6 Plug Solid W/Insert 50U	\$0.70
1	JAVS Labor for Control Box Installation Labor for Control Box Installation	

Equipment: \$233.20

Labor: \$170.00

Audio Feed to Court Reporter Total	\$403.20
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WA Shelton Municipal A/V system replacement

Laptop Connections @ Attorney Tables

2	Laptop Connection Package - HDMI Only	\$1,807.38
	Includes: (1) HDMI Input Connection, (1) Scaler, (1) Surge Suppressor, Cabling, Connectors, & Labor for Installation, Setup & Testing	
2	JAVS JAV-MC-BD Bi-Directional SDI/HDMI with Power Supply	\$400.00
2	Comprehensive Cable MHD18G-3PROBLK MicroFlex Pro AV/IT Certified 4K60 18G High Speed HDMI Cable with ProGrip Jet Black 3ft	\$49.98
300	Windy City Wire RG6HDP-BLK Type RG 6/U Plenum, 18 AWG Bare Copper Serial Digital [Black]	\$330.00
4	Windy City Wire HOL-BNC6-MCV RG6 Compression BNC	\$7.40
6	JAVS Labor for Laptop Connection Installation Labor for Laptop Connection Installation	
Equipment:		\$787.38
Labor:		\$1,020.00
Laptop Connections @ Attorney Tables Total		\$1,807.38

A/V Bridge for Soft Conferencing from Client's PC

1	Vaddio A/V Bridge	\$3,886.61
	Includes: (1) A/V USB Bridge, (1) HDMI/SDI Converter, (1) USB to HDMI w/ Stereo Audio Adapter, (1) USB TX/RX Set, Cabling, Connectors & Labor for Installation, Setup & Testing	
1	Vaddio 999-8215-000 AV Bridge Conference System	\$2,646.72
1	JAVS JAV-MC-BD Bi-Directional SDI/HDMI with Power Supply	\$200.00
1	Comprehensive Cable MHD18G-3PROBLK MicroFlex Pro AV/IT Certified 4K60 18G High Speed HDMI Cable with ProGrip Jet Black 3ft	\$24.99
1	Tripp Lite B203-101-PNP 1-Port USB 2.0 over Cat5/Cat6 Extender Kit Video Transmitter & Receiver 164'	\$176.00
1	C2G 30547 USB to HDMI Adapter with Audio Up To 1080p	\$82.00
150	Windy City Wire RG6HDP-BLK Type RG 6/U Plenum, 18 AWG Bare Copper Serial Digital [Black]	\$165.00
2	Windy City Wire HOL-BNC6-MCV RG6 Compression BNC	\$3.70
150	Windy City Wire 556600-S 23-4P UNS SOL PLNM C6 Wht Jkt	\$75.00
1	Monoprice 5380 Cat6 Punch Down Keystone Jack - Green	\$2.50
2	Monoprice 7266 Cat6 Plug Solid W/Insert 50U	\$0.70
3	JAVS Labor for Video Conference Installation Labor for Video Conference Installation	

Equipment: \$3,376.61

Labor: \$510.00

A/V Bridge for Soft Conferencing from Client's PC Total	\$3,886.61
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WA Shelton Municipal A/V system replacement

Teleconferencing Unit

1	Teleconference - TICTOC	\$991.54
	Includes: (1) TICTOC Telephone Interface, (1) Audio Signal Amplifier, (1) Power Supply, Cabling, Connectors, & Labor for Installation	
1	JAVS JAV-TICTOCN Telephone Interface with Operator Control	\$225.00
1	RDL STA-1 Dual Balanced/Unbalanced Line Amplifier -12 to 20 dB Gain	\$200.17
1	JAVS JAV-CENTRO-RCA Centro RCA Output Cable (Required to connect external A/V Outputs)	\$120.00
1	RDL PS-24AS 24 Vdc switching power supply, North American AC plug, 500 mA, dc plug	\$30.67
150	Windy City Wire 556600-S 23-4P UNS SOL PLNM C6 Wht Jkt	\$75.00
2	Monoprice 7266 Cat6 Plug Solid W/Insert 50U	\$0.70
2	JAVS Labor for Teleconference Installation Labor for Teleconference Installation	

Equipment: \$651.54

Labor: \$340.00

Teleconferencing Unit Total \$991.54

WA Shelton Municipal A/V system replacement

Multiview & Touch Panel Controller for System Control

1	Multiview for HDX Switching w/ Control	\$7,293.55
	Includes: (1) Osprey MVS-3 Multiviewer, (1) Blackmagic Smart Videohub CleanSwitch 12x12 6G SDI, (1) 7" inch Kramer control and brain, (25 feet) of RG6 wire, (16) BNC-RG6 connectors, Cat6 wire & connections, Labor for assembly, programming and installation	
1	Blackmagic Design VHUBSMTCS6G1212 Smart Videohub Cleanswitch with 12 6G-SDI Input and Output	\$2,018.25
1	Kramer Electronics KT-107 7-Inch Wall & Table Mount POE Touch Panel	\$1,495.00
1	Kramer Electronics SL-280 32-Port S1 smart controller	\$1,450.00
1	Osprey Video MVS-3 4 Channel 3G-SDI Multiviewer - (4) SDI Inputs & (2) SDI/(1) HDMI Outputs w/ Ethernet Control	\$325.00
14	Windy City Wire HOL-BNC6-MCV RG6 Compression BNC	\$25.90
25	Windy City Wire RG6HDP-BLK Type RG 6/U Plenum, 18 AWG Bare Copper Serial Digital [Black]	\$27.50
2	Windy City Wire HOL-BNC6-MCV RG6 Compression BNC	\$3.70
150	Windy City Wire 556600-S 23-4P UNS SOL PLNM C6 Wht Jkt	\$75.00
1	Monoprice 5380 Cat6 Punch Down Keystone Jack - Green	\$2.50
2	Monoprice 7266 Cat6 Plug Solid W/Insert 50U	\$0.70
8	JAVS JAV-Programming Labor for Control System Programming	
2	JAVS Labor for Control System Installation Labor for Control System Installation	
1	JAVS Labor for Multiviewer Installation JAVS Labor for Multiviewer Installation	
1	IR Control Line Run	\$230.50
	Includes (1) IR Emitter, Cabling, Connectors & Labor for Installation	
1	Kramer Electronics C-A35M/IRE-10 3.5mm (M) to 1 IR Emitter Cable - 10'	\$11.00

WA Shelton Municipal A/V system replacement

225	Windy City Wire 994320-110BR		\$49.50
	22 AWG 2 Conductor Bare Copper, Shielded Plenum, UL Listed C(UL)US CMP - White Jacket		
1	JAVS Labor for Control Line Installation		
	Labor for Control Line Installation		
Equipment:			\$5,484.05
Labor:			\$2,040.00
Multiview & Touch Panel Controller for System Control Total			\$7,524.05

Equipment Rack & Wire Management

1	Equipment Rack Package - PTRK 21RU		\$4,413.52
	Includes: (1) PTRK 21RU Rack on Wheels, (1) 1000VA Battery Back-up UPS, (2) 8 Outlet Power Strips, (4) Equipment Shelves, (4) Single Space Vent Panel, & (1) Double Space Vent Panel, & Labor for In-Shop Assembly & Testing 46" H X 23" W X 24" D		
1	Middle Atlantic PTRK-21		\$985.00
	PTRK series portable rack, 21 space, 23" deep		
1	Middle Atlantic PTRK-RR21		\$76.52
	REAR RAIL KIT FOR PTRK-21		
4	Middle Atlantic UTR1		\$184.00
	Mounting Rackshelf, 1 RU, 10"D		
2	Middle Atlantic VTF1		\$38.00
	Vent Panel, 1 RU, Perforated, 25% Open Area		
1	Para Systems, Inc ED1000RTXL2U		\$900.00
	Minuteman Endeavor ED1000RTXL2U 1000VA Tower/Rack/Wall Mountable UPS		
2	Juice Goose JG9-JEFAV1-1		\$190.00
	7" Deep rack mounted chassis with an illuminated power switch		
12	JAVS Labor for Cabinet Assembly & Testing		
	Labor for Cabinet Assembly & Testing		
Equipment:			\$2,373.52
Labor:			\$2,040.00
Equipment Rack & Wire Management Total			\$4,413.52

WA Shelton Municipal A/V system replacement

Shipping

1	JAVS JAV-SHIPPING	\$1,500.00
	Shipping	

Equipment:	\$1,500.00
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Labor:	\$0.00
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Shipping Total	\$1,500.00
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Equipment Subtotal:	\$55,119.07
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Labor Subtotal:	\$18,870.00
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Project Subtotal:	\$73,989.07
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WA Shelton Municipal A/V system replacement

PROJECT SUMMARY

Equipment:	\$55,119.07
Labor:	\$18,870.00
Sales Tax:	\$6,511.04
Grand Total:	\$80,500.11

Payment Terms

Payment Schedule	Amount	Due Date
Initial Payment Prior to Scheduling	\$20,125.03	
Final Payment Upon Completion	\$60,375.08	

Client accepts this Quote inclusive of its Scope of Work, Pricing and Payment Terms. Contractor agrees to furnish the equipment and materials listed and perform the work in an expedient, workmanlike and professional manner.

Client: Dyan Smolinsky

Date

Kevin Otey

7/12/2021

Contractor: Justice AV Solutions, Inc

Date

WA Shelton Municipal A/V system replacement

RESOLUTION NO. 1211-1021

A RESOLUTION OF THE COUNCIL OF THE CITY OF SHELTON, WASHINGTON, AUTHORIZING THE CITY MANAGER TO SIGN PURCHASE ORDERS FOR THE ACQUISITION OF AUDIO VISUAL EQUIPMENT

WHEREAS, the 2021 adopted supplemental budget (Ord. 1974-0821) included an expenditure of \$88,500 from the Capital Fund for the purchase of a JAVS municipal court video system; and

WHEREAS, the current video system has been in use for 16 years and is failing causing high maintenance and repair costs; and

WHEREAS, failures in the current video system have a significant impact on the efficiency of municipal court operations and the Shelton Police Department; and

WHEREAS, the JAVS video system is integrated with the Mason County jail facility and will function seamlessly with the video system already in place and operating:

THEREFORE, BE IT RESOLVED by the City Council of the City of Shelton that the City Manager is authorized to sign a contract with Justice AV Solutions, Inc. for the purchase of audio visual equipment and associated components for the Shelton Municipal Court.

Passed by the City Council at its regular meeting held on the 19th day of October, 2021.

Mayor Dorcy

ATTEST:

City Clerk Nault



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item F5)

Touch Date: 09/20/2021
Brief Date: 10/05/2021
Action Date: 10/19/2021

Department: Administration
Presented By: Jeff Niten

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

- | | | |
|-------------------------------------|------------------|-------|
| <input type="checkbox"/> | Dept. Head | _____ |
| <input type="checkbox"/> | Finance Director | _____ |
| <input type="checkbox"/> | Attorney | _____ |
| <input type="checkbox"/> | City Clerk | _____ |
| <input checked="" type="checkbox"/> | City Manager | _____ |

PROGRAM/PROJECT TITLE:
LTAC Grant Recommendations

ATTACHMENTS:
N/A

- | | |
|-------------------------------------|------------|
| <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | Motion |
| <input type="checkbox"/> | Other |

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

Each year the City accepts applications requesting funding from a dedicated revenue source provided by the collection of lodging taxes for motels/hotels in the City. The City's tourism budget is a fund that may only be used on facilities or events as specifically authorized under State Law (RCW 67.28. In addition, as directed by State law, the city has appointed a Lodging Tax Advisory Committee (LTAC), with the Mayor serving as chairperson of the committee.

Tourism grants awarded in 2021:

- | | |
|--------------------------------------------------------------------------|-------------|
| ▪ Kristmas Town Kiwanis Bluegrass from the Forest | \$ 6,300.00 |
| ▪ Mason County Forest Festival Association | \$ 8,910.00 |
| ▪ Mason County Historical Museum/Visitor Center | \$11,250.00 |
| ▪ Mason County Historical Society – Downtown Car Show | \$ 1,782.00 |
| Ice Cream Social | |
| ▪ NW Event Organizers/Kristmas Town Kiwanis – Christmas Town 2020 | \$12,330.00 |
| ▪ Shelton-Mason County Chamber of Commerce Visitors Center | \$18,000.00 |
| ▪ Shelton-Mason County Chamber of Commerce WSDOT Gateway Signage Project | \$ 3,307.50 |

Total grant award for 2021 - \$61,879.50

The LTAC met on September 15, 2021 to review grant applications submitted for 2022 tourism grant funding. In attendance were LTAC Chair/Mayor Kevin Dorcy, Duane Wilson (Kristmas Town Kiwanis), Leanne Gunter (El Sarape Cantina) and Kary Holloway (Secretary). Sky Kim (Shelton Inn) and Space Kim and/or Yong Kim (Super 8 Motel) were not present. Six grant applications were received for special events or services.

Tourism grant applications submitted:

- | | |
|---------------------------------------------------------|-------------|
| ▪ Borders – A Celebration of Mason County's Arts Legacy | \$ 5,000.00 |
|---------------------------------------------------------|-------------|

- Kristmas Town Kiwanis Bluegrass from the Forest \$ 7,000.00
- Mason County Forest Festival Association \$12,000.00
- Mason County Historical Museum/Visitor Center \$15,000.00
- NW Event Organizers/Outlook Park Murals \$ 2,300.00
- Town 2020
- Shelton-Mason County Chamber of Commerce Visitors \$24,458.00
- Center

Total grant requests for 2022 - \$65,758.00

The LTAC is recommending 2022 tourism grant funds be awarded as follows:

- "Borders" – A Celebration of Mason County's Arts Legacy \$ 2,600.00
- Kristmas Town Kiwanis Bluegrass from the Forest \$ 7,000.00
- Mason County Forest Festival Association \$12,000.00
- Mason County Historical Museum/Visitor Center \$15,000.00
- NW Event Organizers/Outlook Park Murals \$ 2,300.00
- Town 2020
- Shelton-Mason County Chamber of Commerce Visitors \$24,000.00
- Center

Total grant recommendations for 2022 - \$62,900.00

ANALYSIS/OPTIONS/ALTERNATIVES:

State law declares that the legislative body (City Council) may only choose recipients from the list of candidates presented, and approve the recommended amounts provided by the local Lodging Tax Advisory Committee. There is not a requirement to fund the full list as recommended by the Lodging Tax Advisory Committee. The City Council may make awards in the recommended amounts to all, some, or none of the applicants on this list.

BUDGET/FISCAL INFORMATION:

The Lodging Tax Advisory Committee is recommending a total award of \$62,900.00

PUBLIC INFORMATION REQUIREMENTS:

Completed applications may be viewed by the public by contacting the City of Shelton, Kary Holloway at (360) 432-5131.

STAFF RECOMMENDATION/MOTION:

"Staff is requesting City Council concur to move this item to the action agenda for October 19, 2021."



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item F6)

Touch Date: 10/05/21
Brief Date: 10/05/21
Action Date: **10/19/21**

Department: Finance
Presented By: **Teri Schnitzer, Interim Finance Director**

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

☐ Dept. Head

☒ Finance Director

☐ Attorney

☐ City Clerk

☐ City Manager

PROGRAM/PROJECT TITLE:
Creating an ER&R Fund from an
EM&R Fund

ATTACHMENTS: FCS Group
Contract

☐ Ordinance

☐ Resolution

☒ Motion

☐ Other

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

The City operates and maintains a fleet management fund currently referred to as Equipment Maintenance and Repair (EM&R) where the fund only owns a limited amount of vehicles and equipment. Currently, General, Water, Sewer and Storm funds own their own vehicles and equipment. The City would like to centralize all vehicles and equipment into one fund and enhance the EM&R fund to an Equipment Rental and Replacement (ER&R) fund where they would eventually own all vehicles and equipment.

Contracting with FCS Group would allow them to develop the fleet management master plan to support the transition to an ER&R model and to maintain a uniform classification system for vehicles and equipment to provide the City with a consistent system for tracking, categorizing, and managing its fleet operations as well as develop a financial model and plan for the transition to the ER&R model. FCS Group will review the existing fleet inventory, future replacement costs, and vehicle salvage records to develop an Excel-based financial model to determine annual replacement charges (rent) for each vehicle and department. This information then can be used for the 2023 budget process.

ANALYSIS/OPTIONS/ALTERNATIVES:

BUDGET/FISCAL INFORMATION:

The contract cost is \$59,460 with \$29,730 paid from the General fund and \$29,730 paid from the EM&R fund.

PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained from the City Clerk.

STAFF RECOMMENDATION/MOTION:

"I move that we forward the FCS Group contract to the October 19th City Council meeting for further consideration".

CONTRACT AGREEMENT

BETWEEN

**FINANCIAL CONSULTING
SOLUTIONS
GROUP, INC.**

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

AND

City of Shelton

525 West Cota Street
Shelton, WA 98584

PROJECT: Equipment Maintenance, Rental, and Replacement Financial Study

THIS AGREEMENT combines all understandings between the Parties regarding professional services for the Project named above and supersedes all prior proposals, quotations, solicitations, negotiations, representations, agreements or understandings, whether written or oral.

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 this Agreement and the following Sections and Exhibits which are attached and incorporated by reference which, taken together, shall constitute the whole Agreement.

- Section I - Relationship of the Parties**
- Section II - Contract Provisions**
- Exhibit A - Scope of Work and Task Plan**

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

John Ghilarducci
Principal

Date: _____

Name
Title:

Date: _____

ATTEST:

SECTION I: RELATIONSHIP OF THE PARTIES

The **City of Shelton** ("Client"), desires to complete an **Equipment Maintenance, Rental, and Replacement Financial Study** ("Project"). In furtherance of the Project, the Client hereby contracts with **Financial Consulting Solutions Group, Inc.** ("FCS GROUP") to perform the professional services described in Exhibit A of this Agreement. All services shall be performed under the joint supervision of the Client's Representative, **Teri Schnitzer** or a designee or designees identified in writing to FCS GROUP by the Client's Representative.

This Agreement shall inure to the benefit of and be binding upon successors, assigns, and legal representatives of each of the Parties hereto. Any assignment or transfer of an interest in this Agreement by either Party without the written consent of the other shall be void.

SECTION II: CONTRACT PROVISIONS

1. Scope of Work: FCS GROUP shall perform the service for the Client which as defined in Exhibit A of this Agreement.

2. Contract Term: The study as set forth above is anticipated to be completed by FCS GROUP within a time frame approximating that shown by the following schedule:

Notice to Proceed: Upon signature of Contract Agreement by both Parties

Contract Term: June 30, 2022. Contract shall expire on said date unless mutually extended in writing by the parties.

FCS GROUP agrees to perform the work described in the Scope of Work according to the project schedule that will be developed with the City during the kick-off meeting. Any delays shall be agreed upon by FCS GROUP and Client prior to the due date. Changes in the schedule caused by Client delays may require additional compensation and a change order.

If FCS GROUP is delayed in the performance of services by conditions which are beyond their control, or by a change in the scope of work, the schedule showing time of performance may be revised. Any revision thereto shall be submitted in writing to the Client for review and approval by the Client Representative. If FCS GROUP's services are temporarily suspended by the Client in the interest of the Project and with written notice to FCS GROUP, and the suspensions last longer than 90 consecutive days, FCS GROUP shall be compensated for any additional labor and direct expenses incurred due to the interruption and resumption of services.

3. Payment: FCS GROUP will be paid by the Client on a time and materials basis as outlined below and in accordance with budget attached hereto as Exhibit A. FCS GROUP agrees to perform the services as set forth in Exhibit A at a cost not to exceed \$59,460 (fifty-nine thousand four hundred and sixty dollars). It is understood that FCS GROUP will not exceed this amount without the Client's prior written authorization.

Payment to FCS GROUP for services set forth in Exhibit A shall be: an amount equal to FCS GROUP's standard billing rates as set forth in Exhibit A multiplied by the actual hours worked. Should any unforeseen project delays, not caused by FCS GROUP, and/or any requested amendments to the original scope of work, cause this contract to extend more than 90 days past the original contracted schedule date, any work and/or amendments to the work shall be billed at the standard billing rates in effect for the period of time the work is being performed. If said change in billing rates will cause the project to exceed the amount stated in the preceding paragraph, a change order will be prepared and signed by both parties.

FCS GROUP will invoice Client monthly and payment shall be made within 30 days of receipt of invoice.

4. Supplemental Agreements: Supplemental Agreements may be entered into upon mutual written agreement that would increase or decrease the scope and associated costs and payment.

5. Work to be Accomplished: All work accomplished will be performed under the direction of the Client Representative or his/her Designee.

6. Termination: This contract may be terminated by the Client by giving FCS GROUP written notice of such termination no fewer than fifteen (15) days in advance of the effective date of said termination. FCS GROUP shall be entitled to terminate this agreement only in the case of a material breach by the Client, and upon failure of the Client to remedy said breach within fifteen (15) days of said notice. In the event that the contract is terminated before completion, FCS GROUP shall be paid for the services to date on the basis set forth in Paragraph 3, plus 10% of the total compensation earned to time of termination to compensate for FCS GROUP's rescheduling adjustments, reassignment of personnel, and related costs incurred due to termination. The Client shall notify FCS of termination or abandonment in writing.

7. Indemnity: FCS GROUP shall comply with all Federal Government, State and local laws and ordinances applicable to the work to be done under this Agreement.

FCS GROUP hereby agrees to hold the Client harmless from and shall process and defend at its own expense, specific claims, demands or suits at law or equity, arising from FCS GROUP's negligent performance of the provisions of this Agreement; provided that if the Client and FCS GROUP are concurrently negligent, FCS GROUP shall be required to indemnify and defend only in proportion to negligence of FCS GROUP. These indemnity provisions shall not require FCS GROUP to defend or indemnify the Client against any action based solely on the alleged negligence of the Client.

8. All Work Produced is Joint Property of FCS GROUP and the Client: The materials, computer programs, reports, calculations, analyses, etc., generated by FCS GROUP under this contract including the final report shall be the joint property of the Client and FCS GROUP. FCS GROUP may retain copies thereof for work paper documentation and their own use unless specifically restricted in writing by the Client as to use.

Computer models use generally available software, such as Microsoft Excel (TM), and FCS GROUP does not intend or imply any warranty of those programs.

9. Financial Forecasts: Neither FCS GROUP's name nor the report and its financial projections may be referred to or included in any prospectus or as a part of any offering or representation made in connection with the sale of securities or participation interests to the public, whether through a public or private offering.

The information used in developing the forecast assumptions will be derived from published information and other sources FCS GROUP considers appropriate. However, FCS GROUP cannot assume responsibility for the accuracy of such material. Moreover, forecasts are subject to many uncertainties as to the future; therefore, FCS GROUP cannot represent that the projected financial statements will be representative of the results that actually occur. FCS GROUP will endeavor to include appropriate comments drawing the readers' attention to these matters.

10. Integrated Agreement: This agreement together with attachments or addenda, represents the entire and integrated agreement between the Client and FCS GROUP supersedes all prior negotiations, representations, or agreements written or oral. This agreement may be amended by written instrument signed by both the Client and FCS GROUP.

11. Independent Contractor: The parties intend that an independent Contractor/Client relationship will be created by this agreement. No agent, employee, or representative of FCS GROUP shall be deemed to be an agent, employee, or representative of the Client for any purpose. FCS GROUP shall be

solely responsible for all acts of its agents, employees, representatives, and subcontractors during the performance of this contract.

12. Equal Opportunity: FCS GROUP is committed to the principles of providing equal employment opportunities for all employees. The performance and diversity of our employees will help us meet the challenges of the present and the future in serving our clients. This policy statement is a reaffirmation of our long-standing commitment to provide equal opportunity on the basis of individual merit and personal qualifications to employees and applicants for employment without regard to race, color, religious creed, sex, sexual orientation or preference, gender identity, genetic characteristics or information of employee or family, age, national origin, ancestry, marital status, citizenship, the presence of sensory, mental, or physical disability, pregnancy/childbirth or related condition, medical condition, membership in the military service, veteran's status, political ideology or any other basis protected by applicable federal, state, or local laws.

13. Notices: Notices to the Client shall be sent to the following address:

City of Shelton
Attention: Teri Schnitzer, Accounting Manager
525 West Cota Street
Shelton, WA 98584

Notices to FCS GROUP shall be sent to the following address:

Financial Consulting Solutions Group, Inc.
Attention: Matt Hobson, Project Manager
Redmond Town Center
7525 – 166th Ave. NE, Suite D-215
Redmond, Washington 98052

Exhibit A: Scope of Work and Task Plan

The City of Shelton (“City”) provides police, public utility, parks, recreation, and community services to its residents and businesses. To support the delivery of these services, the City operates and maintains light-, medium-, and heavy-duty vehicles. The City’s existing fleet management practice is an Equipment Maintenance and Repair Fund (EM&R) model — vehicle maintenance expenditures are accounted for within individual City departments and vehicle replacement occurs as funding is available. As part of its Fleet Management Master Plan, the City is exploring a transition to an Equipment Maintenance, Rental, and Replacement Fund (EMR&R) model over the next two budget cycles. Under this new model, centralized internal service funds would account for the equipment maintenance and replacement expenditures for all City vehicles. City finance staff requested assistance from FCS GROUP to develop a task plan to support the transition to an EMR&R model.

The task plan is outlined below and is based on discussions with City staff on June 17, 2021 as well as the draft scope of work for the City’s fleet management master plan. Per discussions with City staff, our task plan focuses on the finance-related elements within the draft fleet management master plan. Tasks related to fleet operations and facilities (e.g., preventative maintenance, repair processes) are not included within our task plan.

TASK PLAN

TASK 1 | INITIAL PROJECT MEETING

At the beginning of the project, FCS GROUP will facilitate an initial one-hour “kickoff” meeting with the City’s project team. Ideally, this meeting would include representatives from the public works and finance departments. The intent of the meeting is to establish the goals and objectives of the overall project and focus the efforts of the project team. The items covered at the meeting include reviewing the scope of work, identifying project objectives, expectations and deliverables, outlining the project schedule and key milestone review points and discussing appropriate lines of communication. The kick-off meeting is proposed to be conducted as a remote video conference (e.g., Ring Central or Microsoft Teams).

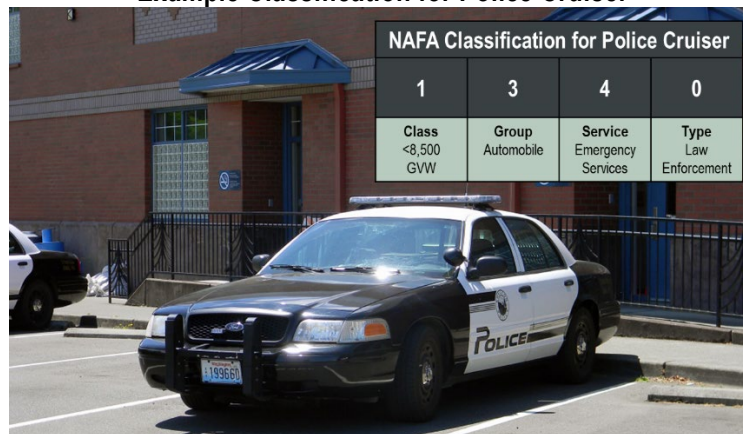
TASK 2 | DATA COLLECTION AND VALIDATION

FCS GROUP will provide a data needs list to the City outlining key information required to complete the tasks outlined in the proposed work plan and kickoff meeting. FCS GROUP will review and validate data provided for the study. Validating the data used in the study promotes analytical consistency and integrity throughout the process. This can uncover data anomalies that would otherwise impact the analysis developed in the study. Examples of the requested data include fleet inventory information, original purchase cost data, historical maintenance records and costs, and mileage/hour data for vehicles.

TASK 3 | EQUIPMENT INVENTORY REVIEW

Following the data gathering process, FCS GROUP will review the City’s current method for tracking and classifying equipment. Similar to other municipalities, the City provides a variety of services and, as a result, operates different makes, models, and configurations of equipment. Maintaining a uniform classification system for equipment can provide the City with a consistent system for tracking, categorizing, and managing its fleet operations. The National Association of Fleet Administrators (NAFA) developed a four-digit vehicle classification system that groups equipment by class, group, service, and type (see example below). FCS GROUP will work with City staff to re-classify the equipment following the most recent NAFA standards.

Example Classification for Police Cruiser



TASK 4 | REPLACEMENT AND MAINTENANCE STRATEGY

Task 4 focuses on developing a financial model and plan for transitioning to an EMR&R model. This task also includes a vehicle utilization analysis, an evaluation of alternative fuel options for City vehicles, and recommended policies to sustain the fleet management plan into the future. The key analytical steps and deliverables for each of these elements are itemized below. Four (4) remote video conference meetings are included in the scope to review technical results from this task and discuss potential adjustments.

Task 4A: Fleet Replacement Plan and Financial Model

Best practice fleet management programs include a financial mechanism to fund fleet replacement costs on an annual basis. The five fundamentals of an equipment replacement fund are:

- Equipment Lifecycle: the frequency that specific classes of vehicles are replaced
- Rent: monthly or annual charge assessed to departments to pre-fund replacement of vehicles
- Salvage: proceeds from resale of retired equipment
- Capital Reserve: financial reserve from rent and salvage revenue to fund vehicle replacement
- Replacement Schedule: forecasted annual cost schedule for replacing equipment

FCS GROUP will coordinate with staff to review the existing fleet inventory, future replacement costs, and vehicle salvage records to develop an Excel-based financial model to determine annual replacement charges (rent) for each vehicle and department. The annual charges will be projected over the next 5-, 10-, and 15-year planning periods and will be specific to each equipment unit and for each City department. This information can be used during the budgeting process and provides a transparent and effective communication tool to explain changes to the rental rates to City staff and leadership.

Task 4B: Equipment Lifecycle Analysis

A lifecycle analysis is a financial tool used by fleet managers to determine the optimal time to replace equipment. The analysis accounts for the impact that an equipment's age has on repair and replacement costs as well as salvage value. As part of this subtask, the City's existing equipment replacement lifecycles for light-duty vehicles (e.g., sedans and pickup trucks) will be compared to industry standards. Additionally, custom lifecycle analyses will be developed for up to five (5) of the City's specialized equipment.

- As part of this analysis, FCS GROUP will coordinate with City staff to identify capitalized equipment (e.g., police light bars, radio) that should be included within the annual lifecycle charges.

- Each vehicle's lifetime mileage, repair cost history, age, and service assignment will be evaluated against the lifecycle analysis to identify and prioritize vehicles needing replacement.

Task 4C: Fleet Maintenance Plan and Financial Model

In addition to recovering the equipment replacement expenses, there are operating costs that the City's equipment management program can equitably recover from departments, including time spent servicing vehicles and equipment, fuel, parts, and overhead expenses. As part of this subtask, we will discuss several industry approaches for developing a centralized management plan to finance maintenance and operating expenses. These approaches include:

- **Maintenance Labor Rate:** Mechanic labor costs are assessed to each vehicle based on a fully loaded hourly rate, which includes direct and indirect labor costs.
- **Parts Rate:** Equipment part costs are assessed directly to each vehicle plus mark-up for inventory management-related costs.
- **Sublet (Outside Vendor) Pass-Through:** Outsourced repair and maintenance expenses are assessed directly to each vehicle plus markup for contract management. The sublet markup rate would also be applied to the warranty work performed by vendors.
- **Fuel Rate:** If City maintains fueling stations, fuel costs are assessed directly to each vehicle plus mark-up for overhead management.

An Excel-based toolset will be developed to determine annual charge-back rates for each charge type, vehicle, and department. If equipment work order data is available, the toolset can be designed to easily input this data so that calculated charge-back rates are linked to actual time and cost information.

Task 4D: Staffing Analysis

When determining efficient technician staffing levels, fleet managers assess the size and composition of the fleet — staffing levels need to account for the various maintenance requirements of different equipment classes. Additionally, staffing levels will consider the service requirements from departments (e.g., minimum daily line-up) and technician performance targets. FCS GROUP will evaluate and recommend technician staffing requirements based on several analyses including:

- Leverage historical work order data and industry standards to establish vehicle equivalent units (VEUs) for the City fleet. VEUs are a common metric to standardize the maintenance requirements for a fleet by indexing requirements of a vehicle class relative to a base vehicle class such as a passenger vehicle.
- Review minimum vehicle availability requirements for City departments. Understanding daily vehicle requirements can help a fleet manager assess how many vehicles need to be ready for use during certain times of the day or days of the week. This information can help inform efficient technician staffing levels.
- Benchmark existing technician billable hours to industry standards. Government fleet managers generally target an annual billable goal of 70 percent to 80 percent of paid hours. The remaining paid hours include paid leave time and indirect service time (e.g., attending meetings, trainings).
- Provide cost comparisons and analysis of providing certain fleet services in-house versus contracting to private vendors. Provide advantages and disadvantages for both service delivery options.

Task 4E: Vehicle Utilization Analysis

Best practice fleets assign minimum utilization requirements for vehicles (typically measured in monthly miles or engine hours) to ensure efficient use of the fleet. If a vehicle falls below minimum utilization levels, fleet managers can evaluate whether the vehicle is needed, can be shared across multiple departments, or should be modified to better match how City services are delivered to residents and businesses.

Utilization levels for individual vehicles will be compared to the City’s utilization policies to identify vehicles that can be evaluated for retirement or repurpose. If the City does not have a documented utilization policy, we will work with staff to develop recommendations for utilization levels based on best practice research and current vehicle mileage and engine hour data.

Task 4F: Alternative Fuel Vehicles Analysis

Best practice fleets evaluate the transition to alternative fuel vehicles (e.g., hybrid, electric) based on the total cost of ownership (TCO), vehicle utilization requirements, available or needed infrastructure, and emissions criteria. This multi-faceted evaluation helps fleet managers assess the feasibility of alternative fuel vehicles from financial, operational, and environmental perspectives. As part of this subtask, FCS GROUP will:

- Conduct an initial screening of City vehicles to determine vehicles to exclude from evaluation based on vehicle type (e.g., trailers, off-road equipment), use (e.g., public safety), and feedback from City staff.
- Identify City vehicles that have a similar hybrid or electric model available. FCS GROUP will refer to the Climate Mayors EV Purchasing Collaborative as well as publicly available sources to compile the list of alternative fuel vehicles. City vehicles that do not have a viable alternative fuel vehicle replacement option will be screened from the next steps in the evaluation.
- Remaining City vehicles will be compared to their viable alternative fuel vehicle options based on total cost of ownership, lifecycle emissions, and availability of fueling infrastructure. Cost and emission data will be sourced from the U.S. Department of Energy’s Clean Cities Program Alternative Fuel Life-Cycle Environment and Economic Transportation (AFLEET) tool.
- Based on the screening criteria and analysis, FCS GROUP will rank City vehicle classes for potential transition to alternative fuel vehicles.

Task 4G: Recommended Fleet Replacement and Management Policies (Finance-Related)

FCS GROUP will develop a technical memo outlining recommended policies for the on-going financial management of the City’s fleet replacement fund and annual rate-setting for maintenance-related activities (e.g., labor rate, part rate). The policies will address:

- Establishing class-specific equipment lifecycles;
- Factoring inflation adjustments to future equipment replacement expenses;
- Developing class-specific salvage values;
- Adjusting replacement fund rates for new (“add-on”) equipment;
- Smoothing vehicle replacement cycles to improve annual cash flow of the replacement fund;
- Establishing annual billable hour requirements based on vehicle equivalent ratios;
- Establishing overhead mark-up rates for parts, sublet, and fuel expenses;
- Monitoring and evaluating utilization levels for vehicles to justify permanent assignment to a department or potential re-assignment to a shared motor pool.

TASK 5 | USER GUIDE AND TRAINING

A high-level user manual for the Fleet Replacement Financial Model and Fleet Maintenance Financial Model will provide a step-by-step guide for updating the annual budgets for vehicle replacement charges, centralized maintenance rates, and salvage revenue. The user guide will also outline the steps to update the annual fleet replacement plan. This task includes three (3) two-hour video conference meetings to conduct training work sessions with City staff.

TASK 6 | PROJECT ADMINISTRATION

This task includes the various administrative efforts that will take place during the study such as the administrative support and the development of monthly progress reports and billings.

EXCLUDED ITEMS FROM MASTER PLAN SCOPE OF WORK

Consistent with discussions with City staff on June 17, there are several items that were identified within the City's draft fleet management master plan that FCS GROUP did not include in the task plan. These items are outlined below:

- Assess the existing fleet building bays, fleet and equipment parking and storage areas, tool and parts storage, and employee desk/office work spaces. Provide recommendation for improvements to buildings, parking, storage, and employee space areas.
- Identify the necessary training, credentials and/or certifications for fleet maintenance staff including frequency, renewal period and budget.
- Identify standard operating procedure changes that, if implemented, would promote efficient and effective fleet management operations related to workplace safety, work order management, and hazardous waste material management.
- The City will be utilizing the previously purchased Tyler Technologies inventory and asset management software modules in the next 12-months. The Consultant will be required to research and prepare a recommendation for a timeline to commence the installation and training of the Tyler software system modules for the Fleet Division, Finance Department, and other City Departments for daily use by the City, based upon the projected future departmental needs identified by the Consultant.

BUDGET ESTIMATE

The following table summarizes our estimated cost to perform the task plan. The cost of completing the project tasks is an amount not to exceed \$59,460. We invite the opportunity to negotiate the appropriate level of effort and/or make adjustments to the scope of work to better match the City's needs.

Task Detail	Ghilarducci Principal	Hobson Manager	Analyst	Admin Support	Total Hours	Budget Estimate	Total Remote Meetings
<i>Hourly Billing Rates</i>	\$270	\$185	\$145	\$90			
Task Plan							
Task 1 Initial Project Meeting	2	2	2	0	6	\$1,200	1
Task 2 Data Collection and Validation	0	8	24	0	32	\$4,960	0
Task 3 Equipment Inventory Review	2	4	12	0	18	\$3,020	0
Task 4 Replacement & Maintenance Strategy							
4a Fleet Replacement Plan and Financial Model	1	18	48	0	67	\$10,560	1
4b Equipment Lifecycle Analysis	1	8	16	0	25	\$4,070	1
4c Fleet Maintenance and Financial Model	1	18	48	0	67	\$10,560	1
4d Staffing Analysis	1	12	24	0	37	\$5,970	0
4e Vehicle Utilization Analysis	1	6	12	0	19	\$3,120	1
4f Alternative Fuel Vehicles Analysis	1	12	20	0	33	\$5,390	0
4g Recommended Policies	1	12	12	0	25	\$4,230	0
Task 5 User Guide and Training	0	10	16	0	26	\$4,170	3
Task 6 Project Administration	1	6	2	6	15	\$2,210	0
Total Tasks	12	116	236	6	370	\$59,460	8
				Expenses		\$0	
Total Budget Estimate						\$59,460	

PROJECT SCHEDULE

We anticipate completing the proposed task plan within a 6-month time period. This estimate may be adjusted if the City elects to exclude some items from the proposed approach. A final schedule can be developed in collaboration with the City finance director on approval of a contract.



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E1)

Touch Date: 09/07/2021
Brief Date: 09/21/2021
Action Date: 10/05/2021

Department: Finance
Presented By: Don Kuismi

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

PROGRAM/PROJECT TITLE:
2021 Supplemental Budget 1

☒ Ordinance

☐ Dept. Head

☒ Finance Director

9/1/2021

ATTACHMENTS:
**Ordinance No. 1974-0821
Exhibit A**

☐ Resolution

☒ Attorney

9/1/2021

☒ Motion

☒ City Clerk

9/1/2021

☐ Other

☒ City Manager

9/1/2021

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

The City Council passed Ordinance No. 1954-0820, adopting the City's 2021 Budget on November 17th, 2020. The City Council, through Ordinance, sets the expenditure authority for each fund of the City. Budget authority and the number of City FTE's (Full Time Equivalents) can only be increase from their adopted levels by the approval of a supplemental budget Ordinance.

This supplemental Ordinance will increase the expenditure authority of four funds (General, Capital Resources, Capital Improvement, and Equipment Maintenance & Rental Funds) for expenditures which were not anticipated upon adoption of the budget. The supplemental requests are included in detail in Exhibit A. The total budget increase from the adopted budget is \$2,873,800; \$2,055,520 in the General Fund, \$190,200 in the Capital Resources Fund, \$598,080 in the Capital Improvement Fund, and \$30,000 in the Equipment Maintenance & Rental Fund.

ANALYSIS/OPTIONS/ALTERNATIVES:

BUDGET/FISCAL INFORMATION:

PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained from the City Clerk.

STAFF RECOMMENDATION/MOTION:

"I move that we approve Ordinance No. 1974-0821 as presented".

ORDINANCE NO. 1974-0821

AN ORDINANCE OF THE CITY OF SHELTON, WASHINGTON, AMENDING THE ANNUAL BUDGET FOR THE YEAR ENDING DECEMBER 31, 2021

WHEREAS, the Shelton City Council adopted the 2021 budget pursuant to Ordinance No. 1954-0820; and

WHEREAS, the City is prohibited from over expending its appropriated budget as set forth in Ordinance No. 1954-0820; and

WHEREAS, certain revisions to the 2021 budget are now necessary and the City Council finds that the proposed adjustments to the 2021 Adopted Budget are justified;

NOW, THEREFORE, be it ordained by the City Council of the City of Shelton, Washington:

Section 1.

The adjustments as provided in this Ordinance to amend the 2021 Annual Budget of the City of Shelton, Washington, are hereby adopted. In summary form, the appropriation adjustments for each separate fund and the aggregate totals for all such funds combined is presented in the table below. Exhibit A, attached to this Ordinance, provides additional information on the adjustments.

Fund	2021 Adopted Budget	2021 Adjustment	2021 Revised Budget
General Fund	\$ 12,283,920	\$ 2,055,520	\$ 14,339,440
Street Fund	2,031,190	-	2,031,190
Capital Resources Fund	496,630	190,200	686,830
Tourism Fund	61,880	-	61,880
Bond Fund	184,490	-	184,490
Capital Improvement Fund	1,572,140	598,080	2,170,220
Water Fund	3,882,060	-	3,882,060
Sewer Fund	7,849,390	-	7,849,390
Solid Waste Fund	781,810	-	781,810
Storm Drainage Fund	1,338,760	-	1,338,760
Payroll Benefits Fund	206,700	-	206,700
Equipment Rental Fund	932,010	30,000	962,010
Fireman's Pension Fund	98,570	-	98,570
Library Endowment Fund	-	-	-
Total Expenditure Budget	\$ 31,719,550	\$ 2,873,800	\$ 34,593,350

Section 2.

The Shelton City Council does hereby create three (3) new Construction Funds for accounting for capital projects in Water, Sewer, and Storm Drainage utilities. In the interest of transparency and clarity, these funds will be used to account for budgeted capital projects for each of the three utility funds and the resources to pay for those projects.

Section 3.

The Legislature having given authority over the budget to the City Council, this shall take effect five days after its approval and publication as required by law.

INTRODUCED the 21st day of September 2021.

ADOPTED by the City Council of the City of Shelton, Mason County, Washington at a regular open public meeting held the 5th day of October 2021.

Passed this _____ day of _____ 2021.

Kevin Dorcy, Mayor

AUTHENTICATED:

Donna Nault, City Clerk

General Fund**\$2,055,520**

The City received its first of two payments of the American Rescue Grant monies. The first payment of \$1,487,160 was deposited in the General Fund. This supplemental will increase the General Fund transfer out by this same amount as the City will hold these recovery monies in the Capital Resources Fund until it is determined how these funds will be spent.

In 2020, the City budgeted capital funds for the purchase of park property. In May, the City finalized and purchased the Shannon property in the amount of \$84,474. The funding for this park land purchase is the Shelton Metropolitan Park District. This supplemental will increase the General Fund budget by \$84,480 as a carry-forward appropriation.

This supplemental will increase the General Fund budget in the Human Resources department by \$6,000 as a one-time carry-forward appropriation for costs incurred in 2020 and paid in 2021. The resource for this increase is additional sales tax revenue above the budgeted amount.

The City has ordered four (4) new police vehicles with plans for delivery in 2022. The supplemental increases General Fund transfer out budget by \$260,000 to the Capital Improvement Fund. The funding source for this supplemental item is accumulated General Fund balance. There is a corresponding budget increase in the Capital Improvement Fund for this capital expense.

The City has ordered twenty-five (25) body worn cameras and twenty-five (25) vehicle dash cameras for the police department with ARPA funds and \$59,380 from General Fund balance. The funding source for this supplemental item is accumulated General Fund balance. There is a corresponding budget increase in the Capital Improvement Fund for this capital expense.

The current Court/Chambers audio visual system is old and has been repaired multiple times using a band-aid type of approach. This supplemental will increase General Fund transfer out by \$88,500 for the purchase and installation of a new audio visual system. The resources for the General Fund transfer out increase is current year revenue over expense. To the extent that current year revenues are not at least \$88,500 above and beyond current year expenses, General Fund fund balance will make up the difference. There is a corresponding budget increase in the Capital Improvement Fund for this capital expense.

The General Fund budget is increased by \$30,000 for a contract with the FCS Group to provide consultant services for the creation of a City Equipment Rental & Revolving (ER&R) program which will replace the current Equipment Maintenance & Repair (EM&R) fund. The expected start for the new ER&R fund is on or before January 1, 2023.

A \$40,000 budget increase is necessary in the General Fund for unbudgeted increases to dispatch rates in 2021. The resource for this budget increase are current year tax revenues above budget. This is an on-going operating budget impact.

Capital Resources Fund**\$190,200**

The City has ordered twenty-five (25) body worn cameras and twenty-five (25) vehicle dash cameras for the police department with ARPA funds of \$190,200. The ARPA funds are maintained in the Capital Resources Fund so a transfer will need to be made from the Capital Resources Fund to the Capital Improvement Fund. There is a corresponding budget increase in the Capital Improvement Fund for this capital expense.

Capital Improvement Fund**\$598,080**

This supplemental budget increase of \$260,000 is for the capital purchase of four (4) new police vehicles in the Capital Improvement Fund. The resources for this expense comes from a transfer in from the General Fund. There is a corresponding budget increase in the General Fund.

This supplemental increases expenses in the Capital Improvement Fund by \$249,580 for the purchase of twenty-five (25) body worn cameras and twenty-five (25) vehicle dash cameras for the police department. The resources for this expense come from a transfer in from the General Fund of \$59,380 and a transfer in of ARPA funds from the Capital Resources Fund of \$190,200. There are corresponding budget increases in the General Fund and Capital Resources Fund

This supplemental increases expenses in the Capital Fund by \$88,500 for the purchase and installation of a new Court/Chamber audio visual system. The resources for this project come from a Transfer-in from the General Fund. There is a corresponding budget increase in the General Fund.

Equipment Maintenance & Repair Fund (EM&R) **\$30,000**

This supplemental will increase the EM&R Fund by \$30,000 for a contract with the FCS Group to provide consultant services for the creation of a City Equipment Rental & Revolving (ER&R) program which will replace the current Equipment Maintenance & Repair (EM&R) fund. The expected start for the new ER&R fund is on or before January 1, 2023.



NOTICE OF PUBLIC HEARING THE CITY OF SHELTON, WA

NOTICE OF PROPOSED ACTION TO ADOPT A SUPPLEMENTAL 2021 BUDGET AMENDMENT

October 5, 2021
6:00 p.m.

Public Comment:

The Shelton City Council will hold a public hearing to consider adoption of a supplemental budget amendment on October 5, 2021 beginning at 6:00 p.m. Interested persons are invited to provide testimony in favor or opposed to the supplemental budget. The review authority will also consider written comments received by 3:00 p.m. on October 5.

Mail comments to:

City of Shelton
525 W. Cota Street
Shelton, WA 98584
Attention: City Manager

Email written comments to:

City Manager Jeff Niten at jeff.niten@sheltonwa.gov
City Clerk Donna Nault at donna.nault@sheltonwa.gov

Proposal:

The supplemental ordinance will increase the expenditure authority of four funds, General, Capital Resources, Capital Improvement and Equipment Maintenance and Rental Fund for expenditures which were not anticipated upon adoption of the budget. The total budget increase from the adopted budget is \$2,873,800; \$2,055,520 in the General Fund, \$190,200 in the Capital Resources Fund, \$598,080 in the Capital Improvement Fund, and \$30,000 in the Equipment Maintenance and Rental Fund.

Due to Governor Inslee's Order, the Council will meet on a virtual platform to conduct City business. The public will have an opportunity to view the virtual meeting, and make comments via e-mail, telephone or by joining the Zoom meeting.

The meeting can be viewed at: masonwebtv.com

The public can provide comments by: **Email • jeff.niten@sheltonwa.gov Telephone • (360) 432-5105**
Join Zoom Meeting • Link on City Council's Webpage (You must state your full name and whether you are a City resident, County resident or reside elsewhere.) Your comments will be relayed directly to the Council.



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E2)

Touch Date: 09/07/2021
Brief Date: 09/21/2021
Action Date: 10/05/2021

Department: Finance
Presented By: Teri Schnitzer

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

<input type="checkbox"/>	Dept. Head	_____
<input checked="" type="checkbox"/>	Finance Director	9/1/2021
<input checked="" type="checkbox"/>	Attorney	9/1/2021
<input checked="" type="checkbox"/>	City Clerk	9/1/2021
<input checked="" type="checkbox"/>	City Manager	9/1/2021

PROGRAM/PROJECT TITLE:
Debt Management Policy

ATTACHMENTS:
**Ordinance 1975-0821
Exhibit A**

<input checked="" type="checkbox"/>	Ordinance
<input type="checkbox"/>	Resolution
<input checked="" type="checkbox"/>	Motion
<input type="checkbox"/>	Other

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

This Ordinance will adopt the City's new Debt Management policy which conforms with best practices and provides a comprehensive set of guidelines which must be adhered to prior to any issuance of debt. This policy establishes criteria to protect the City's financial integrity while providing a mechanism to fund the City's capital needs through the issuance of bonds but only after a thoughtful determination has been made that the City cannot reasonably fund a project on a pay-as-you-go basis. This policy allows that the City will not issue debt, either short-term or long-term, to pay for current and on-going operations.

The policy provides that prior to issuing debt for any projects proposed to be financed through debt must have a full analysis of a) alternative methods of financing the project, b) future operating and maintenance costs, including debt service expense, associated with the project, c) projected cash inflows which can reasonably be applied to reduce the amount being financed, and d) projected cash outflows for construction/equipment in order to ensure arbitrage compliance.

This policy also gives authority to the City's Finance Director to approve short-term interfund loans for a period not to exceed three calendar months and the City Manager to approve loans for a period not to exceed 12 calendar months. The Finance Director shall notify the City Council of any use of directorial or managerial approved interfund loans at the first reasonable opportunity.

ANALYSIS/OPTIONS/ALTERNATIVES:

BUDGET/FISCAL INFORMATION:

PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained from the City Clerk.

STAFF RECOMMENDATION/MOTION:

"I move that we approve Ordinance 1975-0821 as presented".

ORDINANCE NO. 1975-0821

AN ORDINANCE OF THE CITY OF SHELTON, WASHINGTON, ADOPTING A DEBT POLICY GOVERNING THE ISSUANCE AND ADMINISTRATION OF ALL DEBT ISSUED BY THE CITY.

WHEREAS, the City Council deems to have City debt issued and administered in compliance with all applicable laws; and

WHEREAS, the City Council desires to ensure all debt is issued only after a thoughtful, consistent, and coordinated process determines the issuance of debt to be necessary; and

WHEREAS, the City Council desires to maintain a sound debt position and protect the credit quality of its obligations; and

WHEREAS, the City Council has determined that adoption of comprehensive guidelines for the issuance and management of all financing of the City is in its best interest.

NOW, THEREFORE, be it ordained by the City Council of the City of Shelton, Washington, as follows:

Section 1.

The City of Shelton Debt Management Policy is adopted in its entirety attached as Exhibit A.

Section 2.

This ordinance shall become effective five days from the date of publication.

INTRODUCED the 21st day of September 2021.

ADOPTED by the City Council of the City of Shelton, Mason County, Washington at a regular open public meeting held the 5th day of October 2021.

Passed this _____ day of _____ 2021.

Kevin Dorcy, Mayor

AUTHENTICATED:

Donna Nault, City Clerk

Exhibit A
City of Shelton
Ordinance No. 1975-0821

1.0 Policy:

The objective of this policy is to provide general guidance for the issuance and management of all City debt. The City issues debt in accordance with the Revised Code of Washington (RCW), in particular chapters 39.36, 39.46, and 39.53, along with all other City, State, and federal laws, rules, and regulations. Further, this policy establishes criteria to protect the City's financial integrity while providing a mechanism to fund the City's capital needs. The City will only utilize debt financing to fund capital improvement projects that cannot be reasonably funded on a pay-as-you-go basis.

The City's Finance Department is charged with ensuring compliance with all debt management policy requirements.

2.0 Debt Issuance:

State law (RCW 39.36.020) allows for the issuance of general obligation (GO) debt, through a public vote, of up to 7.5% of the City's assessed property valuation. The limit of 7.5% of assessed valuation for GO debt is divided between three different use types: 1) 2.5% for municipally owned water, sewer, or electric facilities; 2) 2.5% for open space and parks; and 3) 2.5% for general government purposes. Within the 2.5% limit for general government purposes, State law allows the Council to issue debt without a vote of the people. This non-voted debt (also called councilmanic debt) cannot be greater than 1.5% of the assessed property valuation of the jurisdiction.

All City projects proposed to be financed through debt must have a full analysis of a) alternative methods of financing the project, b) future operating and maintenance costs, including debt service expense, associated with the project, c) projected cash inflows which can reasonably be applied to reduce the amount being financed, and d) projected cash outflows for construction/equipment in order to ensure arbitrage compliance.

The City will, unless otherwise justified, use tax-exempt bond proceeds within the established time frame pursuant to the bond ordinance, contract, or other document to avoid arbitrage. The City will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS (Internal Revenue Service, IRC 148) regulation. For each bond issue not expended within the established time frame, the recordkeeping will include tracking investment earnings on bond proceeds, calculating rebate payments, and remitting any rebate earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the outstanding debt obligation.

The City will repay principal plus interest in accordance with the payment terms of the bond or contract. Furthermore, the City will comply with all bond or contract covenants. This includes, but is not limited to, any undertakings to provide ongoing disclosure and notice of certain listed events under SEC (Securities and Exchange Commission) Rule 15C2-12. Annual disclosure will take the form of the City's Annual Financial Report as well as other information required by the bond or contract that is not reasonably contained in the annual report. The City will comply with

all post-issuance compliance policies and procedures related to Federal tax law and policies and procedures relating to initial and ongoing disclosure.

Prior to any general obligation bond proposition being placed before the voters, the capital project under consideration must, unless otherwise justified and have found to be in the best interest of the City, have been included in the City's Capital Improvement Plan. The source of funds for the project should reflect the intended use of bond financing.

Debt cannot be issued for a longer maturity than a conservatively estimated useful life of the asset to be financed.

The City will maintain good communications with bond rating agencies and investors about its fiscal condition. The City will provide full disclosure on financial reports and in disclosure documents.

3.0 Short-term debt:

The City may use short-term debt, defined as a period not to exceed three years, to fund cash flow needs, which may be caused by a delay in receipting tax revenues or issuing long-term debt. The City will not issue short-term debt for current operations.

The City may issue interfund loans rather than issuing outside debt to meet short-term cash flow needs. The issuance of an interfund loan will be permissible only after an analysis of the loaning fund(s) indicate(s) that excess funds are available and the use of these funds will not impact the loaning fund(s) current operations or constitute a permanent diversion of funds. All interfund borrowing will bear interest based upon at least the prevailing LGIP (Local Government Investment Pool) rate.

Council authorizes the City's Finance Director to approve short-term interfund loans for a period not to exceed three calendar months and the City Manager to approve loans for a period not to exceed 12 calendar months. The Finance Director shall notify the City Council of any use of directorial or managerial approved interfund loans at the first reasonable opportunity.

4.0 Long-term debt:

The City will issue long-term debt, defined as a period of time greater than three years, for capital projects, which cannot reasonably be financed on a pay-as-you-go funding strategy from anticipated cash flows. Acceptable uses of bond proceeds are one-time capital projects that can be capitalized and depreciated in accordance with the City's accounting principles. Refunding debt is also an acceptable use. See refunding debt section below.

The City Council may issue long-term interfund loans rather than issuing outside debt instruments as a means of financing capital improvements. The issuance of an interfund loan will be permissible only after an analysis of the loaning fund(s) indicate that excess funds are available and the use of these funds will not impact the loaning fund(s) current operations or constitute a permanent diversion of funds. All interfund borrowing will bear interest based upon at least the prevailing LGIP (Local Government Investment Pool) rate.

The decision to use an interfund loan rather than outside debt to fund capital projects will be based on which is deemed to be the most cost effective approach to meet City capital needs. The City's Finance Department is responsible for making such an assessment.

The City will not issue long-term debt for current operational needs.

5.0 Types of long-term debt the City may issue:

Limited Tax General Obligation Bonds (LTGO): LTGO debt is backed by the full faith and credit of the City. These bonds can be issued without a vote of registered voters but are limited in that debt service payments must be paid from existing city revenue sources. Furthermore, LTGO's are also limited in the amount and percentage of assessed valuation as defined by the City's debt capacity in accordance with state law.

Unlimited Tax General Obligation Bonds (UTGO): UTGO debt is backed by the full faith and credit of the City. These bonds can only be issued when authorized by a 60% majority vote of registered voters (meeting the minimum voter turnout requirement). The purpose of the vote is to approve an excess tax levy (as a completely new source of revenue) to pay the debt service.

Lease Obligation: Lease debt can be in the form of a lease-purchase arrangement or a certificate of participation. With this type of contractual obligation, a third party, typically the lessor, issues certificates or bonds where the principal and interest payments to investors are guaranteed by the lease payments made by the City. Depending on the security for the lease payments, lease debt may be repaid from existing City revenue sources, voter-approved property tax, or revenues of an enterprise.

Revenue Bonds: Revenue bonds are used to finance construction or improvements to facilities of enterprise systems operated by the City in accordance with the Capital Improvement Program and are generally payable from the enterprise. No taxing power or general fund pledge is provided as security. Unlike general obligation bonds, revenue bonds are not subject to the City's statutory debt limitation nor is voter approval required.

Special Assessment Bond: Also referred to as Local Improvement District (LID) bonds, this type of debt is used to finance capital improvements that benefit property owners within the LID. LID debt is repaid from annual assessments paid to the City. LIDs are formed by the Council following the process outlined in State statutes. The cost is borne only by those who will benefit most from the improvement. LID debt is not part of the debt capacity calculation.

Other Debt Instruments: Instruments such as Public Works Trust Fund loans or other financing contracts issued through the State of Washington, bond anticipation notes (BAN's), tax anticipation notes (TAN's), bank qualified loans, and/or other legal debt issues may be incurred as allowed by law.

Additionally, the City may issue interfund loans rather than outside debt instruments to fund capital projects or meet short-term cash flow needs.

6.0 Professional Services:

The City's Finance Director will be responsible for the solicitation and selection of professional services as necessary to administer debt financing. Professional service providers necessary to issue debt may include, but are not limited to: bond counsel, financial advisor, underwriters,

rating agencies, and fiscal agent. Selection of the service providers will take into account availability, professional knowledge, accountability, cost, as well as successful partnerships in previous debt issuances.

7.0 Refunding Debt:

Debt refunding is typically done to take advantage of lower interest rates. Refunding bonds are an acceptable use of bond proceeds provided that, and unless otherwise justified and found to be in the best interest of the City, a) the net present value (NPV) of the savings is at least 3% and b) the final maturity date is not extended.

8.0 Debt Issuance Process:

The Finance Director, in consultation with the city's contracted financial advisor, will determine the method of sale best suited for each issue of debt (competitive sale, negotiated sale, or private placement).

The Finance Director and bond counsel will coordinate their activities and review all debt issuance to ensure that all securities are issued in compliance with state and federal legal and regulatory requirements by the State and the Federal Government's laws, rules and regulations.

For each issue, the City will evaluate the costs and benefits of bond insurance or other credit enhancements. Any credit enhancement purchases by the City must be competitively procured.

The Finance Director may institute procedures to implement this policy and other bond covenants and provisions related to State and federal law applicable to the City's debt.

Council approval is required prior to the issuance of debt, except where Council authority has been delegated to the City Finance Director and/or City Manager.

9.0 Periodic Review:

This debt policy must be adopted by Council. The policy will be reviewed periodically by the Finance Department and modifications must be submitted to and approved by the Council.



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E3)

Touch Date: 09/07/2021
Brief Date: 09/21/2021
Action Date: 10/05/2021

Department: Finance
Presented By: Teri Schnitzer

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

<input type="checkbox"/>	Dept. Head	_____
<input checked="" type="checkbox"/>	Finance Director	9/1/2021
<input checked="" type="checkbox"/>	Attorney	9/1/2021
<input checked="" type="checkbox"/>	City Clerk	9/1/2021
<input checked="" type="checkbox"/>	City Manager	9/1/2021

PROGRAM/PROJECT TITLE:
Investment Policy

ATTACHMENTS:
**Ordinance 1976-0821
Exhibit A**

<input checked="" type="checkbox"/>	Ordinance
<input type="checkbox"/>	Resolution
<input checked="" type="checkbox"/>	Motion
<input type="checkbox"/>	Other

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

This Ordinance will adopt the City's new Investment policy which conforms with best practices and provides a comprehensive set of guidelines which must be adhered to for the investment and administration of available City resources. The policy provides process for the city to invest public funds in a manner that safeguards and protects the principal of the city's investments, provides liquidity in meeting daily cash flow, and provides the highest return possible through budgetary and economic cycles.

The purpose of this Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements and custodial procedures necessary for the prudent management and investment of the funds of the city.

ANALYSIS/OPTIONS/ALTERNATIVES:

BUDGET/FISCAL INFORMATION:

PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained from the City Clerk.

STAFF RECOMMENDATION/MOTION:

"I move that we approve Ordinance No. 1976-0821 as presented."

ORDINANCE NO. 1976-0821

**AN ORDINANCE OF THE CITY OF SHELTON, WASHINGTON, ADOPTING AN
INVESTMENT POLICY GOVERNING THE INVESTMENT AND ADMINISTRATION
OF CITY RESOURCES.**

WHEREAS, the City Council deems to have available City monies invested in compliance with all applicable laws; and

WHEREAS, the City Council desires to ensure all invested funds are invested prudently and with the safety of the investment, liquidity of the investment, and yield on the investment be the priority in that order; and

WHEREAS, the City Council desires to maintain sound financial practices which includes the thoughtful investing of available resources to gain interest; and

WHEREAS, the City Council has determined that adoption of comprehensive guidelines for the investment and administration of available resources of City is in its best interest.

NOW, THEREFORE, be it ordained by the City Council of the City of Shelton, Washington, as follows:

Section 1.

The City of Shelton Investment Policy is adopted in its entirety attached as Exhibit A.

Section 2.

This ordinance shall become effective five days from the date of publication.

INTRODUCED the 21st day of September 2021.

ADOPTED by the City Council of the City of Shelton, Mason County, Washington at a regular open public meeting held the 5th day of October 2021.

Passed this _____ day of _____ 2021.

Kevin Dorcy, Mayor

AUTHENTICATED:

Donna Nault, City Clerk

Exhibit A
City of Shelton
Ordinance No. 1976-0821

1.0 Policy:

It is the policy of the city to invest public funds in a manner that safeguards and protects the principal of the city's investments, provides liquidity in meeting daily cash flow, and provides the highest return possible through budgetary and economic cycles. All investment activity will be in compliance with chapter 35.39 RCW "Fiscal - Investment of funds," chapter 39.59 RCW "Public Funds – Authorized investments," and any other statutes or regulatory requirements, such as Internal Revenue Codes, which may apply.

The purpose of this Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements and custodial procedures necessary for the prudent management and investment of the funds of the city.

2.0 Definitions:

The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

A. *Banker's Acceptance* means a draft bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the issuer.

B. *Broker* means someone who brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he/she does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

C. *Collateral* means securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. This also refers to securities pledged by a bank to secure deposits of public monies.

D. *Certificate of Deposit (CD)* means a time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

E. *Coupon* means (a) the annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value; or (b) a certificate attached to a bond evidencing interest due on a payment date.

F. *Commercial Paper* means short-term, negotiable, unsecured promissory notes. The credit of the issuer stands behind the paper. There are some issuers that put up assets as security for the issue, these are asset-backed.

G. *Corporate Notes* means a legal note representing a loan made from an issuer to a creditor or investor. The note is a debt security obligating repayment at a predetermined interest rate and within a defined time frame.

H. *Dealer* means one who, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

I. *Delivery Versus Payment* means the delivery of securities with an exchange of money for the securities. Delivery versus receipt is the delivery of securities with an exchange of a signed receipt for the securities.

J. *Discount* means the difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

K. *Discount Securities* means non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

L. *Diversification* means dividing investment funds among a variety of securities offering independent returns.

M. *Federal Credit Agencies* means agencies of the federal government set up to supply credit to various classes of institutions and individuals, e.g., savings and loans, small business firms, students, farmers, farm cooperatives and exporters.

N. *Federal Reserve Bank System* means the central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., twelve (12) Regional Banks and about 5,700 commercial banks that are members of the system.

O. *Federal Deposit Insurance Corporation (FDIC)* means a federal agency that insures bank deposits, currently up to \$250,000 per deposit.

P. *Federal Home Mortgage Corporation (FHLMC)* means a public chartered agency that buys residential mortgages from lenders, packages them into new securities backed by those pooled mortgages, provides certain guarantees and then, resells the mortgage-backed securities on the open market. Shares of FHLMC stock are publicly traded on the New York Stock Exchange. The corporation is nicknamed Freddie Mac.

Q. *Federal Home Loan Banks (FHLB)* means the institutions that regulate and lend to savings and loan associations. The FHLBs play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

R. *Federal National Mortgage Association (FNMA)* means the federal corporation working under the auspices of the Department of Housing and Urban Development. Nicknamed “Fannie Mae,” FNMA was chartered under the Federal National Mortgage Association Act in 1938. It is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

S. *Liquidity* means a liquid asset that can be converted easily and rapidly into cash without a substantial loss of value.

T. *Market Value* means the price at which a security is trading and could presumably be purchased or sold.

U. *Master Repurchase Agreement* means a written contract covering all future transactions between the parties to repurchase/reverse repurchase agreements that establish each party's rights

in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of a default by the seller-borrower.

V. *Maturity* means the date upon which the principal or stated value of an investment becomes due and payable.

W. *Money Market* means the market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

X. *Portfolio* means a collection of securities held by an investor.

Y. *Rate of Return* means the yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Z. *Repurchase Agreement* means a holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him/her for this. Dealers use repurchase agreements extensively to finance their positions. Exception: When the federal reserve is said to be doing a repurchase agreement, it is lending money, that is, increasing bank reserves.

AA. *Safekeeping* means a service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

BB. *Secondary Market* means a market made for the purchase and sale of outstanding issues following the initial distribution.

CC. *Supranational Bonds* means bonds issued by international financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management.

DD. *Treasury Bills* means a non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three (3) months, six (6) months, or one (1) year.

EE. *Treasury Bond* means a long-term U.S. Treasury security having initial maturities of more than ten (10) years.

FF. *Treasury Notes* means an intermediate term coupon bearing U. S. Treasury securities having initial maturities from one (1) to ten (10) years.

GG. *Yield* means the rate of annual income return on an investment, expressed as a percentage. “Income Yield” is obtained by dividing the current dollar income by the current market price for the security. “Net Yield” or “Yield to Maturity” is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

3.0 Scope and Objectives:

A. Scope. The city commingles its funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. The city maintains the right to separate certain funds and exclude them from the scope of this policy. Investment funds may include:

1. General Fund
2. Special Revenue Funds
3. Debt Service Funds
4. Capital Project Funds
5. Enterprise Funds
6. Internal Services Funds
7. Endowment Funds
8. Any new fund created by the city council, unless specifically exempted

B. Objectives. The primary objectives, in priority order, of the city's investment activities shall be safety, liquidity, and return on investment.

1. Safety. Safety of principal is the foremost objective of the city's investment policy. City investments shall be made in a manner that seeks to ensure the preservation of capital in the overall portfolio. To mitigate credit and interest rate risk, investment decisions shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

a. Credit risk. This is the risk of loss due to the financial failure of the security issuer or backer. The city will minimize credit risk by:

(1) Limiting exposure to poor credits and concentrating the investments in the safest types of securities.

(2) Diversifying the investment portfolio so that potential losses on individual securities will be minimized; and

(3) Actively monitoring the investment portfolio holdings for rating changes, changing economic market conditions, etc.

(4) Credit rating downgrade. If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Finance Director shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Finance Director will apply the general objectives of safety, liquidity, and return to make the decision.

b. Interest rate risk. This is the risk that the market value of securities in the portfolio will fall due to increases in general interest rates. The city will mitigate the interest rate risk by:

(1) Structuring the investment portfolio so that securities mature to meet cash requirements, when known, for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity;

(2) Investing liquidity funds primarily in short-term instruments (i.e., investments maturing in less than one year); and

(3) Investing excess liquidity funds in a manner that is consistent with the established risk/return objectives of this policy within the stated maximum weighted average maturity constraint.

2. Liquidity. The city's investment portfolio will remain sufficiently liquid to enable the city to meet all reasonably anticipated operating requirements. This will be accomplished by either maintaining a portion of the portfolio in investment vehicles offering daily liquidity at face value, such as the Washington State Local Government Investment Pool (LGIP) or structuring the portfolio so that securities mature concurrently with cash needs to meet anticipated demands. Because all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets.

3. Return on investment. The city's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the city's investment risk constraints, the cash flow characteristics of the portfolio, and earnings relative to the State of Washington LGIP. Return on investment is of lesser importance compared to the safety and liquidity objectives described above.

4.0 Delegation of authority and responsibilities:

A. Governing body. The city council as the governing body will retain ultimate fiduciary responsibility for the portfolio. The city council will receive at least quarterly reports, designate an investment officer, and review and adopt any changes to the investment policy.

B. Investment Officer. The City Council designates the City's Finance Director (or their designee) as the Investment Officer of the city. No person may initiate investment transactions on behalf of the Investment Officer without the express written consent of the Investment Officer.

The Finance Director shall be responsible for oversight of the investment program and shall help establish the investment strategies applicable to all investments of funds held by or belonging to the city, its agencies and departments.

C. Investment advisor. The city may engage the services of an external investment advisor to assist in the management of the city's investment portfolio in a manner consistent with the city's objectives. Such external advisors may be granted non-discretionary authority to purchase and sell investment securities in accordance with this Investment Policy. Such advisors must be registered under the Investment Advisers Act of 1940.

5.0 Standards of care and ethics:

A. Prudence. The standard of care to be used by investment officials shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio under prevailing economic conditions at the moment of investment commitments. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are timely reported and appropriate action is taken to control adverse developments.

The "Prudent Person" standard requires that investments be made with judgment and care, under circumstances then prevailing, that a person of prudence, discretion and intelligence would exercise in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.

B. Ethics and conflict of interest. Investment officials will recognize that the investment portfolio is subject to public review and evaluation. The overall program will be designed and managed with a degree of professionalism that is worthy of the public trust.

Officers and employees involved in the investment process shall refrain from knowingly engaging in personal business activity that could conflict with proper execution of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials responsible for investment transactions shall disclose to the Mayor any material financial interests in financial institutions that conduct business within this jurisdiction. They shall further disclose any large personal financial/investment positions that could be related to the performance of the city's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the city, particularly with regard to the time of purchases and sales.

6.0 Authorized investments, diversification, maturities and collateralization:

A. Authorized investments. The city is authorized by this chapter and empowered by statute (including, without limitation, RCW 39.59.020, 39.59.030, 43.84.080, and 43.250.040, including all future amendments) to invest in various securities, including, without limitation, the following:

Type of Investment	Definition
LGIP	State law allows cities to utilize the resources of the State Treasurer to maximize the potential surplus funds while ensuring the safety of public funds. A state investment pool has been designated to meet this function.
US Treasury Obligations	Certificates, notes, bonds, or strips of the United States, or other obligations of the United States or its agencies, or of any corporation wholly owned by the government of the United States.
GSE-Agency Securities	Obligations of Government Sponsored Enterprises (GSEs) which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System. (These include but are not limited to Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes, Federal Home Loan Mortgage Corporation and Federal Farm Credit Bank bonds.)
Repurchase Agreements	Repurchase agreements for securities provided that the transaction is structured so that the city obtains control over the underlying securities. If repurchase agreements are utilized, a Master Repurchase Agreement must be signed by the Finance Director with the transacting bank or dealer. Additionally, the collateral must meet the authorized investment and maturity constraints of this policy.
Bankers' Acceptance	Bankers' acceptances purchased on the secondary market which have at the time of investment the highest credit rating by a minimum of two recognized rating agencies (RCW 43.84.080(4)).
Commercial Paper	Commercial paper provided that the Finance Director adheres with the policies and procedures of the State Investment Board regarding commercial paper (RCW 43.84.080(7)); the exception is that the City will not allow Asset Backed commercial paper. Commercial paper not to have maturities exceeding 270 days. Commercial paper must be purchased on the secondary market and not directly from issuers. Commercial paper and corporate notes combined must not exceed more than 25% of the total assets of the portfolio.

Certificates of Deposit/Bank Deposits/Saving	Investment deposits including certificates of deposit, with qualified public depositories as defined by RCW 39.58.010(2) and in accordance with the restrictions therein.
Bonds of the State of Washington	Bonds of the State of Washington and any local government in the State of Washington, which bonds are rated A- or better at the time of investment by a nationally recognized rating agency.
General Obligation Bonds of a State Other than Washington	General obligation bonds of a state other than the State of Washington and general obligation bonds of a local government of a state other than the State of Washington, which bonds are rated A- or better at the time of investment by a nationally recognized rating agency.
Corporate Notes	Corporate Notes rated A- or better at the time of investment by all nationally recognized rating agencies that rate the security, subject to the current policies and procedures of the State Investment Board regarding Corporate Notes. Corporate notes "A-, A, or A+" with a negative outlook may not be purchased. If securities are downgraded below these minimum levels after purchase, they are considered permissible and the securities may be held or sold. Corporate notes must be purchased in the secondary market and not directly from the issuer.
Supranational Bonds	Supranational bonds issued by international financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. The City may only buy bonds that have the U.S. as their largest shareholder.

B. Diversification. Diversification is required by the city to reduce overall portfolio risks while attaining market average rates of return. Diversification by institution, type of investment security, and years to maturity shall be employed to avoid over-concentration in any of these areas.

The maximum percentages listed below will provide a guide in making investment decisions. Maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to review and approval by the Finance Director. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

Diversification Targets:

Authorized Investments	Maximum Portfolio Allocation	Maximum Maturity	Maximum Allocation Per Issuer	Credit Quality / Notes
Local Government Investment Pool	100%	-	-	-
US Treasury Obligations	100%	5 years	-	-
GSE Agency Securities	100%	5 years	-	-
Repurchase Agreements	10%	60 days	None	State collateral requirements must be followed.
Bankers' Acceptances	10%	180 days	10%	Rated in the highest short-term credit rating category by at least two NRSROs.
Certificates of Deposit/Bank Deposits/Saving	20%	24 months	10%	If not 100% collateralized, must be rated in the highest short-term rating category by at least one NRSRO.
Corporate Notes	25%	5 years	<p>Rated AA or better by all NRSROs: 3%</p> <p>Rated A- or better: 2%</p> <p>Non-U.S. and Canada: 2% per country</p>	Must be rated A- or better. Securities rates A-, A, or A+ with a negative outlook may not be purchased.
Commercial Paper		270 days	<p>U.S.: 3%</p> <p>Non-U.S. and Canada: 2%</p>	Rated in the highest short-term rating category by at least two NRSROs. If rated by more than two NRSROs, it must have the highest

				rating from all of the organizations. Any commercial paper purchased with a maturity longer than 100 days must also have an underlying long-term senior unsecured credit rating at the time of purchase in one of the three highest rating categories of an NRSRO.
General obligation bonds of any state or local government	20%	5 years	5%	Must be rated A- or better.
Supranational Bonds	20%	5 years	5%	Supranational bonds that have the United States as their largest shareholder.

C. *Maturities.* The city will invest in securities with maturity dates five (5) years from the date of purchase or less.

1. The maximum weighted average maturity of the total portfolio shall not exceed three (3) years. This maximum is established to limit the portfolio to excessive market price change exposure.

2. Liquidity funds will be held in the LGIP, bank deposits, or in short term instruments maturing six (6) months or less.

3. The investment portfolio will have securities that mature between one (1) day and five (5) years.

4. *Exception to five-year maturity maximum.* Investments may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

D. Collateralization. Collateralization is required on repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be (102%) of market value of principal and accrued interest. The only eligible collateral for repurchase agreements will be direct obligations of the U.S. Treasury, U.S. Government Agency and/or U.S. Government instrumentality obligations.

Securities that are acceptable as collateral must comply with the allowable securities listed in this policy. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of substitution is granted.

7.0 Dealers and institutions, safekeeping and custody, internal and external control:

A. Authorized financial dealers and institutions. The Finance Director will limit banking transactions to designated banking relationships and will refer to the financial institutions list provided by the Public Deposit Commission of banks authorized to provide investment services (RCW 39.58.080). In addition, the city will approve security broker/dealers by credit worthiness, and understanding of the city's requirements and policy. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule). No public deposit shall be made except in a qualified public depository in the State of Washington.

A current financial statement is required to be on file for each financial institution and broker/dealer in which the city invests. Electronic links and or files may be used to meet this requirement. If the city hires an investment advisor to assist in the management of the investment portfolio, then the city can also use the investment advisor's approved broker/dealer list.

B. Safekeeping and custody. All security transactions, including collateral for repurchase agreements, entered into by the city shall be conducted on a delivery versus payment basis. Securities will be held by a third-party custodian designated by the Finance Director.

C. Internal control. The Finance Director shall establish a process of periodic review by the accounting staff. This review will provide internal control monitoring by assuring that policies and procedures are being complied with.

8.0 Performance standards, reporting requirements and advisory investment committee:

A. Performance standards. The city's investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the city's investment risk constraints and cash flow needs. Appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and a comparison to the LGIP earnings rate should be completed on a regular basis.

B. Advisory investment committee. An investment committee will be established consisting of the City Manager (or designee), Finance Director, the Public Works director, and a member of the City Council, who shall be appointed by the mayor to serve a two (2) year term except to the extent interim appointments become necessary. The committee will meet quarterly and will be established to serve in a general review capacity, taking into account the city's investment objectives, available funds and current market conditions. The committee will review periodic reports which may include, but are not limited to: market value of the portfolio, percentages by type and institution, average life of the portfolio, expected cash flows, and average rate of return. The advisory committee does not vote on or direct investment decisions.

9.0 State and federal amendments:

If new legislation or regulation should amend the permitted instruments or institutions, those changes will be deemed to be immediately incorporated into this policy.



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E4)

Touch Date: 09/07/2021
Brief Date: 09/21/2021
Action Date: 10/05/2021

Department: Finance
Presented By: Jeff Niten

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

- | | | |
|-------------------------------------|------------------|----------|
| <input type="checkbox"/> | Dept. Head | _____ |
| <input checked="" type="checkbox"/> | Finance Director | 9/1/2021 |
| <input checked="" type="checkbox"/> | Attorney | 9/1/2021 |
| <input checked="" type="checkbox"/> | City Clerk | 9/1/2021 |
| <input checked="" type="checkbox"/> | City Manager | 9/1/2021 |

PROGRAM/PROJECT TITLE:

Surplus of City Assets Policy

ATTACHMENTS:

Surplus Policy

- | | |
|-------------------------------------|------------|
| <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | Motion |
| <input type="checkbox"/> | Other |

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

The current City of Shelton Disposal of Surplus City Assets was adopted in 2011, and city staff has undertaken a full, comprehensive city policies to ensure the organization is operating with Best Management Practices in mind.

Several components of the revised surplus policy are written to ensure and facilitate efficient operations of the City and include a requirement that all surplus property be disposed of through the Department of Enterprise Services, unless specifically recommended otherwise. Additionally, members of the City Council, City Manager, and Department Directors are prohibited from acquiring or purchasing city assets. Other members of the city staff may purchase items, but only through a public bidding process which is available to any member of the public. Lastly, under this policy as written the City Manager has the authority to declare items surplus up to a value of \$10,000 except those assets such as real estate or utility assets that are specifically governed by R.C.W.

ANALYSIS/OPTIONS/ALTERNATIVES:

Council can choose to retain the 2011 policy which contains many of the same provisions but requires items over \$1,000 be brought to City Council and offers less certainty regarding method of disposal of surplus property.

BUDGET/FISCAL INFORMATION:

None

PUBLIC INFORMATION REQUIREMENTS:

Information can be obtained from the City Clerk.

STAFF RECOMMENDATION/MOTION:

"I move APPROVAL of the Surplus of City Assets Policy as presented".



POLICY AND PROCEDURE

SUBJECT: Surplus and Disposal of City Assets	GROUP: Finance	NUMBER:
EFFECTIVE DATE:	SUPERCEDES: 300-20	
PREPARED BY: Aaron BeMiller	APPROVED BY:	

1.0 PURPOSE:

The objective of this policy is to establish the guidelines, requirements, and procedures regarding the declaration and sale of City surplus property.

2.0 DEPARTMENTS AFFECTED:

All

3.0 REFERENCES:

This policy is supplemental to the state audit requirements as outlined by the following, as amended:

RCW 35.94 – Sale or lease of municipal utilities

RCW 39.33 – Intergovernmental disposition of property

RCW 42.30 – Open public meetings act

RCW 42.56 – Public records act

RCW 63.32 – Unclaimed property in hands of the City police

RCW 69.50 – Uniform controlled substance act

AGO 1997 No. 5 – Relationship of intergovernmental disposition of property act to RCW 49.09.210

4.0 POLICY:

Assets of the City that are no longer usable and/or are no longer of value to the City and are surplus to the City's needs may only be removed from City ownership through the City's surplus procedure. When a department makes a determination that an asset is surplus to its needs notification must be sent to the City Manager. The City Manager will make a determination as to whether the asset could be of use or value to another department or activity of the City and be reassigned or if the asset should be made

ready for surplus. All assets being declared surplus must include a value of the asset at the time of disposal. Prior to a declaration of surplus, the City's finance department shall be informed of the intent to surplus an asset. The finance department will update, as appropriate, City inventory and provide any necessary documents at the time of disposal.

- The City Manager has the authority to declare an asset surplus if the value of the asset at disposal is determined to be less than \$10,000.
- Assets with a value at disposal of \$10,000 or more require a Resolution of the City Council declaring the asset(s) as surplus.
- Real estate, assets over \$50,000, and utility assets shall be processed per requirements in RCW 39.33.020 and/or RCW 35.94 and approved by the City Council.

Unless expressly stated in the surplus Resolution or Ordinance, the City will utilize Washington State's Department of Enterprise Service for sale of the surplus asset(s). If the asset is to be disposed using a different process, the Resolution or Ordinance must include a recommended method of disposal and statement of reason for the recommended method. Other methods of disposal may include: sealed bid, trade-in, or auction.

The Mayor, City Councilmembers, City Manager, and department directors are prohibited from acquiring or purchasing assets of the City declared surplus and disposed of pursuant to this policy. City employees may purchase assets the City has declared surplus but only through the public process which is available to everyone except those excluded by this policy.



CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item E5)

Touch Date: 09/07/2021
Brief Date: 09/21/2021
Action Date: 10/5/2021

Department: **Community Development**
Presented By: **Mark Ziegler, Director**

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

☒ Dept. Head

☐ Finance Director

☒ Attorney

☒ City Clerk

☒ City Manager

PROGRAM/PROJECT TITLE:
**HOPE Community Garden at
Callanan Park**

ATTACHMENTS:
Agreement

☐ Ordinance

☐ Resolution

☒ Motion

☐ Other

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

The City and Hands on Personal Empowerment (HOPE) are coordinating the installation of a community garden in Callanan Park. With the execution of this agreement, a little used area of the park would be developed into an approximately 10,000 square foot community garden. The garden will consist of noncommercial growing of food crops that will go to support local low-income families for their own private consumption, Community Lifeline, and Saints Pantry Food Bank. The garden will also serve as a teaching garden for workshops offered to veterans, students, and the public at large. On the perimeter of the garden, there will be native edible plants along the fence and under the existing trees to offer more opportunities for education, food security, and cultural relevance.

The City will assist in site preparation and extending utilities and HOPE will construct the garden beds and support infrastructure needed to manage and maintain the garden.

Staff believes this project will further add to the amenities in Callanan Park and bring new opportunities to the surrounding neighborhood to recreate and further community engagement.

ANALYSIS/OPTIONS/ALTERNATIVES:

N/A

BUDGET/FISCAL INFORMATION:

Anticipated costs to the City for installation are expected to be approximately \$2,500. Annual water and electrical consumption charges will also be borne by the City.

PUBLIC INFORMATION REQUIREMENTS:

N/A

STAFF RECOMMENDATION/MOTION:

"I move to approve the agreement with Hands on Personal Empowerment for the construction of a community garden in Callanan Park.."

AGREEMENT
FOR
HOPE COMMUNITY GARDEN AT CALLANAN PARK

THIS AGREEMENT is made and entered into by the City of Shelton, hereinafter referred to as “City”, and Hands on Personal Empowerment, hereinafter referred to as “HOPE”.

THE PURPOSE OF THIS AGREEMENT is to allow HOPE to install and maintain a community garden within Callanan Park located at 400 West E Street in Shelton, Washington. Callanan Park is an 8.27 acre public park owned and operated by the City of Shelton, of which HOPE intends to create and construct a community garden within an area approximately 10,000 square feet in size at the Park’s furthestmost southeast corner. See Attachment “A”. The City and HOPE agree to the development of a community garden, hereinafter referred to as “The HOPE Community Garden” to be maintained by garden plot holders and to be built and managed by HOPE staff and volunteers. The HOPE Community Garden will consist of a series of plots to be allocated for the noncommercial growing of food crops that will go to support local low-income families for their own private consumption, Community Lifeline, and Saints Pantry Food Bank. The garden will also serve as a teaching garden for workshops offered to veterans, students, and the public at large. On the perimeter of the garden, there will be native edible plants along the fence and under the existing trees to offer more opportunities for education, food security, and cultural relevance.

THEREFORE, IT IS MUTUALLY AGREED THAT:

1. CITY Agrees:
 - a. To provide use of the agreed-upon area of Callanan Park (as shown Attachment “A”) for the exclusive use by HOPE to construct, maintain and operate HOPE Community Garden.
 - b. To allow HOPE staff and volunteers, visitors and participants of HOPE Community Garden access to the garden through Callanan Park.
 - c. To defend, indemnify, and hold HOPE harmless from all claims for damages, including attorney fees, that arise from the sole negligence of City employees or agents in the performance of this Agreement, or from conditions of the Park that are unrelated to the community garden.
 - d. To designate a City employee as the contact person/administrator of this Agreement, and to update HOPE Garden of any changes in the designation.

- e. To offer reasonable assistance with enforcing community garden rules, as requested by HOPE and when necessary to protect the public welfare, health, and safety or the City's Property.
 - f. To respond promptly to HOPE's requests for maintenance on the Park, and to promptly inspect and repair, as reasonably necessary, defects that are not attributable to the community gardens fixtures or structures.
 - g. To extend existing Park water and electric facilities to the gardens' northern most perimeter for construction and maintenance of the garden beds, and maintain those facilities in working order. City also agrees to be responsible for the monthly costs of water and electricity as utilized by HOPE in the construction and maintenance of the HOPE Community Garden.
 - h. To remove some small diameter trees (6" inches or less at 24 inches in height) from garden bed areas. City and HOPE will together designate which trees will be removed.
 - i. To allow HOPE staff and volunteers and garden visitors and participants to utilize Park facilities including parking lot and public restrooms.
 - j. To allow HOPE staff and volunteers to construct and maintain internal fencing along the northern and eastern perimeter of the garden area at their own expense, with the City's approval of design and construction methods.
 - k. To allow HOPE staff and volunteers to conduct agricultural and gardening focused workshops within the HOPE Community Garden open to registered participants, with prior notice provided to the City's designated contact for this Agreement.
2. HOPE Agrees:
- a. To construct approximately 20 raised garden beds available to the general public, with at least five of those beds accessible from a sitting or standing position, as well as construct one gardening shed and install one or more compost bins. Layout of beds, shed and bins is provided in the attached Attachment "B" as an approximation and may change to adjust for trees, vegetation and sloping.
 - b. That HOPE staff and volunteers, and garden participants and visitors will access water and electricity from the facilities as extended and provided by the City to the north garden perimeter. HOPE will lock and secure spigots when not in use to prevent misuse and vandalism.
 - c. To manage and maintain any trees, plants, or bushes for safety and plant health that have been planted by HOPE staff and volunteers.

- d. To purchase and construct, if feasible, an internal fence along the northern and eastern perimeter of the garden area to minimize general public foot traffic and to deter animals with the City's approval of design and construction methods.
- e. To provide prior notice to the City's designated contact for this Agreement of any workshops held at the HOPE Community Garden for registered participants.
- f. To keep hours of operation to the garden in alignment with those of Callanan Park, and close the garden during hours of darkness. The gardening shed and compost bins will also be locked and secured when garden is closed. Keys may be provided to the City if so requested.
- g. To utilize the physical landscape of the area as is, with the exception of tree removals as provided by the City, and mutually agreed upon by City and HOPE.
- h. Not to discriminate on the basis of race, gender, sexual orientation, nationality, religion, or any other suspect classification in the terms or conditions of use of the HOPE Community Garden.
- i. To supply all labor, either volunteer or paid workers, to accomplish the construction of the garden beds, shed, bins and fencing, at no cost to the City.
- j. To pay for the acquisition, rental, maintenance, and operation of all necessary equipment for construction of the garden beds, shed, bins and fencing, with the exception of water and electricity as provided by the City.
- k. To pay for the installation of planting beds, storage facilities information signage, rules and regulation signage, and all other parts of the garden.
- l. To obtain all necessary permits from appropriate jurisdictions for installation or construction of any structures, grading, filling, or clearing.
- m. To purchase and install informational signage, including garden rules and regulations. All signage must be approved by the City prior to installation. Signage will designate areas for the community garden, no parking, and rules for safety and cleanliness.
- n. To leave in place any current Park signage, and not to utilize any spaces designated for future Park signs.
- o. To designate two HOPE representatives to serve as responsible parties for administering this Agreement and communicating with the City, and to keep the City informed of changes in representatives.
- p. To maintain all structures and garden fixtures in good condition free of defects
- q. To maintain garden signs to ensure that they are readable and installed securely in place.
- r. To maintain the garden fixtures in a reasonably safe condition, free of patent and latent defects, and to notify the City of any defects or dangerous conditions on the property which are not attributable to the garden fixtures.

- s. To take reasonable measures to enforce garden rules and appropriate conduct by, for example, having HOPE Garden representatives visit and patrol the garden periodically, issuing verbal and written reminders of rules to garden users, asking rule violators to leave the Park, and calling Shelton Police for assistance if necessary.
- t. To defend, indemnify, and hold the City harmless from all claims for damages, including attorney fees, arising from the HOPE Garden's construction or maintenance of the garden or from HOPE Garden's performance of this Agreement, except to the extent the damages are caused by the sole negligence of the City's employees or agents, or by conditions of the Park not related to the garden fixtures.
- u. To maintain in effect during the entire term of this Agreement and any renewal terms a comprehensive general liability insurance policy insuring itself against liability resulting from its use of the Park as contemplated herein, with a minimum coverage of one million dollars (\$1,000,000) per occurrence. Such policy shall name the City as an additional insured party.
- v. To maintain the garden in such a way as to provide unimpeded access for emergency personnel and equipment.
- w. To be responsible for payment of leasehold excise tax pursuant to Ch. 82.29A RCW, if and as applicable to this agreement.

DURATION OF AGREEMENT/TERMINATION

This agreement shall commence on the date the last Party signs the agreement and shall be eligible for renewal by mutual agreement of the Parties on an annual basis. Should neither Party notify the other of an objection to renewal thirty days prior to the end of any year, the Agreement shall automatically renew for the following year.

The Agreement may be terminated prior to the end of any year term with thirty (30) day notice from either party to the other, but only for misconduct, fraud, material breach of the Agreement, or any other justifiable cause.

Should this Agreement be terminated by either Party, HOPE will have sixty days to remove all equipment and garden fixtures from the property. HOPE equipment left on the property after that time will become property of the City for its disposal or re-use.

Sign: _____ Date: _____

HOPE Garden Executive Director:

Sign: _____ Date: _____

City of Shelton

Attachment "A"



Proposed Callanan Community Garden



Legend

● Water & Power

■ Beds

□ Garden Perimeter

□ Parcels

Fence & Gate

— Front

— Outside

— Front_Gate

— Gate

Shed

■ Compost Bins

■ Shed





CITY OF SHELTON COUNCIL BRIEFING REQUEST (Agenda Item F6)

Touch Date: 03/16/2021
Brief Date: 04/06/2021
Action Date: 10/05/2021

Department: Community Development
Presented By: Mark Ziegler, Director

APPROVED FOR COUNCIL PACKET:

Action Requested:

ROUTE TO:

REVIEWED:

- | | | |
|-------------------------------------|------------------|-------|
| <input type="checkbox"/> | Dept. Head | _____ |
| <input type="checkbox"/> | Finance Director | _____ |
| <input type="checkbox"/> | Attorney | _____ |
| <input checked="" type="checkbox"/> | City Clerk | _____ |
| <input checked="" type="checkbox"/> | City Manager | _____ |

PROGRAM/PROJECT TITLE:

**Municipal Code Steering
Committee Appointments**

ATTACHMENTS:

- | | |
|-------------------------------------|------------|
| <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | Motion |
| <input type="checkbox"/> | Other |

DESCRIPTION OF THE PROGRAM/PROJECT AND BACKGROUND INFORMATION:

The City sought letters of interest from the community specifically targeting developers, building advocacy, design professionals, and the business community to serve on the steering committee that will assist staff in writing and review of development-specific code updates.

As these code changes will shape how residential and commercial development look in the future, a broad spectrum of interests and backgrounds are beneficial to the process.

Eight individuals provided written interest in appointment to the committee including:

Mike Olsen, local builder
Len Williams, AIA, Williams Architecture
Keith Fuller, realtor
John Allen, local builder
Will Johnson, local builder
Nathan Stout, local plumber
Marty Crow, Habitat for Humanity
Hillary Browning, Department of Natural Resources

On April 6, 2021 five individuals were appointed to the committee by the City Council. Since that time Mr. Stout has not been able to dedicate the time necessary, and has decided to resign.

ANALYSIS/OPTIONS/ALTERNATIVES:

N/A

BUDGET/FISCAL INFORMATION:

N/A

PUBLIC INFORMATION REQUIREMENTS:

N/A

STAFF RECOMMENDATION/MOTION:

"I move to appoint Hillary Browning to the City of Shelton's development code steering committee."