



McCleary Regular City Council Meeting

Wednesday, November 06, 2024 – 6:30 PM

McCleary City Hall Council Chambers & Zoom Virtual Meeting

Agenda

Join Zoom Meeting

https://us06web.zoom.us/webinar/register/WN_kkuYO8EiRPqPfxSty-U94w

Meeting ID: **817 9207 7978**

Passcode: **144764**

(253) 215-8782

Call to Order/Flag Salute/Roll Call

Agenda Modifications/Acceptance

Public Hearing

- [1.](#) Preliminary 2024 Budget

Special Presentations

- [2.](#) Tech Support Presented by Right Systems

Public Comment - Agenda Items Only

Consent Agenda

- [3.](#) Accounts Payable Oct. 1-15, 2024 Ck Numbers 53822-53895 Including EFT's Totaling \$278,463.06
- [4.](#) Accounts Payable Oct 16-31, 2024 Ck Numbers 53905-53952 including EFT's totaling \$88,914.72
- [5.](#) December 13, 2023 Minutes
- [6.](#) September 11, 2024 Minutes
- [7.](#) September 17, 2024 Minutes
- [8.](#) September 25, 2024 Minutes

Updates

- [9.](#) Staff Reports - Light & Power, Fire Department, Water & Wastewater

New Business

- [10.](#) Budget & ARPA Funds Discussion
- [11.](#) New Lindsey Baum Banners - Discussion with Councilmember Huff

Old Business

- [12.](#) Younglove & Coker Agreement

Ordinances and Resolutions

- [13.](#) Ad Valorem - Tax Levy Ordinance 892

Public Comment - City Business Only

Closed Session

- [14.](#) RCW 42.30.140 - Labor Negotiations

Council Comments

City Administrator Comments

Mayor Comments

Please turn off Cell Phones- Thank you

Americans with Disabilities Act (ADA) Accommodation is Provided Upon Request.

The City of McCleary is an equal opportunity provider and employer.

La ciudad de McCleary es un proveedor de igualdad de oportunidades y el empleador.

Adjourn

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City of McCleary

Preliminary Budget 2025

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Mayor's Budget Message

Dear Residents and City Council Members,

As Mayor of McCleary, I am writing to provide you with a detailed overview of the proposed 2025 city budget. The past year has presented us with several significant challenges, including the loss of key positions within our city departments, which prompted us to make some difficult decisions to ensure our city's financial stability and the continued delivery of essential services to our community.

Budget Challenges and Solutions

The Current Expense fund has faced a concerning downward trend in recent years, with only a temporary boost in 2021 attributed to ARPA funds. To address these ongoing financial challenges, we propose several strategic measures aimed at stabilizing and improving our budget:

- **Reallocation of ARPA Funds:** We intend to re-allocate ARPA funds that were originally budgeted for 2024 to cover this year's pressing expenses. This reallocation will not only increase our Current Expense fund balance but also allow us the necessary flexibility to support other crucial areas, such as street fund grants, when the need arises. This adjustment is critical as it enables us to address immediate financial gaps while planning for future needs.
- **Interest Revenue Reallocation:** By authorizing all interest revenue generated to benefit the Current Expense fund, we can potentially generate an additional \$60,000 annually. This projection assumes we maintain a stable LGIP balance and adjust interest rates appropriately. By making this change, we can bolster our funding and ensure vital services can continue without interruption.
- **Utility Tax Increase:** We are proposing a modest 1% increase in the water, sewer, and stormwater utility tax. This adjustment is expected to raise approximately \$23,000 annually for the city, which is a relatively small increase of less than \$2.00 per month per household. This increase is designed to ensure that we can continue to maintain and improve our vital infrastructure.
- **Property Tax Levy Adjustment:** By utilizing both banked property tax levy capacity and implementing a 1% increase in the 2025 ordinance, we aim to generate an additional \$20,000 per year for our city funds. This strategic adjustment will help us better meet the growing needs of our community while ensuring that we can continue to provide quality services and support.

Utility Rate Adjustments

To maintain equilibrium in our budget and adequately support our infrastructure needs, we are looking at necessary utility rate adjustments, which include:

- A 4% increase in electric rates to cover rising operational costs and maintain service reliability.
- A 9.75% increase in stormwater rates, a decision guided by our recent comprehensive rate study that highlights the importance of supporting our stormwater management systems.

Light and Power Fund

Despite being a major revenue source for our city, the Light and Power fund is projected to face a negative balance due to escalating capital expenditures and rate increases from the Bonneville Power Association. Exploring alternative energy sources and innovative solutions remains a valuable opportunity for future consideration, as we seek to diversify our energy portfolio and enhance sustainability.

Ongoing Labor Negotiations

It is also important to acknowledge that our labor negotiations with Teamsters are ongoing. Any related adjustments that may arise from these discussions have not yet been factored into this budget, but we remain committed to reaching a fair agreement that supports our dedicated city employees.

Moving Forward

These collaborative actions are vital to effectively balancing our budget, maintaining staffing levels, and prioritizing essential services that our residents rely on. By endorsing these proposed measures, we can collectively secure a more stable economic environment for McCleary.

I encourage your feedback and support as we look to enact these strategies. Together, we can ensure that McCleary continues to thrive as a vibrant and resilient community.

Thank you for your partnership and commitment to our community.

Warm regards,

Chris Miller

Mayor of McCleary

Elected Officials

		<u>Term Expires:</u>
Chris Miller	Mayor	December 31, 2025
Jacob Simmons	Council Position #1	December 31, 2026
Brycen Huff	Council Position #2	December 31, 2026
Brent Schiller	Council Position #3	December 31, 2025
Andrea Dahl	Council Position #4	December 31, 2025
Keith Klimek	Council Position #5	December 31, 2025

Staff

Jon Martin	City Administrator
Vacant	City Clerk-Treasurer
Vacant	Public Works Director
Vacant	Police Chief

Budget Development Process

The budget includes financial planning and legal authority to obligate public funds. Additionally, the budget provides policy direction by the City Council to the staff and community.

The budget serves four functions:

It is a Policy Document

The budget functions as a policy document in that the decisions made within the budget will reflect the general principles or plans that guide the actions taken for the future. As a policy document, the budget makes specific attempts to link desired goals and policy direction to the actual day-to-day activities of the City staff.

It is an Operational Guide

The budget of the city reflects its operations. Activities of each City fund or department have been planned, formalized and described in the following sections. This process will help to maintain an understanding of the various operations of the City and how they relate to each other and to the attainment of the policy issues and goals of the City Council.

It is a Link with the General Public

The budget provides a unique opportunity to allow and encourage public review of City operations. The budget describes the activities of the city, the purpose of those activities, future implications, and the direct relationship to citizens.

It is a Legally Required Financial Planning Tool

Preparing and adopting a budget is a state law requirement of all cities as stated in Title 35A of the Revised Code of Washington (RCW). The budget must be adopted as a balanced budget and must be in place prior to the beginning of the City's fiscal year. The budget is the legal authority to expend public funds and controls those expenditures by limiting the amount of appropriation at the fund level. The revenues of the City are estimated, along with available cash carry-forward, to determine funds available.

The City operates on a calendar-year basis. The city utilizes an incremental budgeting approach that assumes, for most functions of government, that the current year's budget is indicative of the base required for the following year. Any increases are incremental and based on needs defined by budget policies, emerging issues, Council goals and available resources.

Budget Calendar

November 6

- Mayor's proposed budget + budget message presented to Council
- Public hearing – Preliminary Budget
- First read – property tax ordinance
- First read – budget ordinance

November 14

- Budget Workshop

November 20

- Public hearing on final budget
- Second read (adoption) – property tax ordinance
- Second read (adoption) – budget ordinance

After the budget is adopted, the City enters a budget implementation and monitoring stage. Throughout the year, expenditures are monitored by the City Clerk and department directors to ensure that funds are within the approved budget. The City Clerk provides the City Council with quarterly reports to keep them current with the City's financial condition.

The Mayor is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, position titles, salary ranges or other conditions of employment must be approved by the City Council.

When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a fund, it may do so by ordinance adopted by Council.

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When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a fund, it may do so by ordinance adopted by Council.

Budget Principles

General Principles

- Department directors have primary responsibility for formulating budget proposals in line with City Council and Mayor directions, and for implementing them once they are approved.
- The City Clerk Treasurer is responsible for coordinating the overall preparation and administration of the City's budget. This function is fulfilled in compliance with applicable State of Washington statutes governing local government budgeting practices.
- The City Clerk Treasurer assists department staff in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.
- If presented, Interfund charges will be based on recovery of costs associated with providing those services.
- Budget adjustments requiring City Council approval will occur through the ordinance process at the fund level prior to the end of the fiscal year.
- The City's budget presentation will be directed at displaying the City's budget in a Council and Citizen-friendly format.

Basis of Accounting

- Annual appropriated budgets are adopted for all funds on the cash basis of accounting.
- Budgets are adopted at the fund level that constitutes legal authority for expenditures. Annual appropriations lapse at the end of the fiscal period.
- The **General Fund** is the primary fund of the City. It accounts for all financial resources except those required or elected to be accounted for in another fund.
- **Special Revenue Funds** account for revenue sources that are legally restricted or designated to finance certain activities.
- **Capital Project Funds** account for major construction projects.
- **Enterprise Funds** account for operations that provide goods and services to the general public and are supported primarily by user charges.

City-Wide Budget Summary

<u>Fund</u>	<u>Beginning Fund Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Increase (Decrease)</u>	<u>Ending Fund Balance</u>
001 - Current Expense	212,873	1,480,110	1,480,110	0	212,873
002 - Current Expense Reserve	241,181	-	-	-	241,181
102 - Street Fund	33,493	623,055	629,873	(6,818)	26,675
120 - Street Reserve	57,140	-	-	-	57,140
122 - Fire Levy LID Lift	211,901	-	-	-	211,901
301 - Real Estate Excise Tax	203,647	35,000	147,500	(112,500)	91,147
302 - Street Equipment Replacement	16,940	-	-	-	16,940
304 - Light & Power Equip Replacement	220,558	-	50,000	(50,000)	170,558
305 - Water Equipment Replacement	285,571	-	10,000	(10,000)	275,571
307 - Sewer Equipment Replacement	18,416	-	10,000	(10,000)	8,416
309 - Storm Equipment Replacement	21,166	-	-	-	21,166
321 - Police Equipment Replacement	4,426	-	-	-	4,426
322 - Fire Equipment Replacement	107,513	-	-	-	107,513
336 - Park & Cemetery Equip Replacement	49,933	-	-	-	49,933
401 - Light and Power	650,245	3,822,712	4,158,113	(335,401)	314,844
405 - Water	730,213	1,117,900	1,138,298	(20,398)	709,815
407 - Sewer	230,979	1,167,800	1,168,886	(1,086)	229,893
409 - Storm Water	47,454	210,525	211,769	(1,244)	46,210
410 - Light & Power Reserve	357,539	-	-	-	357,539
413 - Ambulance Fund	47,633	140,000	140,500	(500)	47,133
421 - Sewer Bond Reserve	8,422	146,400	143,700	2,700	11,122
422 - Water Reserve	498,877	-	-	-	498,877
423 - Sewer Reserve	152,956	-	-	-	152,956
Total	4,409,076	8,743,502	9,288,749	(545,247)	3,863,829

Authorized Positions

<u>Position</u>	<u>2025 FTE</u>	<u>2025 Pay Range</u>	
		<u>Low</u>	<u>High</u>
Exempt:	-	-	
City Administrator	1	\$117,600	
Director of Public Works	--		
City Clerk-Treasurer	1	\$6,848	\$7,742
Police Chief	1	\$7,000	\$8,000
IBEW:			
Deputy Clerk	1	\$6,451	
Utility Accounts Manager	1	\$5,689	\$6,290
PW Planning Assistant	1	\$4,728	\$5,222
Office Clerk	0	\$4,453	\$4,923
Sr. Journeyman Lineman	1	\$ 69.46	
Journeyman Lineman	3	\$ 58.65	
Line Equipment Operator	1	\$ 50.63	
Lineman in Training	1	\$ 50.63	
Teamsters:			
Police Records Clerk	0.5	\$4,641	\$4,734
WWTP Manager	1	\$4,955	\$6,195
WWTP Operator II	1	\$4,308	\$5,385
PW Field Crew Foreperson	1	\$4,308	\$5,385
Utility Maintenance I	4	\$3,444	\$4,304
FOP - Police:			
Police Sergeant	1	\$7,943	
Police Officer	3	\$5,710	\$6,948
Total Regular FTE	<u><u>23.5</u></u>		
Part-time:			
PT Ground Maintenance I	.25	\$16.28	
PT PW Summer help	0		

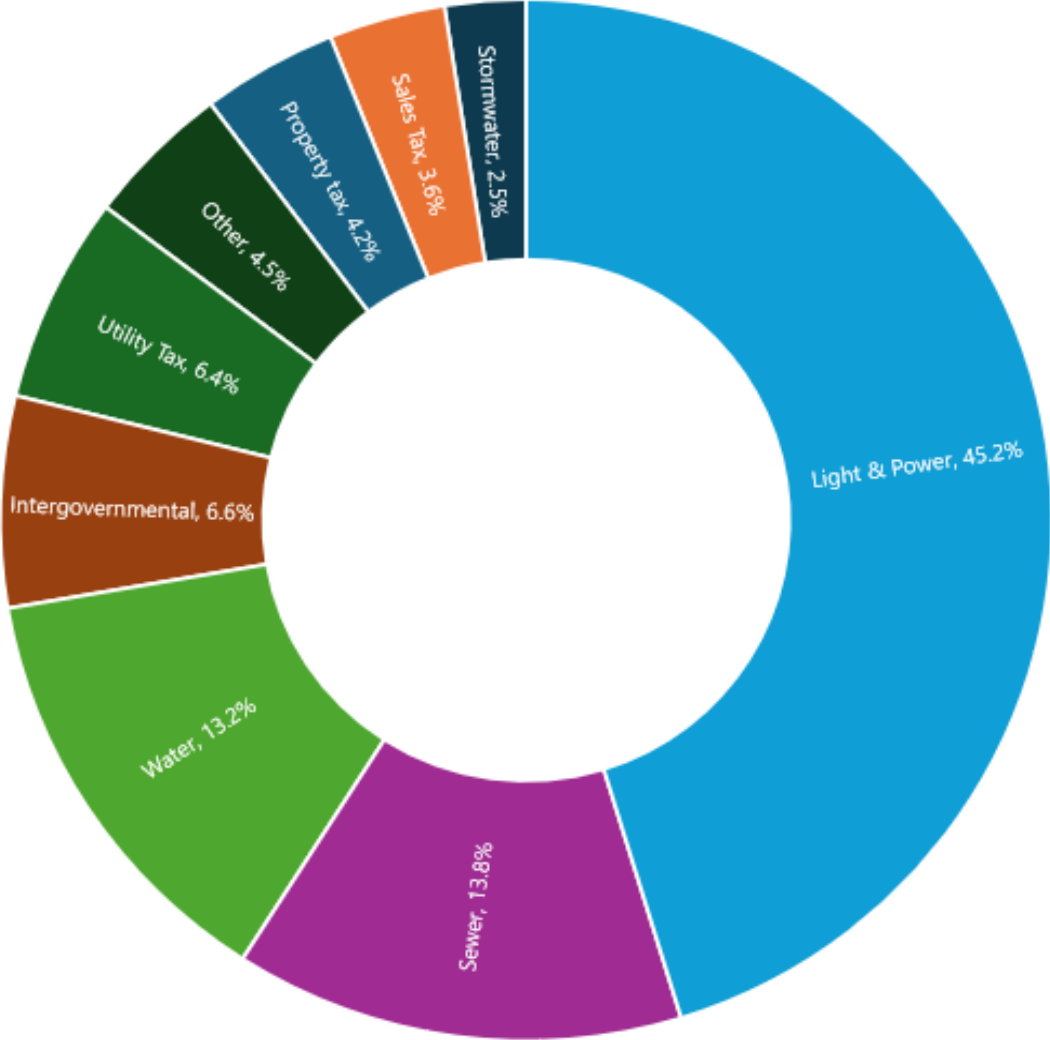
Fire/Stipend:

Chief 1
 Assistant Chief 1
 Firefighters 16

Current Expense

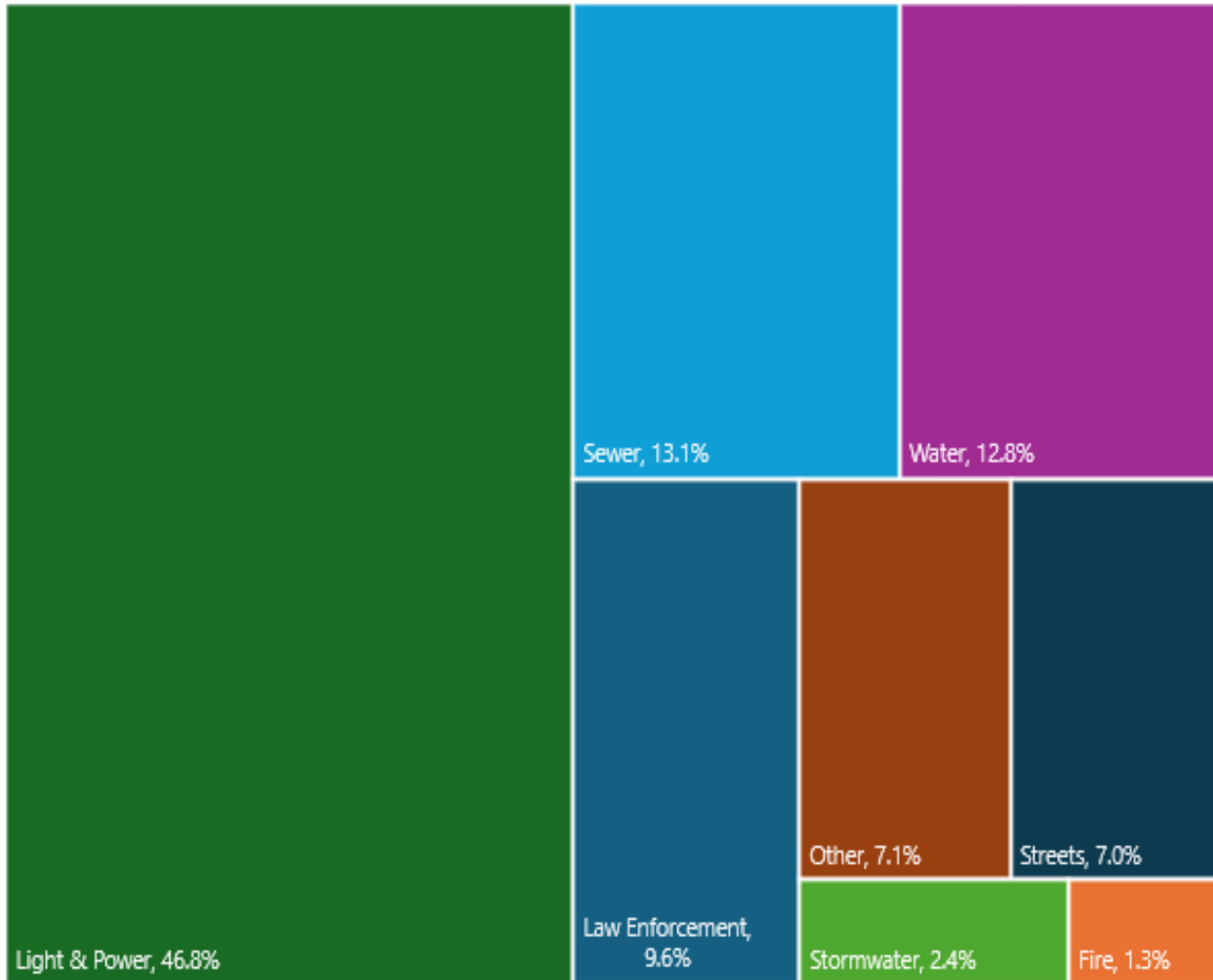
<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	343,789	485,913	433,798	294,212	212,873
310	Taxes	1,091,832	1,134,525	1,161,516	1,153,776	1,197,600
320	Licenses & Permits	33,548	31,283	20,484	15,262	15,200
330	Intergovernmental Revenues	360,893	364,454	116,161	78,233	78,200
340	Charges For Services	7,626	6,818	7,249	9,308	9,300
350	Fines & Forfeitures	82,652	41,074	38,336	39,701	39,700
360	Misc Revenues	21,307	51,091	44,133	73,953	130,310
380	Non Revenues	8,820	10,925	13,364	9,778	9,800
390	Loan Proceeds	59,342	-	-	-	-
	Total Revenues	1,666,020	1,640,170	1,401,242	1,380,011	1,480,110
511	Legislative	8,259	7,468	6,044	3,564	1,344
512	Judicial	37,375	19,725	24,400	23,567	21,000
513	Executive	8,505	10,151	10,370	8,574	8,892
514	Administration	147,526	226,268	131,683	148,426	147,934
515	Legal Services	62,105	85,236	47,017	63,171	77,000
518	Central Services	1,883	24,687	1,042	280	-
519	General Government Services	19,865	23,662	29,666	47,461	38,570
521	Law Enforcement	760,091	823,079	890,516	922,555	863,311
522	Fire Control	51,621	65,430	154,770	63,944	116,793
523	Jail Costs	-	-	-	-	1,000
524	Protective Inspections	50,397	41,907	33,608	37,100	46,578
525	ARPA	23,617	-	-	-	-
528	Communications & Dispatch	49,580	50,663	46,730	26,324	27,500
531	Storm Water	1,459	1,499	1,773	2,513	2,030
536	Cemetery	29,307	27,394	37,296	26,894	25,866
538	Other Utilities	239	247	269	306	250
558	Planning & Community Development	-	26,647	5,000	-	-
571	Education	-	1,887	435	-	-
572	Libraries	4,740	4,835	6,337	5,861	9,000
576	Park Facilities	48,604	47,386	55,072	57,863	56,043
580	Non Expenditures	7,617	3,951	(4,016)	-	-
591	Debt Service	9,342	7,716	8,627	22,948	37,000
594	Capital Expenditures	92,944	9,348	17,439	-	-
597	Interfund Transfers	108,820	183,100	36,750	-	-
	Total Expenditures	1,523,896	1,692,285	1,540,829	1,461,350	1,480,110
	Revenues less expenditures	142,124	(52,115)	(139,587)	(81,339)	0
508	Ending Fund Balance Balance	485,913	433,798	294,212	212,873	212,873
	Ending Fund Balance as % of Expenditures	32%	26%	19%	15%	14%

2025 Revenue Sources - All City Funds



Current Expense Reserve

2025 Expenditures - All City Funds



Current Expense Reserves

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	207,415	217,547	229,294	235,018	241,181
360	Misc Revenues	133	1,747	5,724	6,163	-
397	Transfers In	10,000	10,000	-	-	-
	Total Revenues	10,133	11,747	5,724	6,163	-
	Total Expenditures	-	-	-	-	-
	Revenues less expenditures	10,133	11,747	5,724	6,163	-
508	Ending Fund Balance Balance	217,547	229,294	235,018	241,181	241,181

Street Fund

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	(177,715)	35,701	45,135	12,110	33,493
310	Taxes	22,734	39,866	39,390	-	-
320	Licenses & Permits	656	284	820	541	-
330	Intergovernmental Revenues	326,612	70,548	127,846	73,335	475,555
360	Misc Revenues	34	291	303	1,190	-
380	Non Revenues	-	72	-	-	-
390	Loan Proceeds	24,171	517	1,457	-	-
397	Interfund Transfers	16,500	55,000	2,750	100,000	147,500
	Total Revenues	390,708	166,579	172,566	175,067	623,055
542	Maintenance	93,602	117,317	130,850	146,431	189,173
591	Debt Service	663	5,691	5,137	7,252	5,700
594	Capital Expenditures	73,027	28,136	69,604	-	435,000
597	Interfund Transfers	10,000	6,000	-	-	-
	Total Expenditures	177,292	157,144	205,592	153,684	629,873
	Revenues less expenditures	213,416	9,434	(33,026)	21,383	(6,818)
508	Ending Fund Balance Balance	35,701	45,135	12,110	33,493	26,675

Street Reserve

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	53,859	53,902	54,324	55,680	57,140
360	Misc Revenues	43	422	1,356	1,460	-
	Total Revenues	43	422	1,356	1,460	-
	Total Expenditures	-	-	-	-	-
	Revenues less expenditures	43	422	1,356	1,460	-
508	Ending Fund Balance Balance	53,902	54,324	55,680	57,140	57,140

Fire Levy LID Lift

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	86,922	155,742	224,742	211,901	211,901
397	Interfund Transfers	68,820	69,000	-	-	-
	Total Revenues	68,820	69,000	-	-	-
594	Capital Expenditures	-	-	12,841	-	-
	Total Expenditures	-	-	12,841	-	-
	Revenues less expenditures	68,820	69,000	(12,841)	-	-
508	Ending Fund Balance Balance	155,742	224,742	211,901	211,901	211,901

Real Estate Excise Tax

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	150,615	182,207	235,145	275,017	203,647
310	Taxes	97,994	51,253	33,533	22,660	35,000
360	Misc Revenues	98	1,685	6,339	5,970	-
	Total Revenues	98,092	52,938	39,872	28,630	35,000
597	Interfund Transfers	66,500	-	-	100,000	147,500
	Total Expenditures	66,500	-	-	100,000	147,500
	Revenues less expenditures	31,592	52,938	39,872	(71,370)	(112,500)
508	Ending Fund Balance Balance	182,207	235,145	275,017	203,647	91,147

Street Managerial Equipment Replacement

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	-	10,000	16,105	16,507	16,940
360	Misc Revenues	0	105	402	433	-
397	Interfund Transfers	10,000	6,000	-	-	-
	Total Revenues	10,000	6,105	402	433	-
	Total Expenditures	-	-	-	-	-
	Revenues less expenditures	10,000	6,105	402	433	-
508	Ending Fund Balance Balance	10,000	16,105	16,507	16,940	16,940

Light & Power Equipment Replacement

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	119,802	119,881	178,574	240,907	220,558
360	Misc Revenues	79	1,193	4,833	6,318	-
397	Interfund Transfers	-	57,500	57,500	-	-
	Total Revenues	79	58,693	62,333	6,318	-
594	Capital Expenditures	-	-	-	26,667	50,000
	Total Expenditures	-	-	-	26,667	50,000
	Revenues less expenditures	79	58,693	62,333	(20,349)	(50,000)
508	Ending Fund Balance Balance	119,881	178,574	240,907	220,558	170,558

Water Equipment Replacement

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	177,433	242,545	264,532	291,266	285,571
360	Misc Revenues	113	1,987	6,734	7,638	-
397	Interfund Transfers	65,000	20,000	20,000	-	-
	Total Revenues	65,113	21,987	26,734	7,638	-
594	Capital Expenditures	-	-	-	13,333	10,000
	Total Expenditures	-	-	-	13,333	10,000
	Revenues less expenditures	65,113	21,987	26,734	(5,695)	(10,000)
508	Ending Fund Balance Balance	242,545	264,532	291,266	285,571	275,571

Sewer Equipment Replacement

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	-	15,000	30,184	30,938	18,416
360	Misc Revenues	0	184	754	811	-
397	Interfund Transfers	15,000	15,000	-	-	-
	Total Revenues	15,000	15,184	754	811	-
594	Capital Expenditures	-	-	-	13,333	10,000
	Total Expenditures	-	-	-	13,333	10,000
	Revenues less expenditures	15,000	15,184	754	(12,522)	(10,000)
508	Ending Fund Balance Balance	15,000	30,184	30,938	18,416	8,416

Storm Equipment Replacement

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	-	10,000	20,123	20,625	21,166
360	Misc Revenues	0	123	502	541	-
397	Interfund Transfers	10,000	10,000	-	-	-
	Total Revenues	10,000	10,123	502	541	-
	Total Expenditures	-	-	-	-	-
	Revenues less expenditures	10,000	10,123	502	541	-
508	Ending Fund Balance Balance	10,000	20,123	20,625	21,166	21,166

Police Equipment Replacement

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	115,304	99,603	100,822	4,313	4,426
360	Misc Revenues	296	29,827	1,070	113	-
397	Interfund Transfers	15,000	25,000	25,000	-	-
	Total Revenues	15,296	54,827	26,070	113	-
594	Capital Expenditures	30,998	53,608	122,579	-	-
	Total Expenditures	30,998	53,608	122,579	-	-
	Revenues less expenditures	(15,701)	1,219	(96,509)	113	-
508	Ending Fund Balance Balance	99,603	100,822	4,313	4,426	4,426

Fire Equipment Replacement

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	81,502	86,550	97,272	104,765	107,513
360	Misc Revenues	48	722	2,494	2,747	-
397	Interfund Transfers	5,000	10,000	5,000	-	-
	Total Revenues	5,048	10,722	7,494	2,747	-
	Total Expenditures	-	-	-	-	-
	Revenues less expenditures	5,048	10,722	7,494	2,747	-
508	Ending Fund Balance Balance	86,550	97,272	104,765	107,513	107,513

Park & Cemetery Equipment Replacement

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	31,594	41,616	56,145	61,650	49,933
360	Misc Revenues	22	429	1,505	1,617	-
397	Interfund Transfers	10,000	14,100	4,000	-	-
	Total Revenues	10,022	14,529	5,505	1,617	-
594	Capital Expenditures	-	-	-	13,333	-
	Total Expenditures	-	-	-	13,333	-
	Revenues less expenditures	10,022	14,529	5,505	(11,717)	-
508	Ending Fund Balance Balance	41,616	56,145	61,650	49,933	49,933

Light and Power

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	162,527	249,542	442,885	552,644	650,245
320	Licenses & Permits	150	100	450	-	200
330	Intergovernmental Revenues	-	-	-	110,171	-
340	Charges for Services	2,964,367	3,276,076	3,251,264	3,631,439	3,794,512
360	Misc Revenues	18,499	26,072	38,565	49,540	28,000
380	Non Revenues	703	-	-	-	-
390	Loan Proceeds	241,113	6,431	18,943	-	-
	Total Revenues	3,224,832	3,308,679	3,309,223	3,791,150	3,822,712
533	Operations & Maintenance	2,895,096	2,959,672	2,978,292	3,529,721	3,890,413
580	Non Expenditures	(3,953)	552	27	-	500
591	Debt Service	6,609	70,744	70,065	72,341	67,200
594	Capital Expenditures	240,066	26,867	93,580	91,487	200,000
597	Interfund Transfers	-	57,500	57,500	-	-
	Total Expenditures	3,137,817	3,115,336	3,199,464	3,693,549	4,158,113
	Revenues less expenditures	87,015	193,343	109,759	97,601	(335,401)
508	Ending Fund Balance Balance	249,542	442,885	552,644	650,245	314,844

Water

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	576,007	456,776	399,788	478,325	730,213
340	Charges for Services	878,185	903,926	1,016,378	1,130,421	1,117,900
360	Misc Revenues	294	2,731	10,118	13,438	-
380	Non Revenues	319	-	-	-	-
390	Loan Proceeds	66,506	1,424	4,371	-	-
	Total Revenues	945,304	908,081	1,030,868	1,143,859	1,117,900
534	Operations & Maintenance	693,874	589,357	748,016	742,362	771,948
580	Non Expenditures	-	(386)	-	-	-
591	Debt Service	109,037	122,475	122,864	145,885	121,850
594	Capital Expenditures	121,624	233,623	61,451	3,723	244,500
597	Interfund Transfers	140,000	20,000	20,000	-	-
	Total Expenditures	1,064,535	965,069	952,330	891,971	1,138,298
	Revenues less expenditures	(119,231)	(56,988)	78,537	251,888	(20,398)
508	Ending Fund Balance Balance	456,776	399,788	478,325	730,213	709,815

Sewer

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	196,293	107,670	71,641	90,800	230,979
340	Charges for Services	953,856	954,130	1,043,846	1,167,134	1,167,800
360	Misc Revenues	107	997	2,430	2,388	-
390	Loan Proceeds	40,809	874	2,623	-	-
397	Interfund Transfers	50,000	-	-	-	-
	Total Revenues	1,044,772	956,001	1,048,899	1,169,522	1,167,800
534	Operations & Maintenance	722,953	-	851,385	851,281	755,906
535	Operations & Maintenance	42,306	812,090	12,239	26,449	41,580
580	Non Expenditures	-	(466)	-	-	-
591	Debt Service	20,677	7,670	8,140	11,350	10,000
594	Capital Expenditures	172,060	11,335	11,577	42,663	215,000
597	Interfund Transfers	175,400	161,400	146,400	97,600	146,400
	Total Expenditures	1,133,395	992,030	1,029,740	1,029,343	1,168,886
	Revenues less expenditures	(88,623)	(36,029)	19,159	140,179	(1,086)
508	Ending Fund Balance Balance	107,670	71,641	90,800	230,979	229,893

Stormwater

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	64,737	39,201	29,255	9,299	47,454
330	Intergovernmental Revenues	-	2,493	6,755	-	-
340	Charges for Services	166,485	168,495	181,187	203,325	210,525
360	Misc Revenues	38	374	527	433	-
390	Loan Proceeds	30,226	647	1,749	-	-
	Total Revenues	196,750	172,008	190,217	203,758	210,525
519	Operations & Maintenance	1,578	1,032	6,317	3,561	500
531	Operations & Maintenance	3,536	11,741	179,016	142,108	154,399
534	Operations & Maintenance	151,599	141,684	-	-	-
538	Operations & Maintenance	3,798	4,426	6,237	7,726	8,470
580	Non Expenditures	-	56	-	-	-
591	Debt Service	828	7,117	7,026	9,069	8,400
594	Capital Expenditures	50,945	5,899	11,577	3,140	40,000
597	Interfund Transfers	10,000	10,000	-	-	-
	Total Expenditures	222,285	181,955	210,173	165,604	211,769
	Revenues less expenditures	(25,535)	(9,947)	(19,956)	38,154	(1,244)
508	Ending Fund Balance Balance	39,201	29,255	9,299	47,454	46,210

Light and Power Reserve

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	337,090	337,278	339,917	348,402	357,539
360	Misc Revenues	188	2,639	8,485	9,137	-
	Total Revenues	188	2,639	8,485	9,137	-
	Total Expenditures	-	-	-	-	-
	Revenues less expenditures	188	2,639	8,485	9,137	-
508	Ending Fund Balance Balance	337,278	339,917	348,402	357,539	357,539

Ambulance

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	31,412	35,735	41,748	43,458	47,633
340	Charges for Services	117,672	123,146	130,020	148,205	140,000
360	Misc Revenues	18	334	1,076	1,172	-
	Total Revenues	117,689	123,480	131,095	149,378	140,000
522	Fire Control	43	50	3,383	1,582	1,800
526	EVS	113,262	117,433	126,002	143,621	138,700
580	Non Expenditures	-	(60)	-	-	-
594	Capital Expenditures	61	44	-	-	-
	Total Expenditures	113,366	117,467	129,385	145,203	140,500
	Revenues less expenditures	4,323	6,013	1,711	4,174	(500)
508	Ending Fund Balance Balance	35,735	41,748	43,458	47,633	47,133

Sewer Bond Reserve

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	(299)	1,629	3,888	6,453	8,422
360	Misc Revenues	21	172	113	180	-
397	Interfund Transfers	145,400	146,400	146,400	97,600	146,400
	Total Revenues	145,421	146,572	146,513	97,780	146,400
591	Debt Service	143,493	144,313	143,949	95,811	143,700
	Total Expenditures	143,493	144,313	143,949	95,811	143,700
	Revenues less expenditures	1,928	2,259	2,565	1,969	2,700
508	Ending Fund Balance Balance	1,629	3,888	6,453	8,422	11,122

Water Reserve

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	395,399	470,605	474,288	486,128	498,877
360	Misc Revenues	206	3,683	11,840	12,749	-
397	Interfund Transfers	75,000	-	-	-	-
	Total Revenues	75,206	3,683	11,840	12,749	-
	Total Expenditures	-	-	-	-	-
	Revenues less expenditures	75,206	3,683	11,840	12,749	-
508	Ending Fund Balance Balance	470,605	474,288	486,128	498,877	498,877

Sewer Reserve

<u>Account</u>	<u>Description</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Projected</u>	<u>2025 Budget</u>
308	Beginning Fund Balance	129,230	144,292	145,419	149,047	152,956
360	Misc Revenues	62	1,128	3,628	3,909	-
397	Interfund Transfers	15,000	-	-	-	-
	Total Revenues	15,062	1,128	3,628	3,909	-
	Total Expenditures	-	-	-	-	-
	Revenues less expenditures	15,062	1,128	3,628	3,909	-
508	Ending Fund Balance Balance	144,292	145,419	149,047	152,956	152,956

Item #	Description	Fund #	001-514, 513	001-521	001-522	001-594	001-576	001-536	302	401	405	407	409	Total
			Front Office Admin/Legal	Police	Fire	Building	Parks	Cemetery	Streets	Light & Power	Water	Wastewater	Stormwater	
1	Operating Supplies		\$1,000	\$7,000	\$14,000	\$0	\$5,000	\$4,200	\$30,000	\$200,000	\$9,200	\$55,000	\$11,500	\$338,900
2	Office Supplies		\$1,050	\$0	\$0	\$0	\$200	\$125	\$650	\$2,200	\$100	\$2,000	\$800	\$7,125
3	Fuel		\$0	\$30,000	\$1,350	\$300	\$400	\$400	\$1,000	\$14,500	\$7,000	\$7,000	\$3,500	\$66,250
4	Professional Services		\$30,000	\$25,000	\$15,000	\$20,000	\$5,000	\$3,500	\$12,000	\$120,000	\$10,900	\$48,500	\$5,000	\$294,900
5	IT Support Services		\$1,000	\$5,000	\$2,000	\$0	\$0	\$0	\$5,000	\$16,000	\$12,000	\$12,000	\$2,000	\$55,000
6	IT Licensing		\$1,000	\$5,000	\$2,000	\$0	\$0	\$0	\$5,000	\$30,000	\$2,000	\$2,000	\$1,000	\$58,000
7	Medical Equipment		\$0	\$1,000	\$0	\$0	\$100	\$0	\$8,000	\$0	\$2,000	\$2,000	\$1,000	\$16,000
8	Training		\$7,000	\$1,000	\$1,000	\$0	\$1,000	\$500	\$2,000	\$20,500	\$3,000	\$3,000	\$0	\$41,000
9	Vehicle Leases		\$0	\$0	\$0	\$0	\$0	\$0	\$5,744	\$57,293	\$15,803	\$9,697	\$7,182	\$95,720
10	Special Events		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Capital Outlay - System Supplies		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$200,000
12	Repair and Maintenance		\$0	\$10,000	\$5,000	\$0	\$2,500	\$500	\$10,000	\$150,000	\$500	\$9,500	\$0	\$188,000
13	Banner Sewer Bond 2020 A (Enb 2040)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$142,374	\$0	\$142,374
14	Banner S&B Bond 2020 B (Enb 2040)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,140	\$0	\$0	\$23,140
15	PWTY Well 2&3 Improv (Enb 2031)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$82,480	\$0	\$0	\$82,480
16	Local Loan Dept of Commerce (enb 2040) 7777		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Permits and Fees		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000	\$0	\$0	\$4,000
18	Capital Outlay-building lean-to		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000
19	Capital Outlay - Equipment (Forklift)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$10,000	\$10,000	\$0	\$70,000
20	Desktop Software Service		\$0	\$0	\$0	\$0	\$2,000	\$0	\$1,000	\$4,000	\$1,500	\$1,500	\$1,000	\$12,000
21	Backhoe Service		\$0	\$0	\$0	\$0	\$550	\$0	\$510	\$2,500	\$510	\$0	\$510	\$4,580
22	Work Order Software		\$0	\$0	\$0	\$3,900	\$0	\$0	\$2,000	\$4,000	\$4,000	\$4,000	\$2,310	\$19,810
23	Space Needs Study - Phase 1 Prelim Work		\$0	\$0	\$15,000	\$0	\$0	\$0	\$0	\$10,000	\$10,000	\$2,500	\$2,500	\$47,500
24	Water Meter Replacements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$0	\$0	\$5,000

Item #	Description	Front Office Admin/Legal	Police	Fire	Building	Parks	Cemetery	Streets	Light & Power	Water	Wastewater	Stormwater	Total
25	Water Valve Replacements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$0	\$0	\$5,000
26	Fire Hydrant component replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$10,000
27	Fire Hydrant Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$10,000
28	E2-Street cold riv (15 tons)	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$10,000
29	IBI Investigation and repair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000	\$0	\$4,000
30	Replace House Sewer Lines	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000	\$0	\$0	\$3,000
31	Manhole Grout and Seal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$0	\$5,000
32	Replace Manholes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,500	\$0	\$4,500
33	CAO update									\$20,000	\$20,000	\$10,000	\$50,000
34	CIP - Water									\$234,500			\$234,500
35	CIP - Light and Power								\$100,500				\$100,500
36	CIP - Sewer										\$215,000		\$215,000
37	CIP - General Fund/Parks/Cemetery					\$0	\$0						\$0
38	CIP - Stormwater											\$241,000	\$241,000
39	CIP - Streets							\$0					\$0
40	Springbrook Support	\$0	\$0	\$0	\$1,960	\$0	\$0	\$0	\$5,990	\$980	\$980	\$490	\$9,800
41	Paint for curbs/parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$800	\$0	\$0	\$0	\$800
42	Street Striping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500	\$0	\$0	\$0	\$3,500
43	PPE (supplies budget)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,600	\$0	\$0	\$0	\$12,600
44	Security Cameras (SHI International)	\$750	\$0	\$0	\$0	\$0	\$0	\$0	\$1,750	\$1,750	\$1,100	\$250	\$5,600
45	Flow street water line	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	Ash street and 8th street water line	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	Grant Match - Parks baseball netting (WCJA Grant)					\$1,000							\$1,000
48	Grant Match - DDE IBI study											\$17,500	\$17,500
49	Grant Match Maple Street							\$25,000					\$25,000

Item #	Description	Front Office Admin/Legal	Police	Fire	Building	Parks	Cemetery	Streets	Light & Power	Water	Wastewater	Stormwater	Total
50	Grant Match Lower 3rd Street (Design/ROW)							\$97,500					\$97,500
51	Grant Match solar								\$50,000				\$50,000
52	Grant Match chip seal (otta seal)							\$22,500					\$22,500
53	Grant Match RCO												\$0
54	Comp Planning - Title 17 update							\$1,000	\$6,000	\$6,000	\$6,000	\$1,000	\$20,000
55	Chiller Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
56	Grant Writing	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$5,000	\$5,000	\$5,000	\$2,500	\$20,000
57	Generator Maintenance	\$0	\$0	\$2,725	\$0	\$0	\$0	\$0	\$2,725	\$3,025	\$3,500	\$0	\$11,975
58	SCADA Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000	\$0	\$10,000
59	Streets/Parks Tools and Materials	\$0	\$0	\$0	\$0	\$2,087	\$0	\$15,096	\$0	\$0	\$0	\$0	\$17,183
60		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
61		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
62		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL		\$41,800	\$88,000	\$57,875	\$25,660	\$21,737	\$9,225	\$258,300	\$1,114,958	\$525,388	\$628,151	\$297,542	\$3,066,737

Capital Out Lay
and
Professional
Services
Reduced to
\$232,000

CIP Water

Leak detection 15000
meter replacements 5000
9th street 151000
powerline corridor 29000
chlorine injectors 5000
Fiber replacement - wells 10000
New Meter reader 50%- 19500

CIP Light and Power

4kv cutover step 2 14100
4kv cutover step 4 17400
bonne view lane underground 10667
tornquist rd 39000
Hand held meter reader 50% = 18500
Total \$99,667

CIP Sewer

upsizing pipe along simpson and 9th (from 7th to WWTP) 200000
I&I Analysis 15000 (looking for grant on this one)
Total 215,000

CIP Stormwater

5th st and pine st regrade rd to drain to cb 2500
717 w simpson ave flooding in alley 3000
154 miller lane fix flooding of crawl space 3000
mommsen rd to maple st upsize piping and add MH 27500
Main st alley and maple st install new pipe 100000
220 s 6th st storm improv at 2 fir and 6th int 3000
400 s 3rd st fix flooding 25000
summit rd fix flooding 5000
1st st from pine st to mommsen rd - upsize existing pipe 9500
Total 178500 This Budget has been reduced to \$40,000



MANAGED SERVICE AGREEMENT

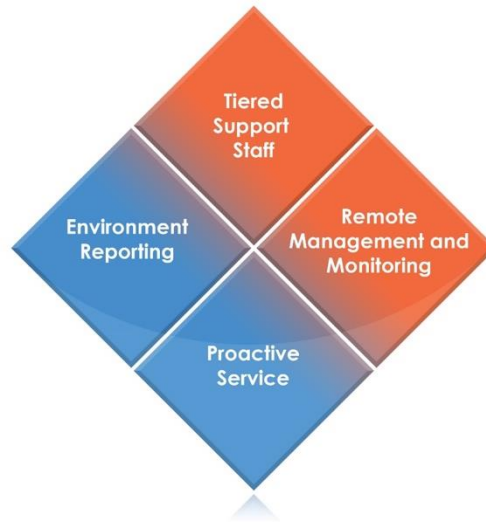
PREPARED FOR: City of McCleary DATE: November 1, 2024

EXECUTIVE SUMMARY

Since 1993, Right! Systems, Inc. has provided business-driven, multi-vendor IT solutions to clients worldwide. Drawing on deep industry expertise and a portfolio of interrelated consulting, application, and infrastructure services, our solutions can help you gain control of your enterprise-wide technology, increase productivity and end-user satisfaction, refocus talent and energies on your core business, and decrease total cost of ownership. Our ability to provide solutions that adapt to our customers' ever-changing markets begins with a collaborative effort that allows you to seamlessly integrate technologies to meet your changing needs. As a leading technology services company and a comprehensive provider of consulting, integration, procurement and support services, Right! Systems professionals are there every step of the way. We work directly with you to provide insightful analysis and industry-specific counsel on strategy, best-practices, technology and management; from the design stage through implementation and beyond you can be sure we have a solution that will work for you.



THE RSI SUPPORT DIAMOND



Tiered Support Staff:

RSI utilizes a 3-tiered support staff of local engineers based in the Pacific Northwest. Our tiers are designed to help our customers get access to the engineering resources they need- right when they need it.

Remote Management and Monitoring

At the core of RSI's managed service practice is our remote management platform. RSI is able to monitor and alert on thresholds defined by both RSI and the customer utilizing 3rd party tools. This allows our support staff to actively monitor your environment and make sure everything is running as expected. Alert histories are preserved as allowed by each tool, allowing us to look at trends, and forecast possible outages in the future.

Environment Reporting

Included with all RSI managed service contracts is your company's entitlement to reports delivered on a regular basis.

Proactive Service

Utilizing all the previously outlined areas of RSI's managed service practice, Right Systems is able to get ahead of issues we see on the horizon. We look at your infrastructure's service dashboards each day and notate areas that might pose potential issues down the road. We prefer to deal with issues from a proactive perspective, making recommendations for upgrades and future projects when applicable, rather than rely solely on reactive.

SCOPE OF OFFERING

The following section defines the activities, services levels and procedures associated with the Managed Service offering for City of McCleary. For further definition of what is included in coverage, see Appendix A – Coverage and Current Equipment.

Service Desk

Tier 1 Service Desk Support

- Normal business hours as defined in Service Level Objectives
 - Onboarding/job changes/Offboarding
 - Account management
 - Day to day end user productivity support
- After hours and weekend on-call hours as defined in Service Level Objectives
 - After hours support by tier 1 support staff with escalation to tier 2 as defined in Service Level Objectives
- ConnectWise Ticket system access
- Reporting
 - Monthly BrightGauge report
 - Monthly SmileBack CSAT report

Infrastructure Support

- Operational Management and Remote Tier 2 and 3 support
- Monitoring and Incident Remediation
 - Issue resolution
 - Root cause analysis of problems that have occurred
 - Identification of resolution and preventative measures
- Alerting and Notification
 - Availability monitoring
 - Performance monitoring: CPU, Memory and Disk space, network down
 - The health of the underlying managed platform
- Change Management and control
- Regular preventative maintenance and patching in accordance with agreed upon schedule
- License governance: Manage license usage and allocation
- Network
 - Firewall: Fortinet 4 – 1 each site
 - Switches: Aruba
 - 1 - City Hall
 - 3 – Netgear switches at small sites
 - Access Points
 - Fortinet (4)
 - Support
 - Firewall policies and security profiles

- Firewall ports, services, and applications
 - Interface bandwidth and utilization
 - VPN support
 - System performance
 - Incident troubleshooting
 - Semi-Annual firmware updates
 - Out of band updates in accordance with vendor released critical vulnerabilities
 - Network device monitoring
 - Review supported firmware versions monthly
- Datacenter
 - Virtualization Infrastructure
 - Monitoring
 - Administration
 - Hosts
 - Microsoft Hyper-V (1)
 - Physical (2)
 - Virtual Machines
 - (5) Windows Servers
 - Microsoft 365
 - Exchange Online administration
- End User and Cloud Services
 - Escalated End User support
 - Microsoft Intune
 - Device enrollment and reset
 - Security baselines
 - Security Profiles
 - Application deployment
 - Configuration profiles
 - Enroll devices and validate functionality
 - Print Management
- Security
 - Microsoft 365
 - Microsoft Entra Identity Management
 - Conditional access policy management
 - Microsoft Multi-Factor authentication
 - Microsoft Cloud App Security
 - General administration and support
 - Antivirus
 - Sophos
 - Vulnerability reporting and response
 - High
 - Critical

- See Appendix A for additional support details











Services	
Microsoft CSP License Management	NO
Proactive Management	8am-5pm, Monday-Friday
Monitoring & Critical Issue Support	24x7x365
On Demand Monthly Reporting	YES
Quarterly Business Reviews	YES
Quarterly Engineering Security Review	NO
Project Coordinator Support	NO
As Needed on-site Support	NO
Inventory Management	NO
CJIS Certification Requirements	YES
Vendor Management (limited to named vendors only) Microsoft Assured Data Protection (Rubrik vendor) Fortinet HP Sophos Comcast	YES
Patching – list systems in coverage Network Firmware Microsoft Operating System	Mutually agreeable schedule
In-place System upgrades	Mutually agreeable schedule
Customer-owned Backup Management Rubrik	Mutually agreeable schedule

	Service
Onboarding	<ul style="list-style-type: none"> • STAGE 1 – Police Department IT Optimization <ul style="list-style-type: none"> ○ Kickoff call to review project scope and readiness ○ Connect City and Police networks ○ Consolidate environment into 1 domain ○ Migrate PC's into a single domain ○ Create new Windows file server ○ Perform migration of Police Department files to new file server ○ Infrastructure rebuild and recovery ○ Test and validate configuration, resolve issues as they arise • Deliverables <ul style="list-style-type: none"> ○ City and Police Department IT environments consolidated into a single environment, logically separated. <p>Assumptions:</p> <ul style="list-style-type: none"> • All hardware on contract will be supportable by the OEM. Any hardware not OEM supported will be supported on a best effort basis. • All software on contract will be supportable by the OEM. Any software not an OEM supported version will be supported on a best effort basis. • All core infrastructure equipment will have OEM support available and current maintenance. Any core infrastructure equipment without OEM and current maintenance will be supported version will be supported on a best effort basis. • Environment is currently stable and up to best practices. Unstable aspects of the environment will be supported on a best effort basis. • Documentation on current state will be provided on a best effort basis by customer including: network diagram, current directory structure, configuration workbooks, vendor and phone contacts, full inventory of covered equipment. • If RSI need to upgrade or replace any systems to meet the above standards, then additional charges for equipment and

	services will be charged via a change request or addendum to this contract.
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Support	
Standard Operating Procedure	<ul style="list-style-type: none"> • Tickets are defined as issues and problems that are user-impacting and not administrative in nature. • Tickets can be initiated via email or phone, from technical contacts previously designated by the customer. • Tickets will be addressed by severity. • Tickets may be auto generated from the RSI monitoring and management solution. • Vendor-initiated communication will be determined and managed by RSI based on ticket cause and severity. • Tickets determined not to be related to the managed technologies will be sent back to City of McCleary. Repeated events where tickets are not related to supported equipment may result in additional charges or termination of the agreement. • Proactive Change Management. As determined by RSI, with schedule and approval coordinated by City of McCleary, RSI may perform changes necessary to maintain the appropriate level of service in the environment. • Backup Checks weekly • Emergency Change Management. For changes necessary to resolve user impacting system outages or other emergency situations where immediate action is required to prevent a user impacting outage, approval is granted retroactively by the customer. After the emergency or outage situation has been resolved, RSI will promptly notify the customer contacts and provide sufficient detail regarding the issues, the changes implemented, and the recommended preventative measures. • It is understood that any services requested by City of McCleary that fall outside of the terms of this agreement will be quoted and billed as separate services. Services will be billed at the agreed to rates for hourly work outlined in the pricing section of this document • City of McCleary grants RSI authorization to view any data within the regular routine of the repair and support of the environment.

	<p>City of McCleary also authorizes RSI to reasonably delete, change, and/or rewrite any necessary information to complete the system repair or support that is consistent with the standards and practices in the industry.</p>
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MANAGED SERVICES SLO'S					RESPONSE TIME	ESCALATION
	8:00 AM - 6:00 PM PST	Service not available (all users affected)	Critical		15 minutes	30 minutes
		Significant degradation of service (large number of users affected)	High		15 minutes	1 hour
		Limited degradation of service	Medium		15 minutes	1 day
		Small service degradation (business process can continue)	Low		15 minutes	2 days
		Reserved for special requests / changes	No SLO		~	~
					RESPONSE TIME	ESCALATION
	After hours, Weekends, Federal Holidays	Service not available (all users affected)	Critical		1 hour	1 hour
		Significant degradation of service (large number of users affected)	High		1 hour	2 hours
		Limited degradation of service	Medium		1 hour	2 days
Small service degradation (business process can continue)		Low		1 hour	3 days	
Reserved for special requests / changes		No SLO		~	~	

Support	
Ticket Priority Levels	<ul style="list-style-type: none"> • Priority level 1 tickets are for errors or defects that render the supported environment (or any portion thereof) inoperative, or materially impairs the use of the environment for the entire company (all users and functions unavailable). • Priority level 2 tickets are for errors or defects that substantially impair the use of the environment (large number of users or business critical functions affected). • Priority level 3 means an error that has some impact on the performance or operation of the environment (limited number of users or functions affected, business process can continue). • Priority level 4 classifies a small service degradation (business process can continue, one user affected). • Priority level 5 is reserved for requests for change to the existing environment. • Hardware failure resolution time will be dependent on vendor hardware warranty status and terms. • Customer-led changes in the environment that lead to service tickets may result in additional charges

Support	
Support Tiers	<p>TIER 0 – Customer Technical Contacts</p> <ul style="list-style-type: none"> All Managed Service requests begin in Tier 0, where the initial request is formulated, either from the customer’s end user or the customer’s technical support. In the case of the end user, the issue is escalated to in-house technical support, if applicable, or a designated Customer Technical Contact. Basic troubleshooting and documentation of the issue is provided by in-house support and Tier 0 escalates to RSI Tier 1 when an issue cannot be resolved internally. <p>TIER 1 – RSI Support Services</p> <ul style="list-style-type: none"> All incidents that need escalation from Tier 0 route through RSI’s Tier 1 technicians. Via email or phone, our Tier 1 resources triage the service ticket and either resolve it immediately or route to the next tier. RSI’s Tier 1 will perform routine discovery on the issue and possibly escalate directly to vendor support, if applicable. RSI will deliver Tier 1 technical support to the Customer Technical Contacts (Tier 0). <p>TIER 2 – RSI Support Services</p> <ul style="list-style-type: none"> Complex assistance and troubleshooting of service tickets will be performed by the Tier 2 engineers. Tier 1 is responsible for all escalation of tickets to Tier 2. Our experienced, certified engineers can also perform ongoing administration as described in the offering above. RSI will deliver Tier 2 technical support to the Customer Technical Contacts (Tier 0). <p>TIER 3 – RSI Project Services / Subject Matter Experts</p> <ul style="list-style-type: none"> Any tickets that cannot be resolved by Tier 1 or Tier 2 are escalated to RSI’s Tier 3, which includes our resident, certified Subject Matter Experts. Our Tier 3 resources have over 10 years of experience supporting large complex environments. Escalation to Tier 3 is at the discretion of Tier 1 and Tier 2 resources. Collaboration with vendor Technical Support and other 3rd party vendors may be applicable in some instances. RSI will deliver Tier 3 technical support through Tier 1 and Tier 2 resources, who will interact directly with the Customer Technical Contacts (Tier 0).

	Support
Service Escalation Procedure	<p>Origin of Issue</p> <ol style="list-style-type: none"> 1. Support Request is received 2. Ticket is created 3. Issue is identified 4. Issue is qualified to determine if it can be resolved through TIER 1 support <p>If issue can be resolved through TIER 1</p> <ol style="list-style-type: none"> 5. Issue is worked to successful resolution 6. Issue is verified to be resolved 7. Ticket is marked “complete”, and customer notified <p>If issue cannot be resolved through TIER 1</p> <ol style="list-style-type: none"> 8. Issue is escalated to TIER 2 9. Issue is qualified to determine if it can be resolved through TIER 2 support <p>If issue can be resolved through TIER 2</p> <ol style="list-style-type: none"> 10. Issue is worked to successful resolution 11. Issue is verified to be resolved 12. Ticket is marked “complete”, and customer notified <p>If issue cannot be resolved through TIER 2</p> <ol style="list-style-type: none"> 13. Issue is escalated to TIER 3 <p>If issue can be resolved through TIER 3</p> <ol style="list-style-type: none"> 14. Issue is worked to successful resolution 15. Issue is verified to be resolved 16. Ticket is marked “complete”, and customer notified

OUT OF SCOPE TECHNOLOGIES AND SERVICES

Any technologies other than those specifically noted in the Scope of Offering section of this proposal are not included as part of this agreement.

Providing information for internal audits and reviews required by compliance either internal or third-party requests including but not limited to Cyber Insurance information, Financial audits, CJIS compliance requests, etc.

AGREEMENT PRICING AND CONDITIONS

The following table represents the firm committed pricing related to this managed service. This agreement is effective upon the date signed and shall remain in force for a period of **three (3) years**, to be reviewed at the customer’s request and the annual anniversary date, to address any necessary adjustments or modifications. Should adjustments or modifications be required that affect the monthly price for the services rendered under this agreement, these will be negotiated and agreed upon by City of McCleary and RSI in advance.

RECURRING CHARGES

Offering	Length of Contract	Price Per Month
Managed Services	36 Months:	\$4,500.00
Billed In addition monthly based on actual consumption	LogicMonitor ConnectWise Automate	Estimated: \$ 200.00

***Periodic price changes to subscriptions from OEMs if required based on OEM announced cost increase will be discussed with City of McCleary and an addendum written if required.**

*****Annual Price Adjustments.** Commencing one year after the Effective Date of this Agreement, and at each subsequent anniversary thereof, RSI shall increase the monthly rate by 3% over the previous year’s monthly rate.

Onboarding

Onboarding is being provided as a fixed-fee engagement. This will be bill upon completion of onboarding tasks.

Service		Price
Managed Services Onboarding		\$18,150.00

Upon receipt of this signed agreement, RSI will begin the onboarding process.

This agreement automatically renews for a subsequent one (1) year term beginning on the day immediately following the end of the previous term, unless either party gives the other sixty (60) day's prior written notice of its intent not to renew.

Subscription services will be billed one month in arrears for any subscription services and will be based on actual usage.

Hourly Services Rates

If project or support services are performed beyond the scope of the managed services agreement, they will be billed at the following rates. For project work, fixed-fee scopes can also be created.

Role	Discounted Hourly Rate	After Hours and Holiday Rates
Service Desk Technician/Engineer	\$125.00	\$200.00
Practice Engineer	\$165.00	\$250.00
Senior Practice Engineer	\$250.00	\$350.00
Practice Lead/CISO	\$400.00	\$600.00
Project Coordinator	\$125.00	\$175.00
Project Manager	\$175.00	\$250.00

TERMS AND CONDITIONS

These terms (“**Agreement**”) govern the purchase of Services (defined below), from Right! Systems Inc. (“**RSI**”) by the customer identified below (“**Customer**”) and its Affiliates. This Agreement applies to Managed Services entered by Customer and its Affiliates (“**MSP Agreement**”). As used herein, “**Affiliates**”, meaning any entity controlled by, controlling, or under common control with a party.

I. SERVICES

Subject to the terms and conditions of this Agreement, RSI will provide the services described in this MSP Agreement and deliver the specific deliverables and supporting materials to be provided in connection with such services (collectively “**Services**”) in accordance with the specifications set forth in this Agreement. Fees for Services are set forth in this Agreement and any executed addendums.

II. WARRANTIES

Limited Warranties. During performance of any Services (“**Warranty Period**”), RSI warrants the Services will be performed using the generally recognized commercial practices and industry standards applicable to the Services when performed and conform materially to the written specifications set forth in this Agreement (hereinafter “**Warranties**”). Any third-party equipment, devices, hardware, firmware, software, technologies, or services (“**Third Party Products**”) included in Services are not warranted or guaranteed by RSI.

Customer agrees to provide prompt notice of any service concerns or non-conformity. If Customer notifies RSI of a non-conformity of a Service during the Warranty Period and the Services do not conform in all material respects to the Warranties, RSI shall, as its sole liability and Customer’s sole remedy, promptly reperform any Service that failed to conform to the Warranties or otherwise use reasonable efforts to correct non-conformities in the Services or provide a workaround.

Disclaimer of Warranty. EXCEPT FOR THE LIMITED WARRANTY EXPRESSLY SET FORTH IN THE FOREGOING SECTION, (A) RSI MAKES NO WARRANTIES, EXPRESS, STATUTORY, IMPLIED, OR OTHERWISE, (B) RSI SPECIFICALLY DISCLAIMS WARRANTIES OF SATISFACTORY QUALITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, ACCURACY, NON-INFRINGEMENT, AND NON-MISAPPROPRIATION, AND (C) RSI SPECIFICALLY DISCLAIMS ANY OTHER REPRESENTATIONS, WARRANTIES, OR CONDITIONS THAT MIGHT ARISE FROM COURSE OF DEALING OR COURSE OF PERFORMANCE OR USAGE OF TRADE, TO THE MAXIMUM EXTENT PERMITTED BY LAW. WITHOUT LIMITING THE FOREGOING, RSI PROVIDES NO WARRANTY OR GUARANTEE OF THE OUTCOME OF ANY TESTING, ASSESSMENT, OR REMEDIATION METHODS. RSI SHALL NOT BE LIABLE FOR DAMAGES OF ANY KIND RELATED TO ANY THIRD PARTY PRODUCTS.

Exclusions. RSI’s Warranties do not cover claims resulting from: (a) Customer’s improper use, site preparation, or site or environmental conditions, or non-compliance by Customer with applicable specifications, data sheets and their supplements, or supplier warranties; (b) nonconformity resulting from Customer’s designs and specifications; (c) modifications, alterations, combinations, or improper system installation, maintenance, repair, or calibration not performed by RSI or authorized by RSI; (d) failure or functional limitations of any non-RSI supplied software or product impacting systems receiving RSI support or service; (iv) data security and cybersecurity incidents, including but not limited to incidents related to malware, viruses,

ransomware, unauthorized access, phishing, denial-of-service attacks, data breaches, insider threats, zero-day exploits, hardware vulnerabilities, third-party security incidents; or (e) abuse, negligence, accident, fire or water damage, electrical disturbances, or other causes beyond RSI’s control.

III. INVOICING AND PAYMENT

Payment. Customer agrees to pay all invoiced amounts as provided in this Agreement. Payments are due within thirty (30) days of RSI’s invoice date. RSI may accept payment in an amount less than the full amount of any invoice, but such acceptance shall not constitute a waiver of RSI’s right to collect the balance or an accord and satisfaction notwithstanding RSI’s endorsement of a check or other instrument.

Late Payment. Any invoiced amounts not paid when due may, at RSI’s option, bear interest at the lesser of 1.5% per month or the maximum rate allowable under applicable law, calculated commencing on the due date until paid in full. In addition, failure of Customer to fully pay any invoiced amounts when due shall be deemed a material breach of this Agreement, and RSI may suspend or cancel the Agreement, or the Services to be performed thereunder in addition to any other rights and remedies RSI may have at law or in equity. Any suspension, cancellation or termination hereunder does not relieve Customer from paying past due fees plus interest and in the event of collection enforcement, Customer shall be liable for any costs associated with such collection, including, but not limited to, legal costs, attorneys’ fees, court costs and collection agency fees.

Taxes. All prices are exclusive of, and Customer shall be responsible for the payment of, any customs or other import duties, sales, use, value added, excise, goods and services, federal, state, local or other similar taxes, tariffs, levies or duties (“**Taxes**”). In any case or jurisdiction where RSI is required to collect such Taxes, the appropriate amount shall be added to Customer’s invoice and paid by Customer, unless Customer provides RSI with a valid tax exemption certificate authorized by the appropriate taxing authority. Each party shall be responsible for filing and paying their own taxes based on income.

IV. NON-SOLICITATION; NO HIRE

Customer shall not directly or indirectly hire, solicit, or contract with any of RSI’s current or former employees or contractors who provided Services during the term of this Agreement and for a period of twelve (12) months following the termination of this Agreement; provided that the foregoing will not prevent Customer from hiring or otherwise engaging anyone who responds to a general advertisement or job posting.

V. CONFIDENTIAL INFORMATION

Information exchanged during the course of this Agreement will be treated as confidential if labeled or identified as such at disclosure or if reasonably understood by the receiving party to be proprietary, trade secret or confidential information due to its nature and circumstances of disclosure (“**Confidential Information**”). Confidential Information shall not include information that (a) is as of the time of its disclosure or thereafter becomes part of the public domain through no breach of this Agreement, (b) is rightfully known to or in the possession of the receiving party at the time of its disclosure without an obligation of confidentiality, (c) is independently developed by the receiving party without reference to or use of disclosing party’s Confidential Information, or (d) is lawfully obtained by the receiving party from a

third party without restriction and without breach of this or any other agreement. During the term of this Agreement and after the termination of this Agreement, each party agrees to maintain the confidentiality of the other party's Confidential Information with at least the same degree of care it uses to protect its own confidential information, but in no case with less than reasonable care, and shall not disclose the other party's Confidential Information except to the receiving party's employees, contractors, agents, legal counsel and accountants who have a need to know the information in connection with this Agreement or the Services and who are subject to a written agreement or professional obligation that prohibits unauthorized disclosure of the Confidential Information.

If the parties previously entered into or subsequently enter into one or more agreements primarily intended to be a non-disclosure or confidentiality agreement with respect to the Confidential Information (each a "**Confidentiality Agreement**"), such Confidentiality Agreement(s) shall be and remain in full force and effect. In the event of any conflict between the terms of this Agreement and the terms of any such Confidentiality Agreement, the terms of this Agreement shall control.

VI. INFORMATION SECURITY AND LEGAL COMPLIANCE

Personal Information. Each party shall comply with their respective obligations under applicable data protection laws. RSI does not intend to have access to personally identifiable information ("**PII**") of Customer or others in providing Services. To the extent RSI has access to PII stored in Customer Systems, such access will likely be incidental, and Customer will remain the data controller of such PII at all times. RSI will use any PII to which it has access strictly for the purposes of delivering the Services. As used in this Agreement, "**Customer Systems**" means all hardware, software, firmware, devices, technologies, and equipment, owned, licensed, or operated by Customer, including but not limited to Customer's infrastructure, platforms, environments, and associated technologies, whether hosted on-premises or in the cloud.

Data Integrity and Protection. Unless explicitly stated in this Agreement, the Services do not include implementation of encryption or other security measures or safeguards, or any security or compliance testing or assessments, for Customer Systems. Customer acknowledges and agrees that RSI is not responsible for the privacy, security, or authenticity of any information or data transmitted through or stored in any device or technology, and that RSI does not guarantee that any firmware, software, hardware, device, technology, or equipment is free from defects, including but not limited to defects that could cause security vulnerabilities. Customer is responsible for security vulnerabilities related to or arising from the Customer Systems and Customer's actions, and for assessing, implementing, and enhancing its security measures and protocols to safeguard its Customer Systems, ensure the security, integrity and protection of its business-critical data, and guard against emerging threats and unauthorized access by third parties. This responsibility extends to securing, protecting, and backing up all data stored in Customer Systems. Both parties shall collaborate to promptly address any security concerns that may arise during the term of this Agreement.

VII. LICENSE AND PROPRIETARY RIGHTS

Proprietary Rights of Customer. As between Customer and RSI, all information and data provided by Customer to RSI or accessed by RSI in Customer Systems ("**Customer Data**") and all Customer Systems shall remain the sole and exclusive property of Customer. Customer hereby grants to RSI a non-exclusive, worldwide, royalty-free right and license under Customer's intellectual property rights to access and use the Customer Data and Customer Systems as necessary to perform

the Services. Customer agrees to secure any licenses, rights, or permissions from third parties as required for RSI to access and use the Customer Data and Customer Systems in connection with performing the Services.

Proprietary Rights of RSI. As between Customer and RSI, the Services and all information and materials used by RSI to provide the Services to Customer, including but not limited to any computer software (in object code and source code form), data or information developed or provided by RSI or its suppliers under this Agreement, and any know-how, methodologies, equipment, or processes, and all copyrights, trademarks, patents, trade secrets, and any other proprietary rights inherent therein and appurtenant thereto (collectively "**RSI Materials**"), shall remain the sole and exclusive property of RSI. To the extent, if any, that ownership of the RSI Materials does not automatically vest in RSI by virtue of this Agreement or otherwise, Customer hereby transfers and assigns to RSI all rights, title, and interest which Customer may have in and to the RSI Materials. Customer acknowledges and agrees that RSI is in the business of providing IT services, and that RSI shall have the right to provide to third parties' services which are the same or similar to the Services, and to use or otherwise exploit any RSI Materials in providing such services. If any deliverables are created by RSI specifically for Customer and identified as such in an SOW, RSI hereby grants Customer a worldwide, non-exclusive, fully paid, royalty-free license to reproduce and use copies of the deliverables internally.

VIII. LIMITATION OF LIABILITY

Limitation of Liability. NEITHER PARTY SHALL HAVE LIABILITY FOR LOST REVENUES OR PROFITS, DOWNTIME COSTS, LOSS OR DAMAGE TO DATA, OR FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES, WHETHER FORESEEABLE OR NOT AND EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. This provision does not limit either party's liability for death or bodily injury caused by their negligence; acts of fraud; nor any liability which may not be excluded or limited by applicable law.

Maximum Liability. TO THE FULLEST EXTENT PERMITTED BY LAW, UNDER NO CIRCUMSTANCES (INCLUDING THE DEFENSE AND INDEMNIFICATION OBLIGATIONS SET FORTH IN THIS AGREEMENT) SHALL RSI'S AGGREGATE LIABILITY TO CUSTOMER IN CONNECTION WITH THIS AGREEMENT EXCEED THE TOTAL AMOUNT ACTUALLY PAID TO RSI BY CUSTOMER PURSUANT TO THIS AGREEMENT FOR THE SERVICES WITHIN THE PRECEDING TWELVE (12) MONTH PERIOD FROM THE DATE OF THE INITIAL EVENT RESULTING IN LIABILITY.

IX. TERMINATION

Term. This Agreement shall be effective on the last date signed by the parties and thereafter shall remain in effect until terminated as provided in this Agreement.

Termination of Agreement. Either party may terminate this Agreement upon the completion of the term of service termination (not in breach of this Agreement) and full payment for all Services through the date of completion, by providing thirty (30) days' prior written notice to the other party. Either party may further terminate this Agreement (a) if a bankruptcy proceeding is instituted against the other party which is acquiesced in and not dismissed within sixty (60) days, or results in an adjudication of bankruptcy; or (b) in the event the other party breaches this Agreement and does not cure the breach within thirty (30) days after receiving written notice thereof from the non-breaching party.

Termination of Agreement. Customer may terminate the Agreement at any time and for any reason by providing sixty (60) days' written notice

of termination to the other party and, upon such termination, Customer will pay RSI for the Services provided and delivered, and any travel or other reimbursable expenses, through the expiration date of contract (full contract value). RSI may terminate this Agreement at any time and for any reason by providing ninety (90) days written notice of termination to the other party and, upon such termination, Customer will pay RSI for the Services provided and delivered, and any travel or other reimbursable expenses through termination date.

Effect of Termination. Termination of this Agreement (whether upon expiration of the term or by earlier termination) does not affect any rights or obligations that are to survive termination or were incurred by the parties before the termination. All indebtedness of Customer to RSI of any kind is immediately due and payable on the effective date of termination, without further notice to Customer.

X. MISCELLANEOUS

Global Trade Compliance. Services provided under these terms are for Customer's internal use and not for further commercialization. If Customer exports, imports or otherwise transfers any information or technology provided under this Agreement, Customer will be responsible for complying with applicable laws and regulations and for obtaining any required export or import authorizations. RSI may suspend its performance under this Agreement to the extent required by laws applicable to either party.

Entire Agreement; No Modification. This Agreement (together with any Addendums entered into in connection herewith) sets forth the entire agreement and understanding of the parties relating to the subject matter hereof and merges and supersedes all prior understandings, agreements, representations and warranties (whether written, verbal or implied). None of the terms of this Agreement may be modified or amended except by a written agreement signed by the parties hereto.

Independent Contractors. The relationship of the parties is that of independent contractors, and nothing in this Agreement shall be deemed or constructed as creating a joint venture, partnership, agency relationship, franchise, or business opportunity between Customer and RSI. Each party assumes responsibility for the actions of their personnel under this Agreement and will be solely responsible for their supervision, daily direction and control, wage rates, withholding income taxes, disability benefits, or the manner and means through which the work under this Agreement will be accomplished.

Customer Identification. During the term of this Agreement, Customer agrees that RSI may use the name and logo of and identify Customer as an RSI Customer on RSI's website and in RSI's advertising, publicity, or similar materials promoting RSI Services.

Force Majeure. Neither party will be liable for performance delays nor for non-performance due to causes beyond its reasonable control (each a "Force Majeure Event"), whether or not foreseeable, except for payment obligations. The obligations and rights of a party excused from performance due to a Force Majeure Event will be extended on

a day-to-day basis for the period equal to that of the underlying cause of the delay.

Governing Law; Attorneys' Fees. This Agreement, and all matters arising under or in connection with this Agreement, shall be governed by and interpreted in accordance with the laws of the State of Washington without regard to principals of conflicts of laws. If any dispute arises between the parties with respect to the matters covered by this Agreement which leads to a proceeding to resolve such dispute, the prevailing party in such proceeding shall be entitled to receive such prevailing party's reasonable attorneys' fees, expert witness fees and out-of-pocket costs incurred in connection with such proceeding, in addition to any other relief to which such prevailing party may be entitled.

Assignment. Neither party may assign, without the prior written consent of the other party, its rights, duties, or obligations under this Agreement to any person or entity, in whole or in part, whether by assignment, merger, transfer of assets, sale of stock, operation of law or otherwise, and any attempt to do so shall be deemed a material breach of this Agreement. Subject to the foregoing, this Agreement shall be legally binding upon and inure to the benefit of the parties' heirs, successors and assigns.

Notices. All notices provided hereunder must be given in writing, refer to this Agreement and be personally delivered or delivered or sent by overnight courier, or registered or certified mail (return receipt requested) to the address designated by each party in the Agreement, or if no address for notices is provided in this Agreement to the signature block below, along with a copy by e-mail if an e-mail address is designated by a party. Each such notice shall be deemed given, delivered and received at the time delivered by hand, if personally delivered; three (3) business days after being deposited in the mail, if mailed; and the next business day after timely delivery to the courier, if sent by overnight air courier guaranteeing next business day delivery. The parties agree that notices provided via electronic means and confirmed by the other party as received shall satisfy any requirement for written notice hereunder, and shall be deemed given, delivered and received when receipt acknowledged. Either party may from time to time change its address by giving the other party notice of such change.

No Waiver. No waiver of any provision of this Agreement will be valid unless in writing and signed by the party against whom such waiver is sought to be enforced, nor will failure to enforce any right hereunder constitute a continuing waiver of the same or a waiver of any other right hereunder.

Counterparts; Electronic Signatures. This Agreement may be executed in one or more counterparts, all of which shall be considered the same document. The delivery of a signed electronic copy of this Agreement shall have the same binding effect as delivery of an original signed copy. Each party agrees that electronic signatures to this Agreement have the same force and effect as manual signatures.

AGREEMENT

i *Authorized Signatories.* Each party represents and warrants that the execution, delivery and performance of this Agreement has been duly authorized and is signed by an authorized representative of such party.

Customer PO: _____

This Agreement is valid for signature 30 days from November 1, 2024.

Right! Systems Inc.

Downtown Emergency Service Center

Authorized Signature

Authorized Signature

Printed or Typed Name

Printed or Typed Name

Title

Title

Date

Date

Please sign and email this entire document to managed@rightsys.com

APPENDIX A – COVERAGE AND CURRENT EQUIPMENT

Description – Servers	Frequency	Included
Manage Servers	Ongoing	Yes
Check Print Queues	Ongoing	Yes
Monitor all server services	Ongoing	Yes
Maintain server patching, hotfixes per company policy	Ongoing	Yes
Check server event logs and identify potential issues	Ongoing	Yes
Anti-Virus management and updates	Ongoing	Yes
Monitor hard drive space on servers	Ongoing	Yes
Exchange-Office 365 user/mailbox management	Ongoing	Yes
Monitor Active Directory Replication	Ongoing	Yes
Monitor DNS&DHCP	Ongoing	Yes
SQL server management, as required	As needed	Yes
Reboot servers if needed	As needed	Yes
Scheduled off time server maintenance	As needed	Yes
Install supported software upgrades	As needed	Yes
Set up and maintain groups and permissions	As needed	Yes
Check status of backups	Ongoing	Yes
Alert Client to dangerous conditions	Ongoing	Yes
- Memory running low	Ongoing	Yes
- Hard drive running out of disk space	Ongoing	Yes
- Hardware showing sign of failure	Ongoing	Yes
Educate and correct user errors (deleted files, corrupted files, etc)	As needed	Yes
Clean and maintain directory structure	As needed	Yes
Parts and labor on servers	As needed	No

Description – Workstation and Help Desk Support	Frequency	Included
24x7x365 critical issue support	As Needed	Yes
8x5 Monday-Friday proactive management	As Needed	Yes
Anti-Virus updates	Ongoing	Yes
Spyware scan and removal	Ongoing	Yes
Patch management (Intune)	Ongoing	Yes
Parts and labor on workstations	As Needed	No

Disaster Recovery and Backup As A Service	Frequency	Included
Data recovery	As Needed	No
Backups per company retention policy	Ongoing	No
Offsite backup per company retention policy	Ongoing	No
Backup data validation	As needed	No

Devices	Frequency	Included
Manage network printers	As Needed	Yes
Manage other networked devices	Ongoing	No
Manage smartphones and tablets	As needed	No

Network	Frequency	Included
Check router logs	As Needed	Yes
Performance monitoring/capacity planning	Ongoing	Yes
Switch management	As Needed	Yes
Wireless management	As Needed	Yes
Firewall management	As Needed	Yes

Security	Frequency	Included
Review firewall logs	As Needed	Yes
Manage directories, shares, security groups, user accounts and policies	As Needed	Yes
Permissions and file system management	Ongoing	Yes
Email SPAM protection	Ongoing	No
Monitor for unusual activity among users	Ongoing	No
Security incident response	As Needed	No
Threat hunting	As Needed	No
Managed Detection and Response	Ongoing	No
Security compliance reporting	As Needed	No

Applications	Frequency	Included
Ensure Microsoft Office applications are functioning as designed	Ongoing	Yes
Ensure line of business applications are functioning as designed	Ongoing	No

Vendor Management	Frequency	Included
Manage the following vendor relationships	As Needed	
- Phone, Telco, and Internet	As Needed	Yes - Comcast
- Copiers, faxes, scanners	As Needed	No
- Website designer and hosting company	As Needed	No
- Proprietary software applications	As Needed	No

Professional Services	Frequency	Included
Technology solution design and development	As Needed	No
Proof of concept lab testing	As Needed	No
Onsite implementation and project management	As Needed	No
Technology meetings with trusted advisor	Quarterly	Yes

Service Expectations	Time of Day/Week	Rate
Remote PC management/Help Desk	Ongoing	Yes
Remote printer management	Ongoing	Yes
Remote network management	Ongoing	Yes
Remote server management	Ongoing	Yes
PC/Laptop/Printer addition or replacement	As Needed	N/A
Major Software Upgrades: Operating system upgrades, new management systems, database implementations, etc.	As Needed	See Hourly Service Rates
Installation and configuration of new equipment, major systems/hardware upgrades, virtualization, major network reconfiguration, etc.	As Needed	See Hourly Service Rates



McCleary Regular City Council Meeting

Wednesday, December 13, 2023 – 6:30 PM

McCleary Community Center & Zoom Virtual Meeting

Minutes

Call to Order/Flag Salute/Roll Call

PRESENT

Councilmember Jacob Simmons
 Councilmember Brycen Huff
 Councilmember Max Ross
 Councilmember Andrea Dahl
 Councilmember Keith Klimek
 Mayor Miller

Agenda Modifications/Acceptance

Councilmember Huff added an update to code under New Business and Fire Chief discussion.

Motion made by Councilmember Huff, Seconded by Councilmember Ross to amend the agenda.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Ross, Councilmember Dahl, Councilmember Klimek

Special Presentations

1. Greater Grays Harbor

Greater Grays Harbor CEO Lynnette Buffington gave a presentation on the Municipal Services Agreement, which consisted of two parts. She provided data on services provided, including:

Biz Boost Program - Consists of \$1.3 Million from WA Dept. of Comm., to provide small business support services across Clallam, Jefferson & GH counties. This includes tuition, books, etc. for nine students to attend bookkeeping courses at GH College.

Small Business Training - Provided to 45 businesses, offered through the Small Business Summit (May 2023) and the WA Dept. of Comm. Global Entrepreneurship Business Summit (November 2023). Also provides Monthly Business Assistance Briefing in the Harbor Insider Newsletter, which shares relevant and timely support resources.

Councilmember Klimek asked about the return on the city's investment of \$20,000. CEO Buffington verified there would be a minimum \$1,200 return.

Public Comment - Agenda Items Only

Jeff Geer voiced an item for the Fire Chief (currently unfilled position). Councilmember Huff will check code regarding this topic and report back to council.

Dan Comer recommended to council that Andrew Pittman would make an excellent new Fire Chief.

Mayor Miller asked Andrew if he would be willing to accept appointment as interim Fire Chief, to which he replied in the affirmative.

Lisa Johnson inquired about the budget proposal that was posted yesterday, and how it might be reviewed and approved within 24 hours. She suggested if council was unable to reach an agreement within the specified time frame, that at least a temporary budget of some sort, be put in place.

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Kyle Comer inquired as to who gave the order for trespass to two individuals recently. It was determined Police Chief Sam Patrick gave the order. It was discussed that steps were missed and Chief Patrick pledged that he is working to correct the issue.

Carrie Comer expressed her concerns to council regarding the budget situation, given short window of time and lack of seriousness she perceives from council. She expressed a need for creativity because people's jobs are on the line.

Paul Nott (former McCleary Fire Chief) also expressed concern regarding the need to fill the role of Fire Chief. He expressed his frustration with what he perceives as a lack of public engagement between city administration and the public, in response to multiple emails he has sent, concerning leadership positions within the city. He feels the council & mayor have turned the topic of city employment into political or personal issues. He feels the employees who have been training for two years are being ignored. He expressed concern for the safety of the community and expressed hope that council & mayor will accept the recommendation of Andrew Pittman for the position of permanent Fire Chief.

Consent Agenda

2. Accounts Payable November 16-30, 2023 Ck Numbers 52752-52781 including EFT's Totaling \$48,937.39

Motion made by Councilmember Huff, Seconded by Councilmember Dahl to approve the consent agenda.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Ross, Councilmember Dahl, Councilmember Klimek

Updates

3. Staff Reports - Light & Power, Public Works, Water & Wastewater, Fire Department, Police Activity, Finance, Director of Public Works

Councilmember Huff acknowledged the retirement of Paul, Jerry, Brad & Jeff from the Fire Department, and the 20+ years of service each have provided to the city.

Andrew Pittman provided an update to staff report to council. One candidate has applied for the position of Interim Fire Chief; he has an impressive resume.

Councilmember Ross asked that the recent Aquifor Study be published on the city website.

New Business

4. Planning Commission Discussion

Councilmember Huff referred to a letter sent to council by a member of the community, regarding an incident that occurred during the November Town Hall meeting, with Planning Commissioner Gary Atkins. Huff noted there was no justification for Atkin's behavior, which was an embarrassment to the city, did not reflect city or council standards, and should not be tolerated. Huff presented council with an official letter he has prepared, calling for the removal of Atkins. The letter provides Atkins until January 30 to respond.

Councilmember Dahl expressed agreement with this process.

City Attorney Chris Coker stated that Atkins must have notice with a chance to respond, before council can make a decision on removal.

Councilmember Ross also expressed agreement regarding the incident with Atkins. He noted that

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anyone representing the city should not act in the manner Atkins did, and feels city employees should be held to a higher standard.

Motion to proceed with a removal letter was made by Councilmember Huff, Seconded by Councilmember Dahl.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Ross, Councilmember Dahl, Councilmember Klimek

Fire Department Discussion

Councilmember Huff asked Attorney Coker to look at city code regarding the Fire Chief position. He suggested the idea of changing code (if necessary) so that a person could be appointed and approved by council to fill the position, rather than by the Mayor. Coker said he was unaware of current code that would enable council to manage the appointment of an individual. Rather, they only have the authority to disapprove the appointment of individuals made by the Mayor. Huff then asked Coker to research old code, and look specifically at the hiring/firing authority available to the council.

Additional discussion went on for many minutes between the councilmembers regarding the need for Coker to review code, and what such an action would accomplish. There was disagreement amongst councilmembers and the mayor, as to whether the current process/traditions of appointing individuals to positions should be reviewed or remain the same.

Councilmember Ross expressed a desire to mend the relationship between council members and the mayor, and asked Mayor Miller to think upon the appointment of referred individuals and allow for confirmation, in an effort to move forward. Miller agreed to review it.

Old Business

5. Greater Grays Harbor Agreement

A motion was made to accept proposed agreement with GGH by Councilmember Dahl, Seconded by Councilmember Klimek.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Ross, Councilmember Dahl, Councilmember Klimek

6. Memorandum of Understanding – Amendment to the Current IBEW Collective Bargaining Agreement

Councilmember Dahl suggested discussing this topic at present, as it was brought six months ago, but not addressed. This topic is being brought again, as part of the budget. Dahl expressed she was not in favor of the proposal and believes it unnecessary, and presented a motion to squash this topic. This motion was not seconded, as other councilmembers felt further discussion was warranted.

Councilmember Huff asked for an update on the IT project.

PW Director Chad Bedlington reported that the project was only 60-65% complete. He explained that to this point, the work done had been done through efforts of an existing employee. Additional services have not been engaged because of the additional expense associated with Aktivov (the city's current outside private consultants, who charge \$125/hr). Chad expressed a desire to complete the project within the confines of the existing budget. He talked about this project from the perspective of staff, and the perceived disappointment in response to council's refusal to give further consideration to this position, which is part-time. Chad acknowledged the frustration from the community and council members about the urban planning perspective of the position, but reiterated a need that he feels could be beneficial. Chad went on to highlight the cost savings of utilizing IT Support that's internalized rather than externalized, to complete this project.

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Councilmember Dahl inquired as to the specifics that remain to complete the project. Chad summarized that it's primarily security related, and pointed out the 1000+ attempts he's seen each month of cyber attacks, trying to access information. He stressed the urgency to improve security and ask council members make a decision to support the proposed agreement.

Councilmember Ross asked for a comparison of the costs using internal vs external IT Support. Chad reiterated the position is a part-time, split position, covered by the IBEW. He believes 20 hr/week labor force would be sufficient to fulfill the city's IT needs, but also noted a backfill need in the planning dept., which is why they're looking for more support. Councilmember Ross asked again for a comparison the costs, and Chad estimated it will cost \$40,000-\$50,000/year less to utilize internal support. Councilmember Ross expressed a desire to simply re-purpose the current position to a Public Works assistant position, with an IT component.

Councilmember Simmons inquired as to the city's experience with a previous IT vendor, as well as what steps would need to be taken and the cost effectiveness of retaining a new vendor short term. Chad reported the last vendor was paid \$26,000, only to provide what Chad perceived as insufficient services for the city's needs. With regards to outside vendors, Chad implied there is significant difficulty finding vendors willing to work for municipalities, that don't demand astronomical fees. Chad referenced the major failure in the city's network that occurred within the last six months because this issue hasn't been resolved, and the large expense that occurred in order to repair the damage to the system. Chad went on to mention that neighboring cities such as Elma and Montesano have an internal IT support person.

Councilmembers inquired as to whether the creation of this new position would result in tax exemption and/or whether the job would need to be a permanent one, due to union funding involvement. Councilmember Ross voiced his willingness to consider the creation of this position for one year only. Councilmember Klimek expressed the need for council to have the option to remove the position at some point, if necessary. He suggested bargaining with the union to have the position structured as a temporary one, as a possible solution to this concern.

Paul Nott identified himself as being a shop steward for IBEW 77, and spoke to Councilmember Ross and Klimek's concerns. He expressed a willingness by the union to agree to contract terms that could create this position for a limited time frame, with an option to renew or renegotiate terms for a subsequent contracted position.

Councilmember Huff expressed he was not in favor of the creation of this position at this time, in light of the current budget deficit. Huff further suggested the proposed position was incredibly similar to the Public Works Assistant position that already exists, as well as his opinion that Chad and Tyson could increase funding if they were engaged in more consistent code enforcement. No motion or decision was made.

- 7. Grant Award – Transportation Improvement Board (TIB) – W Maple Street, S 6th St to S Main Street
A brief overview of the project was provided, which is part of the city's six year transportation improvement plan. Approximately \$500,000 has been received thus far, with a 5% match from the City of McCleary (amounting to approx. \$26,000), which it is presumed will be funded through the REET fund. The project is expected to start in the fall of 2024 and be completed by the end of the year or sometime early in 2025.

A motion made to approve the grant award by Councilmember Huff, Seconded by Councilmember Ross.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Ross, Councilmember Dahl, Councilmember Klimek.

- 8. Salary Commission

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Councilmember Dahl reported that the Salary Commission met in either May or June, to discuss salary increases. This was done without the knowledge of councilmembers and the public, which is in violation of the open public meeting act. Given this information, and the current budget deficit, Councilmember Dahl suggested the Salary Commission be dissolved. No motions were made.

9. Fraternal Order of Police Collective Bargaining Agreement – 2024-2026

Councilmember Dahl discussed the FOP contract and how funding comes directly out of the current expense fund. Therefore, the original contract was renegotiated a few days ago, which included the following changes: Full family medical was removed, as well as a step increase. 15% of expenses is allotted to wages alone. Councilmember Huff explained the procedure of how contract negotiations have typically occurred in the past; the mayor notifies the council, so council can be part of the team/be in the loop during the decision process, when a tentative agreement is offered. In this case, the typical procedure did not occur, and the first executive session regarding this matter didn't occur until the most recent council meeting, last month. Councilmember Huff went on to talk about the emotions that often accompany contract negotiations, and the need be good stewards for the city, and set emotions aside in order to make a business decision regarding this matter. Councilmember Huff believes there's still room to move within the negotiation process, but expressed discomfort about taking action during this meeting, until a definitive budget for 2024 is available.

All council members agreed to hold this issue for a future meeting, after the 2024 budget gets adopted.

10. Cost Allocation Plan for 2024

Clerk Treasurer Jenna Amsbury explained that in two audit sections, the city has been requested to create a cost allocation plan that's updated from the past. This plan takes into consideration how cities of a comparable size, use different methods for how salaries are allocated out to the different funds, because utility funds can only be used for the utilities they serve. She then presented the draft for the 2024 cost allocation plan to other councilmembers, and went on to explain that calculations can be made from either the number of employees in a fund and/or the revenue in a fund, to show the city has a method for how allocations are made to every fund. This plan will satisfy the needs of the audit.

A motion was made by Councilmember Ross, Seconded by Councilmember Dahl to approve the cost allocation plan.

Voting Yea: Councilmember Huff, Councilmember Ross, Councilmember Dahl, Councilmember Klimek
Voting Nay: Councilmember Simmons

Ordinances and Resolutions

11. Budget Amendment Ordinance

2023 budget amendment - a new contract with District 5 was approved after the 2023 budget was done. This amendment adds in the cost of the ambulance, so this expenditure is covered at the end of the year.

A motion was made by Councilmember Ross, Seconded by Councilmember Huff to approve Ordinance 887, adopting the 2023 budget amendment.

Roll Call Vote

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Ross, Councilmember

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12. Resolution to Repeal CPI for 2024

Councilmember Dahl explained that this ordinance would be to repeal the consumer price index (CPI) for 2024, which would make it 0%, rather than the 3.78% that the CPI would normally have followed the finalization.

Paul Nott (speaking as a concerned citizen), mentioned the rate study that was done, and acknowledged the boldness of it. If the council is unwilling to repeal the CPI, Paul asked council to consider reducing it to a nominal fee (such as \$.10). He suggested adjusting to a smaller rate in light of inflation in the current economy, will assist citizens who are struggling to pay bills, while at the same time reducing the overall amount the rate will jump to in 2025. Paul then noted how much the cost of replacement transformers had increased this year (\$4,800) as an example of increased prices across the board, and the importance of having funds for things like that.

Councilmember Ross proposed allowing citizens a break for a year, but no more.

Councilmember Huff voiced the need for city officials to notify citizens of a specific plan for incremental rate increases and why, rather than simply increase rates. However the public couldn't be notified yet, because the SCS hasn't yet completed their part so specific rates could be determined. Therefore, Councilmember Huff expressed being in favor of a 0% increase, since there was already a 10% increase to citizens last year, and then adjust as needed in the 2025 budget cycle.

Councilmember Klimek expressed his opinion that if rates aren't raised now, that it will come to a point in the future where there will have to be such a large rate jump, that it will hurt citizens more in the long run, than increasing the rate by a smaller amount now.

Councilmember Simmons pointed out that a 3% rate increase only gains the city \$15,000.

Chad Bedlington noted that the goal of the CPI is simply to keep up with inflation, derived from set standards, and reminded council that their intent was not to feed the general fund. Rather, the intent is to make up for inflationary costs against each utility, each enterprise fund, and each business.

Councilmember Huff recommended this issue be held for the time being, until the budget gets approved, even if it means having to hold a special meeting.

13. 2024 Budget Ordinance

Jenna Amsbury, Clerk-Treasurer, stated this is predominantly the same material provided in the past meeting, with other options.

Councilmember Huff brought up a portion of the plan; Option B. This option talks about laying off a Light & Power position, which is it's own business (essentially). Huff went on to explain that usually, a layoff gets made because there either isn't sufficient work available to support the staff, or because there isn't the funds to support the staff. Huff pointed out that Light & Power has a \$500,000 surplus (including the \$50,000 building outlay that never got added to the budget), suggesting this department has both work and funds available, and was confused as to why there would be a proposed lay off to this department. Councilmember Simmons pointed out that funds from one department cannot legally be used to fund another department. He expressed frustration with the fact that he and other councilmembers have written up proposals for cost allocations, to prevent shortfall and surpluses from happening, but they are not being reviewed by everyone and included in the budget.

Councilmember Huff suggested the option to lay off a Light & Power employee in the 2024 allocation plan be removed.

Councilmember Simmons suggested the CPI was utilized in the previous year's budget as a weapon, in that either the CPI increase gets passed, or there was a threat to cut jobs.

Mayor Miller suggested that's why two options had been given, but Councilmember Simmons countered that both options were unacceptable/unreasonable. Councilmember Dahl agreed with Councilmember Simmons' point. Councilmember Hoff inquired as to how a middle ground or

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compromise could be reached.

Councilmember Klimek related an experience whereby he recently met a citizen during a community event, whereby the citizen identified himself as a Public Works employee, and begged Councilmember Klimek to "save his job." Councilmember Klimek pointed out that budget decisions weren't just numbers, but outcomes that impact people's lives.

Councilmember Huff acknowledged the concern for employees, but reminded council members that a decision must be made that's best for the city financially, and that no options were "off the table" at the moment, until an agreement can be reached. Huff then mentioned an option to freeze step increases, COLA increases, and new hirings for a six month minimum. He suggested the current budget proposal was not financially responsible for the city.

Councilmember Simmons the brought up the issue of purchasing bunker gear for the fire department, and a desire to see a budget that addresses the transfer of \$50,000 from this year to next year of current expense. Simmons noted this gear has been promised to the department previously, and expressed his belief that the FD is deserving of this equipment.

At this point, there was much debate about a number of budget issues, and a need to create a spreadsheet for different scenarios, so that different outcomes could be evaluated.

Councilmember Huff talked about keeping the FOP budget "status quo" for this year's budget, but renegotiating the contract so an amendment can be made at a later date, to help reduce overall budget costs.

Councilmembers Dahl and Huff expressed not liking to use ARPA funds for ongoing expenses, but there's currently \$86,000 that needs to be spent by 2026, or it must be returned to the federal government. Several ideas were discussed as to where those funds could be used.

It was reiterated that council would remove the IT proposal from the next draft, and also that there will be no layoff of staff for the Light & Power department. It was also suggested the next draft include plans NOT to give administrative COLA's this year, in order to maintain staffing levels.

Councilmember Huff inquired about scheduling a specialty meeting to approve a final budget with all the changes discussed from tonight's meeting. Meeting scheduled for December 21, 2023 at 6:30pm.

Public Comment - City Business Only

Jeff Geer thanked current council for recognizing the recommendations of the fire department earlier in the meeting. Jeff mentioned his own experience as both a past council member and city fireman, and expressed his frustration with the current mayor's handling of the budget, especially so late in the year. Jeff suggested this process should have been done in August, and recommended council start thinking about 2025 budget concerns by March, or they would find themselves in the same situation at the end of 2024.

Dan Comer expressed his displeasure with the council's decision to kick people out of the meeting, before they've had a chance to say what they want to. He recommended providing the public with at least one warning before dismissing them from future meetings.

Lisa Johnson brought up the topic of receiving a trespass citation on November 28th, and how it was a violation of her First Amendment Rights. She stated the description was vague, with no written explanation given for the reason for the citation. Lisa further explained that the officer had issued the citation the day before the special meeting, knowing full well she would be unable to attend. Furthermore, she was told that she had 48 hours to appeal, and alleged that no one was going to look at her appeal within that time period. Despite her statement, Lisa went on to say that she did have an appeal at some point, and was verbally told at the appeal that she was trespassed for "high-fiving" another citizen after she was kicked out of a council meeting for her comments, which caused the public to clap and stall the meeting. Lisa continued by explaining that she picked up her public disclosure request regarding the incident, but did not receive it the video and statements needed, that would demonstrate criteria were met to issue a trespass. Lisa expressed her belief that the trespass was specifically issued to target, harass, and intimidate her.

Carrie Comer expressed her hope that council would rescind the idea of putting an application process in place

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for the selection and appointment of the future Fire Chief, and voiced her approval of Andrew Pittman for the position. Carrie talked about the importance of following traditions with regards to city processes, which she believes have been effective for over 80 years. She accused the mayor of convening the salary commission illegally, with the intention of giving himself a pay raise, and expressed her hope that the council would hold Mayor Miller accountable for his actions. She expressed her dissatisfaction with the budget, specifically the issue of creating an in house IT department and what she perceives to be mismanagement of the process. Carrie ended her comments by accusing Mayor Miller of being a bully, with an ego, who likes to intimidate and retaliate against others, and called for his resignation.

Missi Olson talked about the two most recent town hall meetings, which she reported were both great experiences, full of community togetherness, and what McCleary is all about. Missy then suggested Mayor Miller is to blame for causing division within the fire department, city council and community, and also called for his resignation.

John Goodwin identified himself as a retired fire fighter from the city, and suggested Andrew Pittman should be the new, full-time Fire Chief, because it's what the people want and what other firemen within the department want. He stated this has been the process in the past for appointing people to the position and that there's never been a problem before; it's a good system.

Paul Nott also identified himself as a retired city fire fighter, and echoed John's comments about appointing Andrew Pittman as full-time Fire Chief, to be done before December 31st.

Oath of Office - Council Positions 1 and 2

The oath of office for Council Positions 1 & 2 was read aloud. Jacob Simmons and Brycen Huff were both sworn in as the two newest council members for the year 2024.

Council Comments

Councilmember Huff reminded everyone of the fire truck food drive coming up on Dec. 16th, and encouraged everyone to donate. He then recognized the Civic Renewal Council for their park decorations. Huff mentioned that the Santa breakfast at the Bear Festival was successful. Huff then talked about the email exchange that had gone on regarding the appointment of a new Fire Chief. He expressed his appreciation for the good comments submitted by several individuals, in concern for the fire association. Huff talked about Andrew Pittman's history with the town, and his many qualifications for the position of Fire Chief. Huff expressed his belief that the mayor's actions in this matter were a slap in the face to the entire fire department, the community, and to Andrew personally. Huff went on to talk about recent events, including investigations, litigation issues, poor management of finances, and general mistrust that has developed between council members and the mayor, because of his "erratic decisions," manipulation, deception, and poor leadership. Huff stated that he has tried to give the mayor a chance, but no longer has confidence that the mayor is doing the right thing for the city. Huff expressed his frustration with the constant arguing and putting out fires and second guessing everything, rather than working on goals, and believes McCleary is the laughing stock of Grays Harbor County.

Councilmember Dahl seconded Huff's comments and stated that she too has zero trust and confidence in anything that goes on. Dahl is second guessing the intent and decisions that are being made by the mayor.

Councilmember Klimek stated there are politics being played in our fire department, which both sadden and offend him, and was of the opinion that the traditions of a city should be maintained.

Councilmember Simmons voiced his support of what other council members had stated, and expressed his own lack of trust and confidence with the mayor and said he was also tired of the second guessing the mayor's intent. Simmons then thanked Chad Bedlington for his quick response to an email that was sent. He noted that the holiday decorations in the park looked great. Simmons concluded by thanking Officer Morton for responding to a complaint Sunday morning, regarding an incident with his street where everyone's mailboxes had been opened.

Councilmember Ross expressed his appreciation to whomever organized the Christmas light car parade, and

Please turn off Cell Phones- Thank you

Americans with Disabilities Act (ADA) Accommodation is Provided Upon Request.
The City of McCleary is an equal opportunity provider and employer.
La ciudad de McCleary es un proveedor de igualdad de oportunidades y el empleador.

thought it was great!

Mayor Comments

Mayor Miller expressed his feeling that the distrust for him from certain council members went "both ways."

Executive Session

None

Adjourn

Motion to adjourn the meeting was made by Councilmember Ross, Seconded by Councilmember Dahl.

Meeting adjourned.

Please turn off Cell Phones- Thank you

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McCleary Regular City Council Meeting

Wednesday, September 11, 2024 – 6:30 PM

McCleary Community Center and Zoom Virtual Meeting

Minutes

Call to Order/Flag Salute/Roll Call

Meeting called to order at 6:30pm. Councilmember Huff asked for a moment of silence

PRESENT

Councilmember Jacob Simmons (by phone)
 Councilmember Brycen Huff
 Councilmember Andrea Dahl
 Councilmember Keith Klimek

ABSENT

Mayor Chris Miller

Agenda Modifications/Acceptance

Motion made by Councilmember Dahl, Seconded by Councilmember Klimek to accept the agenda.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Dahl, Councilmember Klimek

Special Presentations

None

Public Comment - Agenda Items Only

Carri Comer spoke about the Social Media Policy mentioned in Jenna Amsbury's Staff Report. Carri wants to know who has access and asked about the use of comments. She asked where City business will be posted. Councilmembers Klimek & Simmons received Jenna's Social Media Draft Policy, but they do not have an update at this time as they have not met on it.

Consent Agenda

Chantal Segó made a comment regarding the minutes accuracy for how the Civic Renewal was founded and asked for them to be updated.

Motion made by Councilmember Dahl, Seconded by Councilmember Klimek to accept the consent agenda with the revision of the minutes to be made.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Dahl, Councilmember Klimek

1. Accounts Payable Aug 16-31 Ck Numbers 53681-53712 Including EFT's Totaling \$71,851.46
2. Meeting Minutes - August 28, 2024

Updates

3. Staff Reports - Light & Power, Finance, Fire, Police, Water & Wastewater, Public Works Director

Councilmember Dahl asked about the grant for inflow and infiltration. Chad Bedlington stated October 15th is the due date and he plans to submit a grant application.

Councilmember Huff asked about the Police Explorer needing to be sold as surplus. Huff also asked about the

attorney RFP's.

There will be a budget workshop meeting on September 17th from 6:00pm - 8:00pm

Chad Bedlington said the RFP's for IT Services are due September 19th. He did a walk through with a couple companies that were interested in applying.

Councilmember Simmons asked if the Mayor will be present at the Budget Workshop. He said it is unacceptable to spend time at extra meetings when the Mayor won't show up at any meetings.

Chad Bedlington gave an update on the Maple Street Project. It is a 3-year project from the award to completion, and we are in the billable stage now. Next Spring will be the construction stage.

New Business - None

Old Business

4. Fraternal Order of Police – Memorandum of Understanding for the 2024-2026 Collective Bargaining Agreement

Jenna Amsbury stated that since the adoption of the Collective Bargaining Agreement the shift times has changed from 6:00 to 6:00 to the new schedule of 7:00 to 7:00. This MOU changes the shift differential to match shift times for the full evening shift. It also details that the shift differential will not be retroactive, but start on September 1.

Motion made by Councilmember Dahl, Seconded by Councilmember Huff to accept the MOU for the 2024-2026 Police contract.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Dahl, Councilmember Klimek

5. Washington Department of Enterprise Services Energy Services Authorization/Agreement

Chad Bedlington spoke about the Solar Project. This is the 5th conversation on this topic. It is revenue generating and will offset Bonneville charges 100,000-160,000, we will find out during this process. In addition for maintenance, Ameresco is willing to provide a 25-year maintenance agreement to alleviate concerns. The project can also provide \$30,000 in sales tax revenue to the General Fund from the purchases of the equipment and panels.

Councilmember Klimek asked what the maintenance contract entailed. Brian Solan from Ameresco said it's an O&M agreement. He believes there is a way for it to be funded through the grant at the average of 10-20% of the cost of power generated. The structure agreement would need the cost upfront as part of the agreement. Councilmember Klimek doesn't want to pay this out of the City Funds. There is no guarantee there will be a 25-year service contract if Ameresco were to not be in business over the whole period. Brian Solan said Ameresco has been in business over 20 years already and has a strong business presence.

Councilmember Simmons said he reached out to Department of Commerce to get more information. He wants a response from Department of Commerce before voting.

Councilmember Huff wants to table this until the next meeting. The consensus was to table the item for next meeting.

6. McCleary Civic Renewal Council regarding City Partnership

Carri Comer said the Civic Renewal Council didn't request a letter of support from the City for the grant. They have already submitted a grant for \$4,800 in additional funding to purchase more décor for the park.

She explained a year ago the City was looking for an arts/parks committee. The scope is not clear what the city is wanting to be involved in. She wants the City to partner with the Civic Renewal to do the volunteer work for the Christmas event. Councilmember Klimek talked about the Liability Insurance. Councilmember Huff said he has helped with events in the past and it's hard to say what someone might sue for.

Civic Renewal Group would like to start with the Christmas Event, decorating of the park and lights over the pickleball court and then discuss other partnerships. Councilmember Klimek said that the Civic Renewal Group does a good job. There will be more discussion with Chad and Jenna to see if an MOU can be drafted.

Ordinances and Resolutions - None

Public Comment - City Business Only

Dan Baskins stated other cities have used a volunteer application process for events and said that is something the city could review for the civic renewal council.

Executive Session - None

Council Comments

Councilmember Huff said September is suicide awareness month, the phone number for help is 988. Huff reminded everyone that the City Wide Garage sale is September 20-22, 2024.

Councilmember Dahl said Council Position #3 has been vacated and it is open for applications.

Mayor Comments

None

Adjourn

Motion made by Councilmember Klimek, Seconded by Councilmember Dahl to adjourn the meeting at 7:47pm. Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Dahl, Councilmember Klimek



McCleary Special City Council Meeting

September 17, 2024 – 6:00 PM

McCleary City Hall & Zoom Virtual Meeting

Minutes

Call to Order/Flag Salute/Roll Call

Meeting called to order at 6:00pm

PRESENT

Councilmember Jacob Simmons

Councilmember Brycen Huff

Councilmember Andrea Dahl

Councilmember Keith Klimek

Discussion Items:

1. 2023 Strategic Planning Progress Update

Jenna Amsbury, Clerk-Treasurer, and Chad Bedlington, Director of Public Works, provided an update on the goals and priorities that were identified in the 2023 strategic planning session. They detailed what the city has done in coordination with these goals and priorities.

2. 2025 Budget Discussion and Project list

Chad and Jenna asked for council feedback on wish list items or projects council would like included in the 2025 budget. Councilmember Huff stated he wants to make sure the Police Department is maintained at current staffing level. He would also like to see money set aside for alley improvements and adding in hot water to the park bathrooms for use at events. He also asked if there had been further development on the transit station maintenance agreement with Grays Harbor Transit. Chad stated there are no updates from Transit. There was discussion on the use of the investment income that is coming in from LGIP, as presented in a resolution earlier this month. Jenna Amsbury noted there is ability to use these funds for any purpose if reallocated to general fund. Then the council could earmark the revenue for projects or special purposes.

Adjourn

Motion made by Councilmember Dahl and Seconded by Councilmember Simmons to adjourn the meeting at 7:30 p.m.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Dahl, Councilmember Klimek



McCleary Regular City Council Meeting

Wednesday, September 25, 2024 – 6:30 PM
McCleary Community Center & Zoom Virtual Meeting

Minutes

Call to Order/Flag Salute/Roll Call

Meeting called to order at 6:30pm

PRESENT

Councilmember Jacob Simmons

Councilmember Brycen Huff

Councilmember Andrea Dahl

Councilmember Keith Klimek

ABSENT

Mayor Chris Miller

Agenda Modifications/Acceptance

Motion made by Councilmember Dahl, Seconded by Councilmember Klimek to accept the agenda.

Voting Yea: Councilmember Huff, Councilmember Simmons, Councilmember Dahl, Councilmember Klimek

Special Presentations

None

Public Comment - Agenda Items Only

No Public Comment

Consent Agenda

Motion made by Councilmember Dahl, Seconded by Councilmember Simmons to accept the consent agenda.

Voting Yea: Councilmember Huff, Councilmember Simmons, Councilmember Dahl, Councilmember Klimek

1. Accounts Payable Sept. 1-16, 2024 Check Numbers 53722-53776 including EFT's Totaling \$210,515.53

Updates - No Updates

New Business - None

Old Business

2. Washington Department of Enterprise Services Energy Services Authorization/Agreement:
The Investment Grade Audit will be contracted through Ameresco, Inc., and funded with a \$2.745 million grant from Department of Commerce. Chad Bedlington stated this item has been discussed for the past three meetings and does not have anything new to add, but is open for questions.
Councilmember Simmons had no further questions.

Motion made by Councilmember Simmons, Seconded by Councilmember Dahl to approve the Investment Grade Audit.

Voting Yea: Councilmember Simmons

Voting Nay: Councilmember Huff, Councilmember Dahl, Councilmember Klimek

3. Right!Systems

Chad Bedlington stated the RFP for the new contract period was extended to allow for additional interested parties to come view the system. He requested to extend the contract with Right Systems for an additional 30 days to allow for review of the RFP and selection of a vendor moving forward.

Motion made by Councilmember Dahl, Seconded by Councilmember Klimek to extend the IT Service contract an additional 30 days.

Voting Yea: Councilmember Huff, Councilmember Simmons, Councilmember Dahl, Councilmember Klimek

Ordinances and Resolutions - None

Public Comment - City Business Only

Lucas Reich talked about his concerns for stray cats in the neighborhood. He expressed frustration that there is nothing that can be done to stop them from coming in his yard and defecating. He asked about code enforcement and was told there is no guideline for this issue in city code. There is also nothing for racoons or possums. Lucas also contacted Fish & Wildlife to see if they had anything they could do. He reviewed ordinances/codes of other Washington cities and provided them to council to help create an ordinance/code for McCleary regarding such issues.

Executive Session - None

Closed Session- None

Council Comments

Councilmember Huff asked about the status of the Request For Proposals for the city attorney. Jenna Amsbury stated it was extended through the end of the month with no response as of yet.

Councilmember Klimek asked about dogs in the park signage. Chad stated it will be up within the next couple weeks, the last item was just received.

Councilmember Dahl asked about audit entrance meeting. Jenna stated they just contacted her last week are in the planning stages. Councilmember Dahl asked about the status of the budget drafts, Jenna stated they are almost done with the first draft and the council will receive one in October.

Mayor Comments - None

Adjourn

Motion made by Councilmember Simmons and Seconded by Councilmember Klimek to adjourn the meeting at 6:44pm.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Dahl, Councilmember Klimek



City of McCleary STAFF REPORT

To:	Council
From:	Paul Nott
Date:	10/29/2024
Department:	Light and Power

Hello All,

Since our last report we have had 2 outages, one new service and have started on the rebuild up by the school. Currently we are working on Spruce Street up to 4th St. then we will rebuild 4th street from 4th St Ext North to Pine St.

We had an outage on Foreman Rd on Sunday 10/27 due to wind which took a tree down. We also had a significant outage on County Line Rd due to a dump truck that took down the communication wires which broke 2 poles, leaned 3 more over and left our customers in the dark for over 12 hours. Making the repairs not only included replacing the poles, a transformer and rebuilding the get aways on one of the poles, but also replacing the conductors for 12 spans of wire. The crew did great.

As we enter storm season, we want to remind everyone to stay away from down wires and please call if you are experiencing a power issue. Please don't assume that we know about your outage. We do our best to make sure everyone has power, but there have been times when we think everyone is back in lights and one customer still might have a problem.

As always, we are also working on customer service requests and maintenance issues as they arise.

If anyone has any questions or concerns, feel free to contact us...

GO HAWKS!!!

Paul



City of McCleary STAFF REPORT

To:	Mayor Miller and Council
From:	Fire Chief Andrew Pittman
Date:	October 1, 2024
Department:	Fire Department

Hello all,

We have 3 new members that are now hired and able to respond to serve our citizens.

Our Partners at Grays Harbor Fire District #12 have agreed to purchase new wildland gear for all members of the department. This will be a great help with working on wildland fires because of the lightweight properties, Thank you GHFD#12 commissioners for your ongoing partnership with the city.

We had 3 members participate in the Firefighter Stair climb challenge in Portland in order to raise money for Cystic Fibrosis. As a team we raised over \$1000. Thank you everyone for your support.

August numbers are as follows:

Accidents =2 Fire alarms=1 Public assists =7
Total= 10

I have just received an email stating that the burn restrictions have been lifted for land clearing fires, just a friendly reminder that burn piles are only 4x4 feet in size and only can consist of natural vegetation. A free burn permit is required for outdoor burning and can be obtained through ORCAA's website. More information on this you can check ORCAA, DNR, or the Grays Harbor County Fire Marshal's websites for up to date burn restrictions.

Thank you for the opportunity and Stay Safe,

Fire Chief Andrew Pittman



City of McCleary STAFF REPORT

To:	Mayor Miller and City Council
From:	Kevin Trehwella
Date:	November, 2024
Department:	Water and Wastewater

Water and Wastewater:

More rain than we have seen recently, which increases flow to the WWTP, will cause us to make changes to operations. Thanks to an experienced operations team, we will keep the WWTP working smoothly. We are aiming at getting the New Control Panel and New Pumps at the Evergreen Lift Station operational Tuesday November 5th. Next year we would like to replace the control panel at the Simpson Lift station since the pumps have been replaced. Also, the pumps at the Cedar heights Lift station are slowly wearing out. They need to be replaced along with the control panel. The pumps at Cedar Heights cannot be repaired in a cost-efficient manner. The Water Treatment plant has now been operational for 11 years. With the VFD's in place and operational we were able to trim the flows during the summer with less wear and tear on the pumps and motors than in previous years.

Kevin Trehwella

Legal Service Agreement between the Law Firm of Younglove Coker & Rhodes, P.L.L.C. and the City of McCleary

THIS AGREEMENT is entered into by and between the City of McCleary, a Washington municipal corporation (“City”), and the law firm of Younglove Coker & Rhodes, P.L.L.C., herein referred to as the “Firm” or “Law Firm.” The primary contact for services will be Christopher John Coker, a licensed attorney in the State of Washington (“Attorney”). However, the Firm may utilize other licensed attorneys, Rule 9 licensed legal interns, and/or legal assistants to perform City work.

RECITALS

The City desires to contract legal services for matters of a routine municipal nature in order to encourage Council members, the Mayor, and department heads to utilize the services of the Firm as an effective means of risk management. The City warrants that its execution of this agreement is lawful and within its power.

NOW THEREFORE, IT IS AGREED:

I. ASSIGNMENT AND SCOPE OF SERVICES.

The City officials responsible for giving the Firm work assignments are: the Mayor and Department Managers. Additionally, a majority of the City Council may give direct assignments to the Attorney if such direction is given during a meeting of the City Council.

The Attorney shall be principally responsible for performing all legal work for the City, except as set forth in Section III, or in those instances in which the Mayor assigns legal work to other specialized attorneys. The following list of duties is illustrative of the services to be performed by the Attorney, but is not necessarily inclusive of all duties:

- 1. Prosecuting Attorney Services.** As prosecuting attorney represents the City, within the jurisdiction of the Municipal Court established by the City of McCleary Municipal Code, in all causes arising from (but not limited to) violations of City Ordinances, whether Civil or Criminal.
- 2. Legal Documents.** The Attorney, as directed, shall review all ordinances, contracts, resolutions, inter-local agreements, legal correspondence or other legal documents. The Attorney shall draft such documents as requested by the City. The City, at its discretion shall forward all draft ordinances, contracts, resolutions and inter-local agreements to the Attorney to approve as to form.

3. **Advisory Duties.** The Attorney/Firm may advise the Mayor, City Council members, staff members, committee members, commission members and board members with regard to legal matters relating to their respective duties being performed for the City and will provide such legal services as a means of reducing the risk, when possible, of legal claims resulting from the City's actions. This includes providing advice on procedural issues relating to conducting open meetings, executive sessions or other City business, land use, permits, utilities, environmental standards and other regulations, ordinances or laws or contracts impacting City business or decision making.
4. **City Council Meetings.** The Attorney, as directed by representatives of the City, may attend in person, via phone conference or via video conference platform, two City Council meetings per month including, preparation and travel to said meetings. Preparation includes the review and drafting of ordinances, review of any contracts, leases, inter-local agreements, and other legal documents pertaining to the operation of the City and any legal research on issues before the Council.
5. **City Staff Meetings.** The Attorney may attend work or study sessions of the Council or board meetings, commission meetings, committee meetings or any other type of meeting on an as-needed basis, including meetings with other governmental agencies as necessary on matters involving the City as requested by the Mayor.
6. **Initial Court Filings.** The Attorney may prepare and file an initial filing of a complaint for code violations or other legal issues with the courts.
7. **Other Legal Services.** The Attorney will provide such other services as are necessary and appropriate in order to provide the City with adequate legal representation.

Additional Services

1. **Court Proceedings Commenced by City.** The Attorney may represent the City in civil lawsuits and other contested proceedings commenced by the City.
2. **Court Proceedings Naming City as Defendant.** The Attorney may represent the City in lawsuits and other contested proceedings in which the City is named as a defendant or represent the City in pursuing any insurance benefits or seeking defense representation for claims covered by insurance.

II. LOCATION, TIME FRAME OF SERVICES

1. **Location.** The Attorney may provide services on City Hall premises as scheduled by the Mayor. Other basic services will be provided by the Attorney or his staff or designee (if acceptable to the Mayor) from his/her office.

2. **Time Frame.** The Attorney shall make every effort to perform the duties requested by the Mayor in the time frame requested by the Mayor or as expeditiously as possible. The Attorney agrees to keep the City informed of the status of any assignment and provide a date as to when the work anticipated will be completed.

III. EXCLUDED SERVICES.

The Attorney's services do not include:

1. Representing or advising City employees where the interest of the City employee may conflict with that of the City.
2. Legal services normally provided by the City's bond counsel; provided, the City Attorney shall consult with bond counsel on behalf of the City and advise the City with regards thereto.
3. Providing legal services where the City has insurance coverage that provides for legal services and the City has tendered the defense to the insurance carrier. Provided, however, the Attorney shall monitor the lawsuit on behalf of the City, and may be retained by the City's insurance provider to provide such legal services, or may pursue claims against the City's insurance company as needed to ensure the City's rights under the contract of insurance are provided.

IV. CONFLICT OF INTEREST

The Attorney/Firm provides services to other clients in an independent law practice. The Attorney shall not perform such services for other clients where a conflict of interest or ethical violation, as defined in the Washington State Bar Rules of Professional Conduct, may exist. The Attorney warrants that his execution and delivery of this agreement does not and will not conflict with any obligation of the Attorney to a current or former client.

V. COMPENSATION

1. **Hourly Rate.** The City shall pay the Attorney's at the rate of \$325.00 per hour. The City shall pay Legal Assistant's at the rate of \$110.00 per hour. The Attorney shall invoice the City during the last week of each month for work performed the previous month. The City shall pay the Attorney's invoice promptly, and in no case later than 30 days from the invoice date.
2. The Attorney's actual direct expenses incurred for any work for the City shall be reimbursed at actual cost. Examples of direct costs include copying costs, mailing and postage fees, hiring of subcontractors or other Attorney's as approved in advance by the City, and other reasonable costs.
3. As appropriate, the City shall issue the Attorney a federal 1099 form.

Attorney’s federal tax identification number is: 91-1821715.
Attorney’s mailing address is: 1800 Cooper Pt. Rd. S.W. Bldg 16, Olympia, WA 98502.
Attorney’s phone number is: (360)357-7791.
Attorney’s e-mail address is: cjcoker@ylclaw.com.

The City’s federal tax identification number is:
The City’s mailing address is:
The City’s phone number is:
The City’s email address is:

VI. TERM OF AGREEMENT.

1. This agreement may be terminated by either party by giving 30 days-notice to the other party. Any earned compensation or expenses appropriate under this agreement will be paid for services rendered during the notice period but will only be authorized thereafter upon express agreement of the Mayor. The Attorney agrees to co-operate in the transferring of all City files and records and provide a copy of all pending attorney files to the City Clerk or the City’s designee promptly upon completion of services.

2. Upon termination of this Agreement, the Attorney/Firm shall not be entitled to severance pay or continued compensation other than for ongoing services the Attorney and Mayor have agreed will extend beyond the effective termination date.

VII. EQUIPMENT AND OTHER RESOURCES.

The Attorney shall obtain his own cellular phone, computer, office equipment and access to electronic legal research services as needed to perform the legal services contemplated in this agreement.

VIII. PROFESSIONAL LIABILITY INSURANCE

During the term of this Agreement and any extensions thereof, the Attorney shall secure and maintain a policy of comprehensive professional liability insurance provided by an insurance company licensed to do business in the State of Washington. Said policy shall have limits of not less than \$1,000,000.

VIII. INDEMNITY

The City shall defend, indemnify and hold Attorney/Firm harmless from any and all claims arising out of the good faith performance of his duties for services provided within the scope of this agreement, within the confines of applicable ethical rules and in compliance with existing law. Indemnity will not be provided for acts performed

outside the scope of the Attorney's/Firm's requested services, or for any acts of misconduct or alleged violations of existing law.

IX. CONFIDENTIALITY

Attorney/Firm agrees to keep all of the information provided by City in the context of this agreement confidential for the term of this agreement and thereafter, unless the Attorney client privilege is specifically waived, in writing, by an individual authorized to waive this privilege. This applies to all information and communications, including electronic communications, unless available to the public through a public records request and otherwise not subject to a specific exemption.

X. MAINTENANCE OF CITY RECORDS AND FILES

Any work-related products, such as letters, plans, spreadsheets, databases, or the like, that are developed during the term of this agreement for the City by the Attorney/Firm shall be deemed to be owned jointly by the Attorney. The Attorney will keep the City adequately advised of all legal matters by providing copies of all letters or correspondence, plans or proposals written on the City's behalf to the City Clerk, responsible Department Manager, or Mayor. All copies of correspondence received by the Attorney relating to City business will be routinely forwarded to the City Clerk, responsible Department Manager or Mayor, upon receipt. A copy of all documents prepared by the Attorney/Firm, but not previously provided, or when duplicates are needed, shall be delivered to the City upon request.

XI. QUALIFICATIONS

Throughout the term of this Agreement, the Attorney/Firm shall be an attorney licensed by the State of Washington and a member in good standing of the Washington State Bar.

XIII. INDEPENDENT CONTRACTOR STATUS.

The Attorney/Firm is an independent contractor and is not an employee of the City. The Attorney/Firm is responsible for paying his own federal income tax withholding and other taxes, fees or other charges imposed by law upon independent contractors from the compensation paid to him by the City. The Attorney is not entitled to any benefits such as sick leave, vacation, unemployment insurance, worker's compensation, PERS, overtime, compensatory time, or any other benefit not specifically addressed and provided for in this Agreement.

XIV. NON-EXCLUSIVE CONTRACT

This is a non-exclusive contract. The City reserves the right to appoint additional attorneys, to contract for a new Attorney in the future, or to terminate this Agreement as provided herein. Nothing in this Agreement shall guarantee renewal of this

Agreement, and in the event of a future renewal, the parties reserve the right to renegotiate all provisions.

XV. ENTIRE AGREEMENT

This Agreement incorporates the entire agreement between the parties with regard to the legal work to be performed on behalf of the City, and the rates to be charged therefore.

DATED this _____ day of _____, 2024.

City Attorney

City of McCleary

Christopher John Coker, WSBA #28229

Chris Miller, Mayor

ATTEST:

, City Clerk/Treasurer

To: Mayor Chris Miller and City Council Members

From: Tara Dunford, CPA

Date: November 6, 2024

Re: Ordinance No 892 Property Tax Levy for 2025

ATTACHMENTS: Ordinance No. 892

TYPE OF ACTION: None. First read.

Discussion: The City must adopt a tax levy ordinance in order to levy property taxes for 2025. The attached ordinance pertains to the regular levy only, exclusive of additional revenue from new construction. The attached ordinance presumes an increase of the maximum allowable (1%) plus levying for banked capacity. Amounts for this ordinance are provided by Grays Harbor County and are calculated as follows:

Step 1: Calculate 2025 levy based on maximum allowable increase (1%)

Highest lawful regular levy	\$348,538
x 101 percent equals	\$352,023

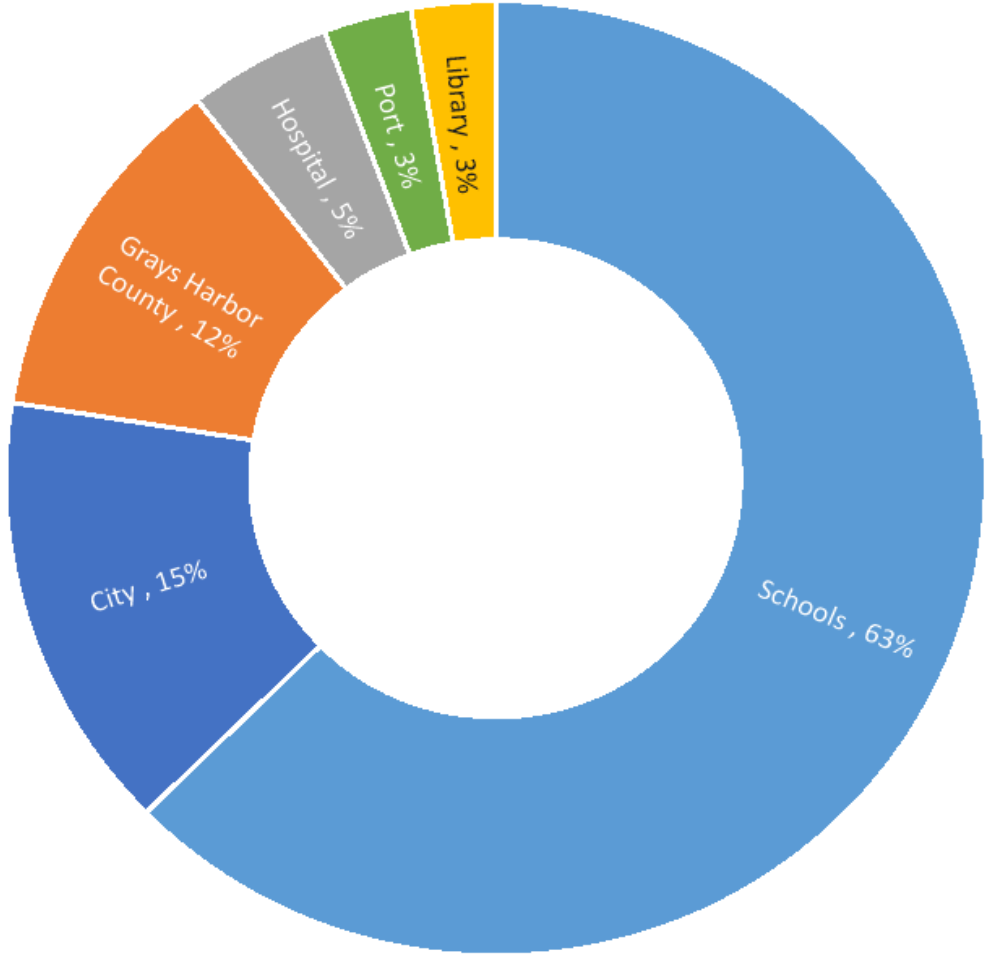
Step 2: Calculate change from prior year levy

2025 levy	\$352,023 (calculated as shown above)
Less: actual 2024 levy	\$332,166
Dollar increase equals	\$19,857
Percent increase equals	5.98%

Additional revenues related to administrative refunds and new construction are not required to be included in the tax levy ordinance but will be included in the levy certification provided to Grays Harbor County. Of the total dollar increase, \$16,535 is banked capacity (increases not taken in prior years) and \$3,322 is the 1% increase related to the current year. The cost of the 1% increase per \$1,000 of assessed valuation is approximately \$.07444. The annual impact on homes at various assessed valuations is as follows:

- \$300,000 - \$22.33
- \$400,000 - \$29.78
- \$500,000 - \$37.22
- \$600,000 - \$44.66
- \$700,000 - \$52.11
- \$800,000 - \$59.55
- \$900,000 - \$67.00
- \$1,000,000 - \$74.44

Property Tax Distribution



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCCLEARY RELATING TO THE ESTABLISHMENT OF THE REGULAR AD VALOREM TAX LEVY FOR THE YEAR 2025; MAKING FINDINGS; AND RESERVING RIGHTS.

R E C I T A L S:

WHEREAS, the City Council of the City of McCleary has met and considered its budget for the calendar year 2025; and

WHEREAS, the City’s actual levy amount from the previous year was \$332,166; and

WHEREAS, the City Council of the City of McCleary attest that the city population is less than 10,000 citizens; and

WHEREAS, RCW 84.55.120 requires that all property tax increases must be adopted by ordinance and specifically identify the dollar and percentage change from the prior year;

NOW, THEREFORE, the City Council of the City of McCleary, Washington do ordain as follows:

SECTION I: Be it ordained that an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2025 tax year.

SECTION II: The dollar amount of the increase over the actual levy amount from the previous year shall be \$19,857, which is a percentage increase of 5.98 % from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

SECTION III: This ordinance is based upon the information from the Office of the County Assessor as to amounts and calculations, as well as advice from County officials that this ordinance can be amended to modify the tax rate established herein by adoption of an appropriate amendatory ordinance. The City specifically reserves the right to take such amendatory action up to and including the last day allowed. Upon execution by the Mayor, a certified copy of this Ordinance shall be provided to the appropriate officials of the County so as to provide for appropriate assessment.

SECTION IV: Upon execution by the Mayor, a certified copy of this Ordinance shall be provided to the appropriate officials of the County so as to provide for appropriate assessment.

SECTION V: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases had been declared invalid or unconstitutional, and if for any reason this Ordinance should be declared invalid or unconstitutional, then the original ordinance or ordinances shall be in full force and effect.

SECTION VI: This Ordinance shall take effect upon the fifth day following date of publication.

SECTION VII: Corrections by the Clerk-Controller or Code Reviser. Upon approval of the Mayor and City Attorney, the Clerk-Controller and the Code Reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors, references to other local, state, or federal laws, codes, rules, or regulations, or ordinance number and section/subsection numbering.

PASSED THIS _____ DAY OF November, 2024, by the City Council of the City of McCleary, and signed in approval therewith this _____ day of November, 2024.

CITY OF MCCLEARY:

CHRIS MILLER, Mayor

ATTEST:

LINDSAY BLUMBERG, Deputy Clerk-Treasurer

APPROVED AS TO FORM:

CHRISTOPHER JOHN COKER, City Attorney

PUBLISHED: _____