

# CITY of CASCADE LOCKS AGENDA

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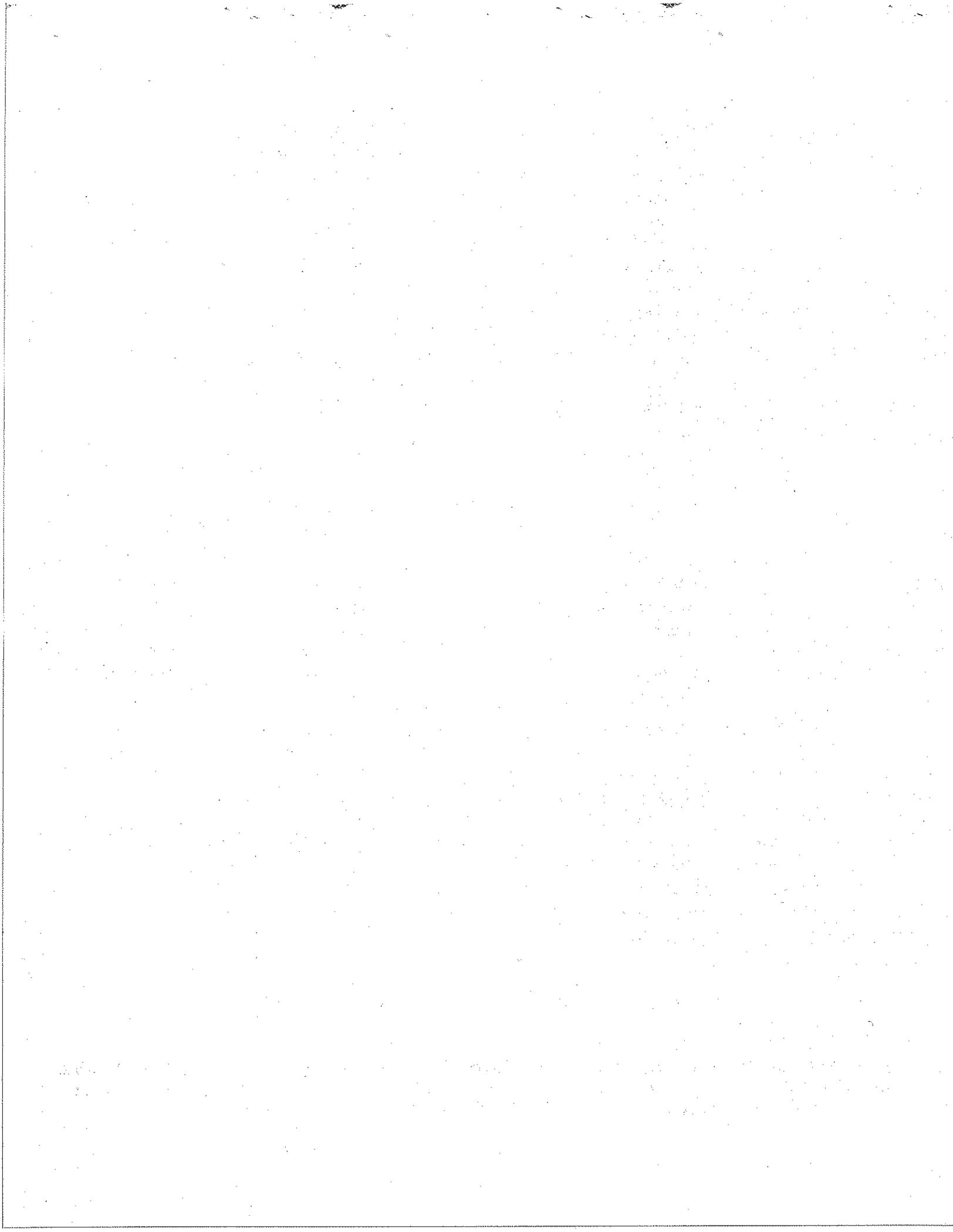
CITY COUNCIL MEETING, Monday, April 23, 2012, 7:00 PM, CITY HALL

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**Purpose:** The City Council meets twice a month to conduct city business, make decisions and set policy and direction for the city organization and community.

1. **Call to Order/Pledge of Allegiance/Roll Call.**
2. **Additions or amendments to the Agenda.** (The Mayor or Presiding Officer may add items to the agenda after it is printed and distributed only when required by business necessity and only after an explanation has been given. The addition of agenda items after the agenda has been printed is otherwise discouraged).
3. **Adoption of Consent Agenda.** (Consent Agenda may be approved in its entirety in a single motion. Items are considered to be routine. Any Councilor may make a motion to remove any item from the Consent Agenda for individual discussion.)
  - a. **Approval of Minutes of April 9, 2012 Council Meeting.**
  - b. **Ratification of the Bills in the Amount of \$ 76,155.54.**
  - c. **Appoint Cindy Mitchell and Pat Hesgard to the Museum Committee.**
4. **Public Hearings.**
5. **Action Items:**
  - a. **Authorization to Apply for a RARE Participant.**
  - b. **Approve Lease for Ricoh Aficio MPC 5502.**
6. **Appearance of Interested Citizens to Share a Variety of Perspectives on Issues Facing Our Community.**  
(Comments on matters not on the agenda or previously discussed)
7. **Reports and Presentations.**
  - a. **Parks and Recreation Recommendations - Presentation by Recreation Chair Karen Peck (verbal).**
  - b. **Report from Public Safety Task Force – Presentation of Final Recommendations from the PSTF.**
  - c. **Quarterly Financial Report – Presentation by Marianne Bump, Finance Officer.**
  - d. **Report Seeking Council Guidance on the Electric Rate Study Process – Presentation by ICA Koch.**
  - e. **Report on Economic Development Work Group – City Council/Port Subcommittee.**
  - f. **Discussion Regarding the Need for a Deputy City Recorder – Presentation by City Recorder Woosley and ICA Koch.**
  - g. **ICA Koch Report (handout).**
8. **Mayor and City Council Comments.**
9. **Other matters.**
10. **Executive Session as may be required.**
11. **Adjournment.**

**The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for person with disabilities, should be made at least 48 hours in advance of the meeting by contacting the City of Cascade Locks office at 541-374-8484.**



1. **Call to Order/Pledge of Allegiance/Roll Call:** Mayor Masters called the meeting to order at 7:01 PM. CM's Cramblett, Holmstrom, Helfrich, Lewis, Lorang, Storm, and Mayor Masters were present. Also present were ICA Koch, City Attorney Cleaveland, City Recorder Kathy Woosley, Interim Fire Chief Devon Wells, Joeinne Caldwell, Martha LaMont, Debbie Gunter, Port General Manager Chuck Daughtry, Don Haight, Dave Palais, Rob Brostoff, Anne Holmstrom, Kayla Carron, Lorraine Massey, Debbie Fine, Donna Mohr, Kirby Neumann-Rea, and Camera Operator Betty Rush.
2. **Additions or amendments to the Agenda:** CM Holmstrom said he would like to have 3.d. pulled from the Consent Agenda.
3. **Adoption of Consent Agenda:**
  - a. **Approval of Minutes of March 26, 2012 Council Meeting.**
  - b. **Approval of Minutes of March 19, 2012 Joint City of Cascade Locks/City of Stevenson Special Meeting.**
  - c. **Ratification of the Bills in the Amount of \$ 143,284.99.**
  - d. **Appoint Tom Cramblett, Jeff Helfrich, and Mayor Masters to Public Safety Task Force Council Subcommittee.**

Mayor Masters read the items on the Consent Agenda. CM Holmstrom stated he did not attend the joint City of Cascade Locks/City of Stevenson Special Meeting and those minutes stated he arrived late. **Motion:** CM Helfrich moved, seconded by CM Lorang, to approve items a., b., and c. with a correction made to the joint minutes. The motion was passed unanimously by CM's Cramblett, Holmstrom, Helfrich, Lewis, Lorang, Storm, and Mayor Masters.

Mrs. LaMont said she had been asked to find out what the criteria was for choosing who would be on the Public Safety Task Force Council Subcommittee. She said she wants to make sure that everyone will respect the volunteers and treat them the way they should be treated.

Mr. Brostoff said he liked the idea of a subcommittee but wasn't really happy with the composition of this subcommittee. He said there have been disruptive things done in the past and would not be good to have the Fire Department be represented by someone who was disruptive of the Fire Department. He said he didn't think reports could come back to Council without them being "colored". He said he thought this was a slap in the face to the volunteers. He said he thought it was unusual for something this controversial to be on the Consent Agenda.

ICA Koch read the job description and said this subcommittee is being established to be a connection between the City Council and the Fire Department. CM Lewis asked how these three were chosen to be on the subcommittee. Mayor Masters said he decided on these three after talking to the members of the Council with the exception of CM Lorang as he is newly appointed to Council.

**Motion:** CM Cramblett moved, seconded by CM Helfrich, to approve the appointments of Tom Cramblett, Jeff Helfrich, and Mayor Masters to the Public Safety Task Force Council subcommittee.

CM Holmstrom said he agreed with the concept but he had received several email and phone calls regarding this. He said it may be too early to start the subcommittee and maybe all the Council need to stay involved at this time. Mayor Masters stated the reason for moving on this now is so the Council can receive regular updates and it would be easier for a subcommittee to do that. He gave an example of answering where the ambulance billing process was at. He said the last report was that ambulance billing was going to be up to date and the process implemented by mid March. He asked if Council knew if that had happened. He said a subcommittee could have been working on this and reported back to Council. Mayor Masters said he thought the subcommittee would help to open up the communication lines even more than what they are now.

CM Lewis said the concern is CM Cramblett being on the subcommittee as he wasn't seen as a proponent of the Fire Department and the financial stability of the Department. He said he would like to know what the volunteers deem as appropriate.

CM Helfrich said CM Cramblett has criticized him publicly and privately after his appointment to Council but his voice represents citizens in this community. He said even though he and CM Cramblett may have personal differences on this Council we have continued to work together. He said he is supportive of CM Cramblett's appointment to the subcommittee knowing that all voices will be heard. CM Cramblett said the citizens knew what they were getting when they voted him in for Council and he stands on fiscal responsibility. He said he thought it was important for him to be on this committee for fiscal control and management. Mayor Masters said it is not going to be helpful to stir up the past. He said we need to focus on what is the best for the citizens of this community.

Mayor Masters said it is standard procedure for committee appointments to be on the Consent Agenda. He said he did not consider this as a slap in the face to the volunteers. He explained this committee will exist in order to open lines of communication between the City Council and the Fire Department and all views will be expressed. He said the budget decision making will rest with the Budget Committee and the policy decisions will rest with the Council.

The motion failed with CM's Holmstrom, Lewis, Lorang, and Storm opposing the motion. CM's Cramblett, Helfrich, and Mayor Masters voted in favor.

4. **Public Hearings:** None.

5. **Action Items:**

a. **Approve Contract with PARC Resources for Planning Services.** ICA Koch gave a brief overview of the staff report. **Motion:** CM Lorang moved, seconded by CM Lewis, to approve the contract with PARC Resources for planning services. Mayor Masters stated that the planning fees are based on different hourly rates and those fees need to be reassessed. He said everyone needs to recognize that the cost of the service is no longer at \$45.00 per hour and has to be addressed hopefully within the first year of this contract.

The motion was passed unanimously with CM's Cramblett, Holmstrom, Helfrich, Lewis, Lorang, Storm, and Mayor Masters voting in favor.

b. **Adopt the Proposed VISION as Recommended by Downtown Revitalization Steering Committee.** ICA Koch read his staff report and CM Storm read the Vision Statement.

Mrs. Caldwell said the downtown clean up process has started and this week the old fire hall building will be prepped for painting. She said the committee is working with the business owners and making sure that they are kept informed as to what is going on.

Mrs. Holmstrom said when decisions are made for anything in town there needs to be assurance that those decisions are sustainable, affordable and maintainable over a long period of time. She said there have been many plans and the current plan looks good with potential but without specific, long term, written down duties for someone to carry out it will not last through the 20 year vision. She gave examples of the school planting project where no plan was implemented. She said it became an eyesore and has since been removed. Mrs. Holmstrom gave another example of the wisteria at Overlook Park that was removed at a time when it was just getting going. She said sidewalks in town need to be repaired. Mrs. Holmstrom's final example was the plan to line WaNaPa Street with kwanzan cherry trees. She said these trees needed routine maintenance and care instead of someone cutting them back once every five or ten years. Mrs. Holmstrom said the trees were recently pruned in the spring and were also done incorrectly. She said she hopes they survive. She said now an arborist is needed to come and reshape the trees and then a regular schedule of pruning needs to be put in place. She said these trees should be lush trees covered with beautiful pink blossoms and instead they are a fraction of the beauty that they could have been for 30 year old trees.

Mrs. Holmstrom said her point is that the decisions made for the revitalization of downtown or any other decision for the community needs to be given a plan and put into a job description and mutually agreed upon by the City, the Port, and the School. She said there has to be a plan to cover the cost of maintaining it also.

**Motion:** CM Storm moved, seconded by CM Helfrich, to approve the recommended VISION for the downtown area as recommended by the Downtown Revitalization Steering Committee (DRSC) and add a job description and work plan to go along with it.

CM Cramblett said this is a really ambitious plan. He said it doesn't lay out "how" to do it. He said a job description and work plan will help.

Mayor Masters thanked all is working on the DRSC and the subcommittees. He said this is important work and all need to recognize this. He said he agreed that sustainable decision making is the proper path to travel in making this vision a reality.

Mayor Masters said the DRSC was created at a joint City/Port meeting and wanted clarification on the relationship of this committee to the City Council. He said the committee's work in the future could require more coordination. ICA Koch said Council could consider pulling the DRSC closer to the City with a job description and work plan. He said the group is following the Oregon Main Street Concept and working off the City's Downtown Plan. He said most cities going down this road would be going for a 501 c 3 where the business and building owners would own it and be fully responsible. He said Cascade Locks may not be able to achieve that for a number of years. ICA Koch said there are four pieces to this work, which are vision, focus, action, and accountability. He said the City needs to give serious consideration to where it is spending its money.

Mayor Masters asked if there needed to be some direction from Council to bring the DRSC in closer coordination to the Council or would that happen naturally as the four step process proceeds. ICA Koch said he thought normally it might but creation of a job description and work plan will guarantee that it will occur. He said that would also open the door for Council to consider if this becomes a city committee, join with Tourism Committee or keep it separate.

Mayor Masters asked what relationship is the DRSC to the Port. He said he didn't want Council to take any action that would alienate the Port. ICA Koch said part comes from the joint Economic Development group and the downtown effort is part of the economic development strategy. He said the rest is from the energy of the DRSC and what they see the relationships as being.

Mayor Masters thanked the group that is working on the DRSC. He said there is a lot of energy in that group and a lot of things are happening. Mrs. Caldwell said the Port will be paying for the paint to paint the old fire hall.

The motion to approve the recommended VISION was passed unanimously by CM's Cramblett, Holmstrom, Helfrich, Lewis, Lorang, Storm, and Mayor Masters.

c. **Authorization to Hire an Individual for Utility Maintenance Worker I.** ICA Koch said there were 24 applicants and 3 finalists interviewed. He recommended Council authorize the hiring of Jesse Metheny as the Utility Maintenance Worker I. **Motion:** CM Helfrich moved, seconded by CM Holmstrom, to authorize the hiring of Jesse Metheny as Utility Maintenance Worker I. CM Holmstrom asked about the temporary public works position. ICA Koch explained that the temporary position will go away to help fund the third public works position. CM Lorang asked if the training schedule will allow for the three to obtain their certificates within the next 18 months. ICA Koch said that is the plan.

6. **Appearance of Interested Citizens to Share a Variety of Perspectives on Issues Facing Our Community:** Don Haight questioned City departments loaning money to other departments (Exhibit A).

Mr. Palais updated Council on the OWRD water transfer applications. He also informed Council of protests regarding the water rights transfer. He reported that the Oregonian and Bend Weekly are supportive of the Nestlé Water project.

Mayor Masters declared a break at 8:09 PM and returned to Regular Session at 8:19 PM.

**7. Reports and Presentations:**

**a. Tourism Committee Report on Governor's Conference.** Tourism Chair Carron reported on the Governor's Conference that she and Lorraine Massey attended.

**b. ICA Koch Report (handout).** ICA Koch and City Attorney Cleaveland reported on the Pricher settlement.

IFC Wells gave a progress report. He also reported that all residential burn permits will be handled at City Hall. He said commercial burns will require inspection before being issued a permit. IFC Wells said he hasn't had a chance to meet with Mr. Pricher so he didn't have a status on the ambulance billing.

ICA Koch informed Council of upcoming meetings. He recommended the Economic Development Council Subcommittee review the proposals for the Electric Rate Study, meet with the firms and then make a recommendation to Council.

CM Lewis said going through a committee adds another layer of bureaucracy and he didn't think there was enough complexity there. He said he didn't think it was necessary.

Mayor Masters said there is more complexity that will be required in this rate study than in the past as there is an addition of Tier II costs for power. He said we have joined the Port on economic development and the Port's role will be to review ways to promote economic development. Mayor Masters said because of that there is a need to coordinate with the Port.

CM Helfrich questioned the Port contributing to the rate study. ICA Koch said staff had indicated a willingness to pay half but the exact cost will not be known until there is a scope of work. ICA Koch said staff proposed this to their Commission but the Commission took no action at a previous meeting.

There was consensus of Council to have the Economic Development Subcommittee interview the firms and recommend Council act on the scope of work.

Mayor Masters said it is being recommended Council bring resource people in to discuss the possibility of an electric co-op. CM Lewis asked where Council is with the defined priorities stating this is not one of them. CM Cramblett said his thought is that this is gathering information and may help with the rate study. CM Lorang said this has the potential to be a serious side track. He said he didn't think this was the best time. CM Helfrich said a good job has been done delegating to committees and liked the idea of a co-op as it may help with rates. CM Holmstrom said he supports the concept but would like more information before a community meeting. CM Storm asked about including water also. ICA Koch said the general topic is that it is difficult for municipal utilities to offer services and this is a different way to look at how it could be done. The general consensus of Council was they would be open for a report on the subject.

CM's Holmstrom and Lewis questioned whether electric rates are constrained by the initiative as there was an opinion from an attorney stating they weren't. CM Lewis said if electric rates are constrained there should be an effort to get this issue on the ballot for election. He said he would rather energy be spent on this than a co-op.

There was no consensus of Council to pursue the idea of a co-op. CM Lewis said he would like a report regarding the priorities and benchmarks. Mayor Masters said ICA Koch's report could include which items are priorities.

ICA Koch reported on a possible car charging station being put in Cascade Locks.

8. **Mayor and City Council Comments:** CM Holmstrom said he attended the food bank meeting and reported that they are expanding and building a warehouse in Hood River. He said he also attended the Celilo Trails planning meeting.

CM Lewis said he would like to know if there is consensus of the Council to get an official ruling on the electric rate increases. CM Holmstrom said there are other cities dealing with this and maybe LOC would have some information also. CM Lewis said he would like to know if there are restrictions to certain fees or not and what the liability would be for increasing fees or rates.

CM Storm said he also attended the Celilo Trails planning meeting. He said this is an energetic group and they are doing a good job.

CM Cramblett thanked ICA Koch and the Public Works Department for their work on the water issue on Lakeside Avenue. He said it seems the state is ready to take care of the majority of the water. ICA Koch said the work is supposed to be done this summer.

CM Cramblett asked about the FEMA 911 Grant report. ICA Koch said it is 75% complete. CM Cramblett said the citizens voted in favor of the initiative and didn't think the "I don't care" attitude was the way to approach it.

Mayor Masters said he would like a report on the FEMA 911 Grant at the next meeting. Mayor Masters said there are layers of law and that is why a lawyer has to determine if there is a state law that requires a municipality to keep a balance to support a catastrophic event. He said the consensus was to ask for a report on any laws that might conflict with what is in our Charter regarding the initiative.

Mayor Masters said he also attended one of the trails workshops. He commended the Celilo Planning Group for the work they are doing in our community. Mayor Masters said he and ICA Koch met with real estate brokers at the old fire hall and are expecting a report back from them.

Mayor Masters said there are several vacancies on committees and asked that anyone interested fill out the application and turn in to City Hall.

Mayor Masters said he, CM Helfrich, ICA Koch and Port General Manager Daughtry met with Columbia Pacific Building Council about development opportunities. He said this was a real positive discussion. He said Cascade Locks and the economic development efforts are being noticed.

Mayor Masters said the Cascade Meadows Open House will be on Wednesday and he has asked CM Holmstrom to represent the Council at that event.

Mayor Masters thanked all the volunteers that have been planting flowers. He thanked Cindy Mitchell, Robbie Lee, Virginia Fitzpatrick and Don and Gyda Haight.

9. **Other matters:**

10. **Executive Session as may be required:** None.

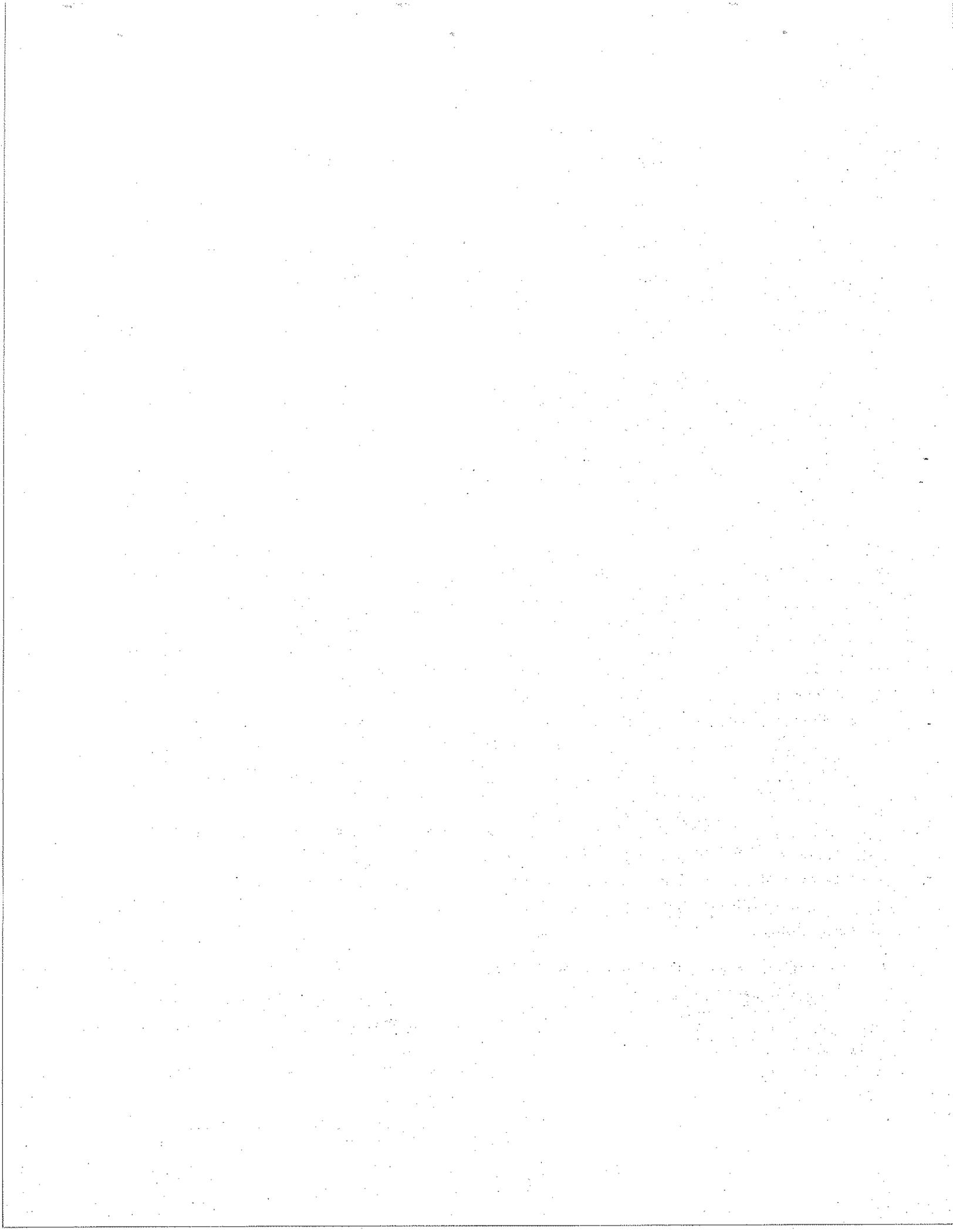
11. **Adjournment: Motion:** CM Lorang moved, seconded by CM Lewis, to adjourn. The motion was passed unanimously by CM's Cramblett, Holmstrom, Helfrich, Lewis, Lorang, Storm, and Mayor Masters. The meeting was adjourned at 10:00 PM.

Prepared by  
Kathy Woosley

APPROVED:

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Lance Masters, Mayor



BLANKET VOUCHER APPROVAL

PAGE NO. 1

DEPARTMENT: CITY OF CASCADE LOCKS  
COVER SHEET AND SUMMARY

DATE:	DESCRIPTION:	AMOUNT:
4/16/2012	Mid Month AP	\$ 44,028.05
4/20/2012	Gross Payroll	\$ 32,127.49
GRAND TOTAL		\$ 76,155.54

APPROVAL:

\_\_\_\_\_  
Mayor

Report Criteria:

Report type: GL detail

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
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2249	04/12	04/16/2012	1650	083112	ASIFLEX	Adm'n Fees	5140562110	3.75
Total 2249:								3.75
2250	04/12	04/16/2012	1649	CBN0008053	ASSOCIATE PARTNERS	DADNS Annual Fee	4140662730	295.00
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2251	04/12	04/16/2012	2350	25010	BIO-MED TESTING SERVICE	Drug Testing	0540562063	80.00
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2252	04/12	04/16/2012	2470	040912	Bogatay Construction	Refund Overpayment	9911033	11.00
Total 2252:								11.00
2253	04/12	04/16/2012	2500	46780B	BRYANT PIPE AND SUPPLY	Parts	2140562860	185.94
Total 2253:								185.94
2254	04/12	04/16/2012	4000	42012 585	CASCADE LOCKS LIGHT CO.	April 585	0140562025	227.00
Total 2254:								227.00
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City of Cascade Locks

Check Register - By Check No.

Check Issue Dates: 4/16/2012 - 4/16/2012

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2258	04/12	04/16/2012	7080	128832	DAVID R. CUNNINGHAM	Laptop Computer	5140562770	60.00

Check Issue Dates: 4/16/2012 - 4/16/2012

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
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2258	04/12	04/16/2012	7080	128880	DAVID R. CUNNINGHAM	Email Server Maint	3140562082	16.00
2258	04/12	04/16/2012	7080	128880	DAVID R. CUNNINGHAM	Email Server Maint	4140562082	5.00
2258	04/12	04/16/2012	7080	128880	DAVID R. CUNNINGHAM	Email Server Maint	4140662082	2.00
2258	04/12	04/16/2012	7080	128880	DAVID R. CUNNINGHAM	Email Server Maint	5140562082	31.00
2258	04/12	04/16/2012	7080	128880	DAVID R. CUNNINGHAM	Email Server Maint	5140662082	5.00
2258	04/12	04/16/2012	7080	128881	DAVID R. CUNNINGHAM	TVBB System	4140562570	45.00
2258	04/12	04/16/2012	7080	128881	DAVID R. CUNNINGHAM	Troubleshoot Modem	4140662570	120.00
<b>Total 2258:</b>								
2259	04/12	04/16/2012	8250	1767	EFFICIENCY SERVICES GROUP, LLC	Admin Fees	5140562139	405.00
<b>Total 2259:</b>								
2260	04/12	04/16/2012	9105	ORHOD2802	FASTENAL	Misc Inventory	3140562580	225.86
2260	04/12	04/16/2012	9105	ORHOD2802	FASTENAL	Misc Inventory	5140563700	189.57
2260	04/12	04/16/2012	9105	ORHOD2824	FASTENAL	Misc Inventory	5140562770	19.87
2260	04/12	04/16/2012	9105	ORHOD2839	FASTENAL	Misc Inventory	5140662770	8.91
<b>Total 2260:</b>								
2261	04/12	04/16/2012	9700	1144484	GENERAL PACIFIC INC.	Connectors, steelscutters	6140663780	179.64
2261	04/12	04/16/2012	9700	1144488	GENERAL PACIFIC INC.	Insulated Clavises	6140663780	190.00
<b>Total 2261:</b>								
2262	04/12	04/16/2012	10200	959497886	Graybar	PVC AND CONDUIT	5140562770	61.31
2262	04/12	04/16/2012	10200	959497886	Graybar	PVC AND CONDUIT	5140662770	40.87
<b>Total 2262:</b>								
2263	04/12	04/16/2012	903278	040212	Gyda Ann Haight	Reimburse for Flowers	0140562121	102.18
<b>Total 2263:</b>								
2264	04/12	04/16/2012	12855	4484691	HD Supply Waterworks, LTD.	Couplings	2140662560	678.94
<b>Total 2264:</b>								
<b>Total 2265:</b>								

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
2264	04/12	04/16/2012	12585	4526164	HD Supply Waterworks, LTD.	Hydrant Part	2140562560	98.20
Total 2264:								
2265	04/12	04/16/2012	11400	6064	HOOD RIVER CO. - FINANCE	March Deputy Service	0141962250	210.65
Total 2265:								
2266	04/12	04/16/2012	12000	032912	HOOD RIVER NEWS	Job Announcement	2140562030	115.00
2268	04/12	04/16/2012	12000	032912	HOOD RIVER NEWS	Job Announcement	3140562030	115.00
Total 2266:								
2267	04/12	04/16/2012	20585	040812	Koch Consulting, INC.	Interim CA Services	0140162093	155.81
2267	04/12	04/16/2012	20585	040812	Koch Consulting, INC.	Interim CA Services	0140262093	48.12
2267	04/12	04/16/2012	20585	040812	Koch Consulting, INC.	Interim CA Services	0340562093	48.12
2267	04/12	04/16/2012	20585	040812	Koch Consulting, INC.	Interim CA Services	0542162093	45.23
2267	04/12	04/16/2012	20585	040812	Koch Consulting, INC.	Interim CA Services	2142162093	115.10
2267	04/12	04/16/2012	20585	040812	Koch Consulting, INC.	Interim CA Services	3142162093	115.39
2267	04/12	04/16/2012	20585	040812	Koch Consulting, INC.	Interim CA Services	4142162093	79.69
2267	04/12	04/16/2012	20585	040812	Koch Consulting, INC.	Interim CA Services	5142162093	354.93
2267	04/12	04/16/2012	20585	041512	Koch Consulting, INC.	Interim CA Services	0140162093	404.75
2267	04/12	04/16/2012	20585	041512	Koch Consulting, INC.	Interim CA Services	0140262093	125.00
2267	04/12	04/16/2012	20585	041512	Koch Consulting, INC.	Interim CA Services	0340562093	125.00
2267	04/12	04/16/2012	20585	041512	Koch Consulting, INC.	Interim CA Services	0542162093	117.50
2267	04/12	04/16/2012	20585	041512	Koch Consulting, INC.	Interim CA Services	2142162093	299.00
2267	04/12	04/16/2012	20585	041512	Koch Consulting, INC.	Interim CA Services	3142162093	299.75
2267	04/12	04/16/2012	20585	041512	Koch Consulting, INC.	Interim CA Services	4142162093	207.00
2267	04/12	04/16/2012	20585	041512	Koch Consulting, INC.	Interim CA Services	5142162093	922.00
Total 2267:								
2268	04/12	04/16/2012	14700	032712	MARIANNE BUMP/PETTY CASH	Postage - Domain Contract	0140162110	5.17
2268	04/12	04/16/2012	14700	032712	MARIANNE BUMP/PETTY CASH	Postage - Domain Contract	0542162110	.30
2268	04/12	04/16/2012	14700	032712	MARIANNE BUMP/PETTY CASH	Postage - Domain Contract	2142162110	1.21
2268	04/12	04/16/2012	14700	032712	MARIANNE BUMP/PETTY CASH	Postage - Domain Contract	3142162110	1.42
2268	04/12	04/16/2012	14700	032712	MARIANNE BUMP/PETTY CASH	Postage - Domain Contract	4142162110	.16
2268	04/12	04/16/2012	14700	032712	MARIANNE BUMP/PETTY CASH	Postage - Domain Contract	5142162110	10.69
2268	04/12	04/16/2012	14700	041012	MARIANNE BUMP/PETTY CASH	Reimburse Petty Cash	0140962018	74.08

City of Cascade Locks

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Check Issue Dates: 4/16/2012 - 4/16/2012

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
<b>Total 2268:</b>								
2269	04/12	04/16/2012	15289	96-01-01 4/1	MID-COLUMBIA ECONOMIC	Loan 96-01-01	4640562711	93.03
2269	04/12	04/16/2012	15289	96-01-01 4/1	MID-COLUMBIA ECONOMIC	Loan 96-01-01	4640562712	1,168.72
2269	04/12	04/16/2012	15289	96-01-02 4/1	MID-COLUMBIA ECONOMIC	Loan 96-01-02	4640562711	354.96
2269	04/12	04/16/2012	15289	96-01-02 4/1	MID-COLUMBIA ECONOMIC	Loan 96-01-02	4640562712	941.14
<b>Total 2269:</b>								
2270	04/12	04/16/2012	16150	35028	NC II	Filters	4140562560	2,784.24
<b>Total 2270:</b>								
2271	04/12	04/16/2012	901311	301877617R	NEEL MANAGEMENT	Refund Overpayment on 3018776.17	9911033	153.94
<b>Total 2271:</b>								
2272	04/12	04/16/2012	16509	22-201203	NET ASSETS	Title Search	0140162110	1.25
2272	04/12	04/16/2012	16509	22-201203	NET ASSETS	Title Search	0542162110	2.73
2272	04/12	04/16/2012	16509	22-201203	NET ASSETS	Title Search	2142162110	.16
2272	04/12	04/16/2012	16509	22-201203	NET ASSETS	Title Search	3142162110	.64
2272	04/12	04/16/2012	16509	22-201203	NET ASSETS	Title Search	4142162110	.75
2272	04/12	04/16/2012	16509	22-201203	NET ASSETS	Title Search	5142162110	.09
<b>Total 2272:</b>								
2273	04/12	04/16/2012	16727	174299	NORTHSIDE FORD TRUCK SALES INC	repair Ford F550	0140462521	10.00
2273	04/12	04/16/2012	16727	174299	NORTHSIDE FORD TRUCK SALES INC	repair Ford F550	0340562560	475.42
2273	04/12	04/16/2012	16727	174299	NORTHSIDE FORD TRUCK SALES INC	repair Ford F550	3140562560	475.41
<b>Total 2273:</b>								
2274	04/12	04/16/2012	17025	12947	OAWU	Water Cert Review Class	2140562020	1,426.25
<b>Total 2274:</b>								
2275	04/12	04/16/2012	17060	ME107468	ODOT-FUEL SALES	Fuel	0340562560	265.00
2275	04/12	04/16/2012	17060	ME107468	ODOT-FUEL SALES	Fuel	3140562530	136.66
2275	04/12	04/16/2012	17060	ME107468	ODOT-FUEL SALES	Fuel	5140562200	88.03
<b>Total 2275:</b>								

Check Number	GL Period	Vendor Number	Check Issue Date	Invoice No.	Payee	Description	GL Account	Amount
2275	04/12	17060	04/16/2012	ME107468	ODOT-FUEL SALES	Fuel	5140662200	377.76
2275	04/12	17080	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	0140162020	4.76
2275	04/12	17080	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	0340562530	657.97
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	0540562420	205.61
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	2140562530	307.44
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	2142162020	1.40
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	3140562530	649.20
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	3142162020	.99
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	4142162020	.14
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	5140562200	1,075.52
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	5140562200	1,075.52
2275	04/12	17060	04/16/2012	ME107825	ODOT-FUEL SALES	Fuel	5142162020	4.09
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	0140162020	6.11
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	0140462530	74.73
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	0340562530	90.01
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	0540562420	110.76
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	2140562530	120.55
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	2142162020	1.79
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	3142162020	1.27
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	4142162020	.17
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	5140562200	436.34
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	5140662200	436.33
2275	04/12	17060	04/16/2012	ME108108	ODOT-FUEL SALES	Fuel	5142162020	5.23
<b>Total 2275:</b>								
2276	04/12	75000	04/16/2012	100045202D	Rachel Brecheisen	Refund Deposit	5121130	6,246.15
<b>Total 2276:</b>								
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	0140162110	30.50
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	0140162120	37.54
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	0540562120	22.36
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	0542162110	1.79
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	2142162110	7.16
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	2142162120	22.36
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	3142162110	8.37
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	3142162120	17.88
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	4142162110	.96
2277	04/12	12875	04/16/2012	86740795	Ricoch USA, Inc.	Rental/Copies	4142162121	19.67

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Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
2277	04/12	04/16/2012	12875	86740795	Ricoh USA, Inc.	Rental/Copies	5142162110	62.98
2277	04/12	04/16/2012	12875	86740795	Ricoh USA, Inc.		5142162110	.01
2277	04/12	04/16/2012	12875	86740795	Ricoh USA, Inc.	Rental/Copies	5142162121	49.17
Total 2277:								
2278	04/12	04/16/2012	22290	041112	ROCKRANCH ENTERPRISES	Contract PW Super	0140262080	9.20
2278	04/12	04/16/2012	22290	041112	ROCKRANCH ENTERPRISES	Contract PW Super	0140462080	119.60
2278	04/12	04/16/2012	22290	041112	ROCKRANCH ENTERPRISES	Contract PW Super	0340562080	211.60
2278	04/12	04/16/2012	22290	041112	ROCKRANCH ENTERPRISES	Contract PW Super	2140562080	340.40
2278	04/12	04/16/2012	22290	041112	ROCKRANCH ENTERPRISES	Contract PW Super	3140562080	239.20
Total 2278:								
2279	04/12	04/16/2012	75000	100091714D	Rudy Gibson	Refund Deposit	5121130	16.93
Total 2279:								
2280	04/12	04/16/2012	22915	68943	SAWTOOTH TECHNOLOGIES, LLC	Internet Service	4140862050	802.00
Total 2280:								
2281	04/12	04/16/2012	23160	ARI13136	SECRETARY OF STATE	Filing Fee	0140162080	67.25
2281	04/12	04/16/2012	23160	ARI13136	SECRETARY OF STATE	Filing Fee	0542162080	2.75
2281	04/12	04/16/2012	23160	ARI13136	SECRETARY OF STATE	Filing Fee	0840562080	7.00
2281	04/12	04/16/2012	23160	ARI13136	SECRETARY OF STATE	Filing Fee	2142162080	19.00
2281	04/12	04/16/2012	23160	ARI13136	SECRETARY OF STATE	Filing Fee	3142162080	38.00
2281	04/12	04/16/2012	23160	ARI13136	SECRETARY OF STATE	Filing Fee	4142162080	11.00
2281	04/12	04/16/2012	23160	ARI13136	SECRETARY OF STATE	Filing Fee	5142162080	105.00
Total 2281:								
2282	04/12	04/16/2012	23180	ZA12016947	SENSUS METERING SYSTEMS	repair	2140562560	270.90
Total 2282:								
2283	04/12	04/16/2012	23290	08 571065	SIX STATES DISTRIBUTORS, INC.	Ratchet Straps	5140562201	192.23
Total 2283:								

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
2284	04/12	04/16/2012	23873	033112	Sosnkowski & Cleaveland P.C.	Attorney Fees	0140162100	308.00
2284	04/12	04/16/2012	23873	033112	Sosnkowski & Cleaveland P.C.	Attorney Fees	0140262100	76.00
2284	04/12	04/16/2012	23873	033112	Sosnkowski & Cleaveland P.C.	Attorney Fees	0542162100	10.00
2284	04/12	04/16/2012	23873	033112	Sosnkowski & Cleaveland P.C.	Attorney Fees	2142162100	103.00
2284	04/12	04/16/2012	23873	033112	Sosnkowski & Cleaveland P.C.	Attorney Fees	3142162100	173.00
2284	04/12	04/16/2012	23873	033112	Sosnkowski & Cleaveland P.C.	Attorney Fees	4142162100	25.00
2284	04/12	04/16/2012	23873	033112	Sosnkowski & Cleaveland P.C.	Attorney Fees	5142162100	505.00
Total 2284:								1,200.00
2285	04/12	04/16/2012	23750	8021484475	STAPLES CONTRACT & COMMERCIA	Office Supplies	0140162010	75.80
2285	04/12	04/16/2012	23750	8021484475	STAPLES CONTRACT & COMMERCIA	Office Supplies	0140262010	9.57
2285	04/12	04/16/2012	23750	8021484475	STAPLES CONTRACT & COMMERCIA	Office Supplies	2142162010	27.66
2285	04/12	04/16/2012	23750	8021484475	STAPLES CONTRACT & COMMERCIA	Office Supplies	3142162010	24.74
2285	04/12	04/16/2012	23750	8021484475	STAPLES CONTRACT & COMMERCIA	Office Supplies	4142162010	8.25
2285	04/12	04/16/2012	23750	8021484475	STAPLES CONTRACT & COMMERCIA	Office Supplies	5142162010	119.95
Total 2285:								265.97
2286	04/12	04/16/2012	24200	120072	T & R ELECTRIC SUPPLY CO.	pole mount/tap changer	5140663770	744.00
2286	04/12	04/16/2012	24200	120073	T & R ELECTRIC SUPPLY CO.	pole mount/tap changer	5140663770	710.00
2286	04/12	04/16/2012	24200	120074	T & R ELECTRIC SUPPLY CO.	pole mount/tap changer	5140663770	991.00
Total 2286:								2,445.00
2287	04/12	04/16/2012	24490	955038	TRAFFIC SAFETY SUPPLY CO.	Delineators, Stop Signs	5140562900	756.39
Total 2287:								756.39
2288	04/12	04/16/2012	18715	806364	TWGW, INC NAPA AUTO PARTS	Air and oil filter	5140562201	28.10
2288	04/12	04/16/2012	18715	806644	TWGW, INC NAPA AUTO PARTS	Battery	5140562201	126.20
2288	04/12	04/16/2012	18715	806644	TWGW, INC NAPA AUTO PARTS	Battery	5140662201	126.20
2288	04/12	04/16/2012	18715	807370	TWGW, INC NAPA AUTO PARTS	Parts, Flashlight	0140462520	50.56
2288	04/12	04/16/2012	18715	807370	TWGW, INC NAPA AUTO PARTS	Parts, Flashlight	3140562560	50.56
2288	04/12	04/16/2012	18715	807763	TWGW, INC NAPA AUTO PARTS	fuel and oil filters	0340562560	56.79
2288	04/12	04/16/2012	18715	807763	TWGW, INC NAPA AUTO PARTS	fuel and oil filters	3140562560	56.79
2288	04/12	04/16/2012	18715	807888	TWGW, INC NAPA AUTO PARTS	Starter/oil filter/air filter/core deposit	5140562201	151.63
2288	04/12	04/16/2012	18715	807888	TWGW, INC NAPA AUTO PARTS	Starter/oil filter/air filter/core deposit	5140662201	151.63
2288	04/12	04/16/2012	18715	807939	TWGW, INC NAPA AUTO PARTS	Oil, connector kit	0340562560	93.54
2288	04/12	04/16/2012	18715	807990	TWGW, INC NAPA AUTO PARTS	Oil Filter, oil	5140562201	23.50

City of Cascade Locks

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Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
2288	04/12	04/16/2012	18715	808111	TWGW, INC NAPA AUTO PARTS	Wiper Blade	5140662201	19.88
2288	04/12	04/16/2012	18715	808331	TWGW, INC NAPA AUTO PARTS	Air filter, Dielise Add, Throttle body clean	5140662201	20.33
Total 2288:								
2289	04/12	04/16/2012	28005	0203463-IN	WAGNER-SMITH EQUIPMENT	Rope Sling	5140663700	98.81
2289	04/12	04/16/2012	28005	0203923-IN	WAGNER-SMITH EQUIPMENT	Rope Sling	5140663690	128.52
2289	04/12	04/16/2012	28005	0203923-IN	WAGNER-SMITH EQUIPMENT	Rope Sling	5140663690	85.87
Total 2289:								
2290	04/12	04/16/2012	28015	INV11737	WAPITI AERIAL SERVICES	Inspections/Tests	5140662110	351.88
2290	04/12	04/16/2012	28015	INV11737	WAPITI AERIAL SERVICES	Inspections/Tests	5140662110	351.87
Total 2290:								
2291	04/12	04/16/2012	28800	041212	WINNETT, LAWRENCE EDWARD	Head End Work	4140662570	500.00
Total 2291:								
2292	04/12	04/16/2012	28950	320121980	ZCORUM INC.	Internet	4140662730	922.50
Total 2292:								
Grand Totals:								44,028.05

**STAFF REPORT**

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Date Prepared: April 13, 2012

For City Council Meeting on: April 23, 2012

TO: Honorable Mayor and City Council

PREPARED BY: Paul Koch, Interim City Administrator 

APPROVED BY: N/A

**SUBJECT: Authorizing an application for a RARE participant to assist Tourism and Community marketing efforts**

**SYNOPSIS:** It is currently time for communities to consider whether or not to apply for a RARE participant. RARE is a federal program within the Amewricorps Program that provides participants to assist rural communities get things done, strengthen the community, encourage responsibility or expand opportunity within the community. The deadline for pre-applications was April 13 and we have submitted a pre-application. Under current city policy, such applications must be approved by the City Council.

RARE participants are provided to communities for selected programs for an eleven month period or 1700 hours. In the case of Cascade Locks, it appears that an activity or special events person to work in partnership with the Tourism Committee, local businesses and motel operators would significantly increase the number of people who come to, visit and spend money in Cascade Locks. The cost to the host community is \$19,000 while the total cost for the RARE participant is about \$27,000 for the eleven month program.

The City has had RARE participants before and the Port of Cascade Locks currently has a RARE participant. The focus of the proposed RARE participant in Cascade Locks would be linked to the tourism and marketing effort of the Tourism Committee. The RARE participant, if approved would plan, conduct and evaluate community activities that would draw more people to the community. Special events, activities of interest to both locals as well as visitors and off season events that would fill the motels would be the priority. The goal would be to create activities that interest tourists to come, stay and spend in Cascade Locks all year long. These activities would also be coordinated with Stevenson, Washington. There appears to be any number of new events focused on trails, biking, waling, running and other such events that could be of benefit to the community and local business interests.

This issue comes to City Council at this time for action.

**CITY COUNCIL OPTIONS:** The City Council has the following options on this matter.

- A. Deny the request to seek a RARE participant.
- B. Approve the request to apply for a RARE participant.

**RECOMMENDATION:** That City Council, by motion, approve an application by the City through its Tourism Committee for a RARE participant to work with local businesses, motel operators and the Tourism Committee to plan conduct and evaluate more events to draw more visitors to Cascade Locks.

[Suggested Motion: I move that City Council approve an application for use of the RARE Program to work with the Tourism Committee and the community to plan more events and activities to bring people to town.]

**Legal Review and Opinion:** None needed at this time.

**Financial review and status:** It is anticipated that the required local financial effort would come from the proceeds of the Transient Room Tax and could be included in the Tourism Committee budget for 2012-13. The cost to the City would be \$19,000 for the eleven month period.

#### **BACKGROUND INFORMATION:**

1. There is a need for more activities to draw outsiders to Cascade Locks throughout the year as opposed to the current tourism season.
2. Preliminary estimates are that anywhere from 15-30 new activities could be planned and conducted to draw people to the community.
3. Broadening the tourism season has been mentioned many times by local businesses and the Tourism Committee as a way to help strengthen the local economic development of the community.
4. If the pre-application is approved, the formal request to participate and full financial implications will be brought to the City Council before formal submittal.
5. If this effort is successful, local motels would have more customers, generate more TRT and then more services and promotion could be generated. By coordinating with Stevenson, Washington, the potential for creating activities to draw people in can be enhanced.
6. The actual events and programs that would be provided would be developed in collaboration with the Tourism Committee, local businesses and interests.

**STAFF REPORT**

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**Date Prepared: 4/17/12**

**For City Council Meeting on: 4/23/12**

**TO: Honorable Mayor and City Council**

**PREPARED BY: Kathy Woosley, City Recorder**

**APPROVED BY: ICA Koch**

**SUBJECT: Lease of Copier**

**SYNOPSIS: Our current copier was obtained through a four year lease program starting in 2007 and terminated on 3/26/12.**

**Ricoh Americas Corporation holds the Oregon State contract for the Ricoh MPC5502 Copy Machine. Staff would like to enter into a new four year lease for a new copier.**

**CITY COUNCIL OPTIONS:**

- 1. Buy out the old copy machine.**
- 2. Lease a new copy machine.**

**RECOMMENDATION: Authorize lease of a new copy machine.**

**Sample working of motion: [I move approval of a new lease and maintenance agreement with Ricoh Americas Corporation for MPC5502 Ricoh copy machine.]**

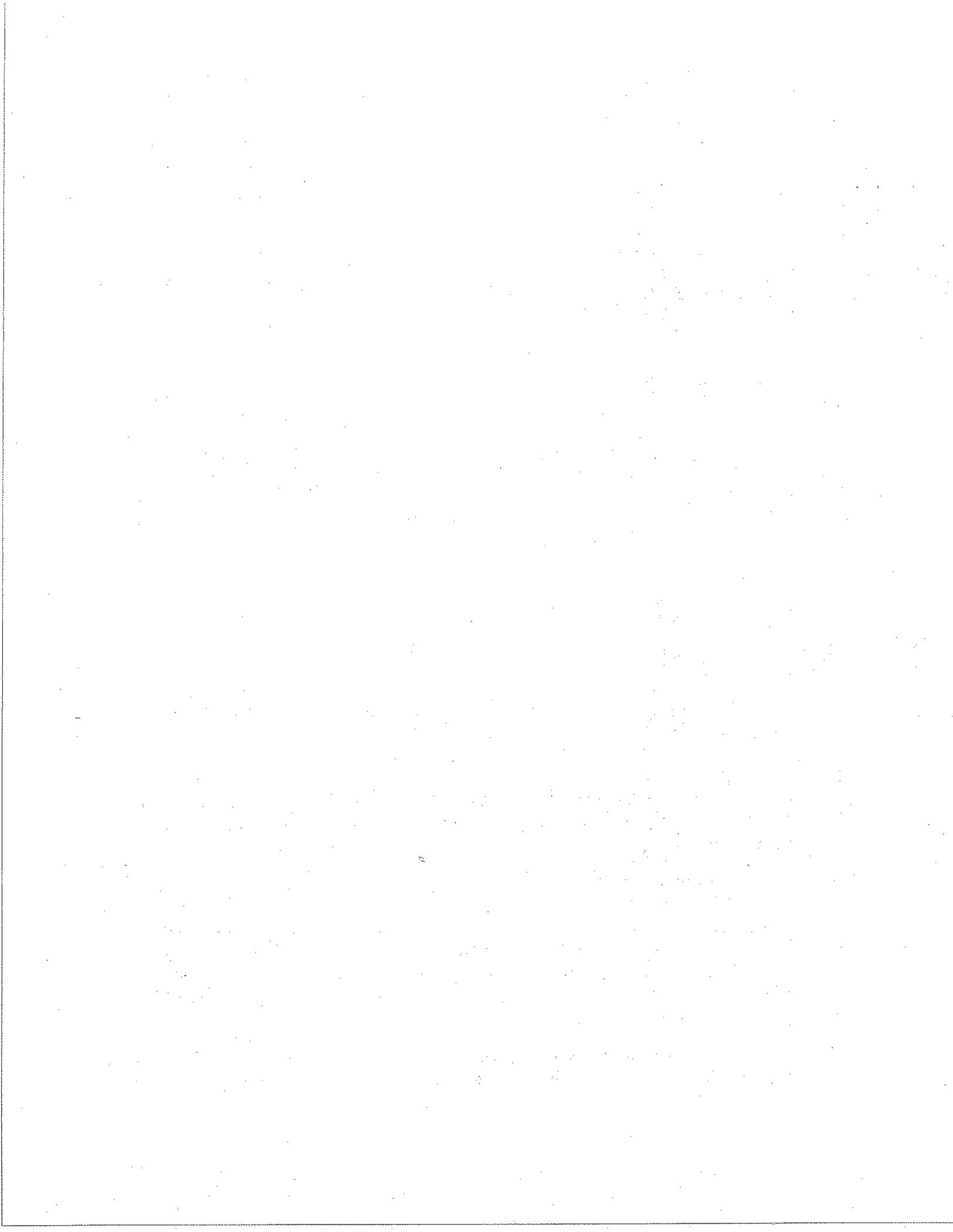
**Legal Review and Opinion: N/A**

**Financial review and status: There are adequate funds in the Contracted Services Machines/Equipment line item to continue the lease of a new machine. The balance of this line item is \$1724.**

**BACKGROUND INFORMATION:**

**For several years the City purchased copiers and when they were used to death it was hard to dispose of them. The City Council decided four years ago to start leasing instead of purchasing a copy machine. We have noticed that the leased machine has required much more maintenance in the fourth year of use so would like to continue the four year lease program.**

**The City has used IKON Office Machines ( now Ricoh Americas Corporation) for several years and have had outstanding service. Ricoh Americas Corporation is the vendor for the Oregon State contracts.**





**Proposal for Digital Imaging System  
City of Cascade Locks**

**State of Oregon Contract #8618:**

**Ricoh Aficio MPC5502SP Includes:**

4 – 550 Sheet Paper Trays, 100 Sheet Bypass, Duplexing, 100 Sheet Automatic Reversing Document Feeder (ARDF), 2GB RAM 55 copies/prints per minute, Paper sizes up to 11" x 17". Auto reduce and enlarge, 25% - 400% reduction/enlargement, Finisher/50 Sheet Stapler (1000 Sheet Capacity), 190GB Hard Drive, Network Print/Color Scan to Email, FTP and File Folder, and DataOverWrite Security System

**Base Unit**

**48 Mos.  
\$236.77**

**\*Service and Supplies:**

**.0075 per copy/print B/W  
.052 per copy/print Color**

**\*Includes:**

**Parts and labor  
Toner/Developer/Staples  
Delivery and Installation  
Training**

Kathy Woosley

From: Ted.Balestreri@ricoh-usa.com  
Sent: Monday, April 16, 2012 2:04 PM  
To: Kathy Woosley  
Subject: Re: copier agreement

Kathy,

Here are the prices from each of the three contracts you requested:

<b>48 Month</b>	<b>OSU</b>	<b>State of Oregon</b>	<b>PPS</b>
<b>48 Month</b>	<b>MPC5502</b>	<b>MPC5502</b>	<b>MPC5502</b>
Box	\$ 195.00	\$ 194.56	\$ 192.74
2 x 550 Dr	\$ 15.00	\$ 16.51	\$ 14.52
Finsher/St	\$ 21.00	\$ 18.59	\$ 20.03
Bridge Un	\$ 3.00	\$ 3.57	\$ 2.91
Powerfilt	\$ 5.00	\$ 3.57	\$ 3.28
Install	\$ 8.21	\$ 6.00	\$ 11.72
<b>Total</b>	<b>\$ 247.21</b>	<b>\$ 242.80</b>	<b>\$ 244.60</b>
		<b>Includes:</b>	
		<b>1000 Staple/ finisher</b>	
		<b>50 ARDF</b>	
		<b>Copy/Print/Scan</b>	
		<b>Color/B&amp;W</b>	
		<b>DOSS</b>	
		<b>MPC5502-55cpm</b>	
		<b>Service</b>	
	<b>B/W 0035</b>	<b>B/W 0075</b>	<b>B/W 0065</b>
	<b>Color 0030</b>	<b>Color 0052</b>	<b>Color 005</b>

**Ted Balestreri**  
ADDRESS: Ted.Balestreri@ricoh-usa.com  
*Major Account Executive*  
Direct: 503-603-8137  
Cell: 503-867-5695  
Fax: 503-620-3500

**RICOH USA**

4/16/2012

## Equipment Removal Authorization

Equipment Leased by Customer from IKON, IOS Capital, or IKON Financial Services

CUSTOMER INFORMATION			
Customer Name	Cascade Locks City of	Date Prepared	4/17/2012
Contact Name	Kathy Woosley	Phone	541.374.8484
Email	kwoosley@cascade-locks.or.us	Fax	541.374.8752

Check if Additional Product Description page(s) attached

TERMS AND CONDITIONS
<p>This Authorization will confirm that you desire to engage IKON Office Solutions, Inc. ("IKON") to pick-up and remove certain items of equipment that are currently leased by you from IKON, IOS Capital or IKON Financial Services, and that you intend to issue written or electronic removal requests (whether such equipment is identified in this Authorization, in a purchase order, in a letter or other written form) to us from time to time for such purpose. Such removal request will set forth the location, make, model and serial number of the equipment to be removed by IKON. By signing below, you confirm that, with respect to every removal request issued by you (1) IKON may rely on the request, and (2) the request shall be governed by this Authorization. Except for the obligations of IKON to pick-up and remove the identified equipment, IKON does not assume any obligation, payment or otherwise, under your lease agreement, which shall remain your sole responsibility. As a material condition to the performance by IKON, you hereby release IKON from, and shall indemnify, defend and hold IKON harmless from and against, any and all claims, liabilities, costs, expenses and fees arising from or relating to any breach of your representations or obligations in this Authorization or of any obligation owing by you under your lease agreement.</p>

EQUIPMENT INFORMATION			
Make /Model /Serial Number	Canon3045/MUY09314	Contact	Kathy Woosley
Pick-Up Address	140 SW WaNaPa	Phone	541.374.8484
City	City of Cascade Locks	State	Or Zip Code 97014
Make /Model /Serial Number		Contact	
Pick-Up Address		Phone	
City		State	Zip Code
Make /Model /Serial Number		Contact	
Pick-Up Address		Phone	
City		State	Zip Code
Make /Model /Serial Number		Contact	
Pick-Up Address		Phone	
City		State	Zip Code

CUSTOMER	
Authorized Signature	_____
Signature Printed Name	_____
Title	_____
Date	_____

IKON OFFICE SOLUTIONS, INC.	
Authorized Signature	_____
Signature Printed Name	_____
Title	_____
Date	_____



**Document Efficiency  
At Work.**

**Work Order - US**  
IKON Office Solutions, INC.

A IKON COMPANY

Base Eq Model # Canon IR3045	Base Eq Serial # MUY09314	Email Address of PS Rep	Date of Services
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Customer must already be an IKON customer to use this form without being part of the SFP

Bill To Cust No.: \_\_\_\_\_ Pymt Method: \_\_\_\_\_ Ship To Customer No.: \_\_\_\_\_ PO No.: \_\_\_\_\_ PO Date: \_\_\_\_\_  
 Bill To Customer: **Cascade Locks City of** Ship To Customer: **Cascade Locks City of**  
 Address: **PO Box 308** Address: **140 SW WaNaPa**  
 City: **Cascade Locks** State: **Or** Zip: **97014** City: **Cascade Locks** State: **Or** Zip: **97014**  
 Customer Contact: **Kathy Woosley** Title: **City Recorder** Phone: **541.374.8484**  
 IKON Sales Rep: **Ted Balestreni** Phone: **503 687 5695**  
 MPS/FSM/SAMSAC: \_\_\_\_\_ SC: \_\_\_\_\_ SC-G: \_\_\_\_\_ SA/SSA: \_\_\_\_\_

Professional Services Provided - 1st Task	Professional Services Provided - 2nd Task	Professional Services Provided - 3rd Task
<b>HD Surrender</b> o Remove existing hard drive and surrender to customer	<b>HD Security Kit Install</b> o Install HD Security Kit o Configure settings o End user training on the features and functionality	<b>Business Color 4 - Connect and Scan</b> o Design and perform on-site implementation plan o Install and configure printer software o Assist customer in connecting to their network o Install and setup print drivers/PPDs on up to two (2) workstations o Printer operator training for lead operator / administrator o End user training for print drivers/PPDs for up to two (2) persons o Scan installation and configuration for 5 users o System Administrator Training o Key Operator training o End User training

Task	IKON Code	ORD Code	Qty	Price	Ext. Price	Notes
1	HDSURRENDER		1	\$250.00	\$250.00	included in price
2	HDSSECURINSL		1	\$120.00	\$120.00	
3	PSNWSBC04		1	\$425.00	\$425.00	Total Price: \$800.00

This Work Order shall be effective as of the date of execution by both IKON and Customer. By signing below, the undersigned represent that they are duly authorized to enter into this Work Order on behalf of their respective entities.

**CUSTOMER** **IKON OFFICE SOLUTIONS, INC.**  
 By: \_\_\_\_\_ By: \_\_\_\_\_  
 Name: \_\_\_\_\_ Name: \_\_\_\_\_  
 Title: \_\_\_\_\_ Title: \_\_\_\_\_  
 Date: \_\_\_\_\_ Date: \_\_\_\_\_

**TERMS AND CONDITIONS**

The performance by IKON of the Services described in this Work Order is subject to and shall be governed solely by the following terms and conditions:

Customer engages IKON to perform the services described in this Work Order (the "Services"). Changes to the scope of the Services shall be made only in a written change order signed by both parties. IKON shall have no obligation to commence work in connection with any change until the fee and/or schedule impact of the change and all other applicable terms are agreed upon by both parties in writing. IKON shall provide the Services at the Customer location set forth herein or on a remote basis. In consideration of its Services hereunder, Customer shall pay IKON the Service fees in the amounts and at the rates set forth above. Customer shall pay all amounts payable to IKON hereunder within thirty (30) days of the date of the invoice submitted by IKON. If IKON undertakes collection or enforcement efforts, Customer shall be liable for all costs thereof, including, without limitation, reasonable attorneys' fees and late charges. IKON may suspend or terminate Services for non-payment. Customer shall be responsible for payment of any applicable taxes arising in connection with the transactions contemplated hereby (other than with respect to the income of IKON). Customer shall provide IKON with such access to its facilities, networks and systems as may be reasonably necessary for IKON to perform its Services. Customer acknowledges that IKON's performance of the Services is dependent upon Customer's timely and effective performance of its responsibilities hereunder. Unless connectivity services are specifically identified in the Task and Description section of this Work Order as part of the Services to be performed by IKON, IKON shall have no obligation to perform and no responsibility for the connection of any hardware or software to any Customer network or system.

IKON shall perform its Services in a professional manner. IKON is not the manufacturer of any of the software, tools and/or products utilized in connection with this Work Order. IKON shall, however, make available to Customer any warranties made to IKON by the manufacturers of the software, tools and/or products utilized by IKON in connection with its Services hereunder, to the extent transferable and without recourse. If Customer has engaged IKON to provide Customer tools to assist Customer in Data Management Services that relate to the security or accessibility of information stored in or recoverable from any devices provided or serviced by IKON, including but not limited to any hard drive removal, cleaning or formatting services of any kind, Customer expressly acknowledges and agrees that (i) it is aware of the security alternatives available to it, (ii) it has assessed such alternatives and exercised its own independent judgment in selecting the Data Management Services and determined that such Data Management Services are appropriate for its needs and compliance, (iii) IKON does not provide legal advice with respect to information security or represent or warrant that its Data Management Services or products are appropriate for Customer's needs or that such Data Management Services will guarantee or ensure compliance with any law, regulation, policy, obligation or requirement that may apply to or affect Customer's business, information retention strategies and standards, or information security requirements. Additionally, Customer expressly acknowledges and agrees that, (a) Customer is responsible for ensuring its own compliance with legal requirements pertaining to data retention and protection, (b) it is the Customer's sole responsibility to obtain advice of competent legal counsel as to the identification and interpretation of any relevant laws and regulatory requirements that may affect the Customer's business or data retention, and any actions required to comply with such laws, and (c) the selection, use and design of any Data Management Services, and any and all decisions arising with respect to the deletion or storage of any data, as well as any loss, or presence, of data resulting therefrom, shall be the sole responsibility of Customer, and Customer shall indemnify and hold harmless IKON and its subsidiaries, directors, officers, employees and agents from and against any and all costs, expenses, liabilities, claims, damages, losses, judgments or fees (including reasonable attorneys' fees) arising therefrom or related thereto. EXCEPT AS EXPRESSLY SET FORTH HEREIN, IKON MAKES NO WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH THIS WORK ORDER AND THE TRANSACTIONS CONTEMPLATED HEREBY. IN NO EVENT SHALL IKON BE LIABLE TO CUSTOMER FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF OR RELATED TO THIS WORK ORDER OR THE PERFORMANCE OR BREACH HEREOF, EVEN IF IKON HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. IKON'S LIABILITY TO CUSTOMER HEREUNDER, IF ANY, SHALL IN NO EVENT EXCEED THE TOTAL OF THE FEES PAID TO IKON HEREUNDER BY CUSTOMER. IN NO EVENT SHALL IKON BE LIABLE TO CUSTOMER FOR ANY DAMAGES RESULTING FROM OR RELATED TO ANY FAILURE OF THE SOFTWARE, INCLUDING, BUT NOT LIMITED TO, LOSS OF DATA, OR DELAY OF DELIVERY OF SERVICES UNDER THIS WORK ORDER. IKON ASSUMES NO OBLIGATION TO PROVIDE OR INSTALL ANY ANTI-VIRUS OR SIMILAR SOFTWARE AND THE SCOPE OF SERVICES CONTEMPLATED HEREBY DOES NOT INCLUDE ANY SUCH SERVICES.

Except for purposes of this Work Order, IKON shall not use or disclose any proprietary or confidential Customer data derived from its Services hereunder; provided, however, that IKON may use general statistics relating to the Service engagement so long as it does not disclose the identity of Customer or make any reference to any information from which the identity of Customer may be reasonably ascertained. Customer agrees that during the term of the Services and for a period of one (1) year after termination thereof, it shall not directly or indirectly solicit, hire or otherwise obtain as an employee or independent contractor any employee of IKON that is or was involved with or part of the Services. This Work Order represents the entire agreement between the parties relating to the subject matter hereof and supersedes all prior understandings, writings, proposals, representations or communications, oral or written, of either party. This Work Order may be amended only in writing executed by the authorized representatives of both parties. Any purchase order, service order or other Customer ordering document will not modify or affect this Work Order, nor have any other legal effect, and shall serve only the purpose of identifying the service ordered. This Work Order may not be transferred or assigned by Customer without the prior written consent of IKON. This Work Order shall be interpreted in accordance with the substantive laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of law. The relationship of the parties is that of independent contractors. IKON shall not be responsible for and shall be excused from performance or have reasonable additional periods of time to perform its obligations where it is delayed or prevented from performing any of its obligations for reasons beyond IKON's reasonable control, including, without limitation, acts of God, natural disasters, labor disputes, strikes or unavailability of services, personnel or materials. This Work Order is separately enforceable as a complete and independent binding agreement, independent of all other Work Orders, if any. By signing, the Customer acknowledges and accepts the terms and conditions of this Work Order, and confirms that the undersigned has the necessary power and authority to enter into this Work Order on behalf of Customer.



**STAFF REPORT**

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**Date Prepared:** April 17, 2012

**For City Council Meeting on: April 23, 2012**

**TO:** Honorable Mayor and City Council

**PREPARED BY:** Paul Koch, Interim City Administrator

**APPROVED BY:** N/A

**SUBJECT:** Receiving the report and recommendations from the Public Safety Task Force

**SYNOPSIS:** In December 2011, the City Council approved the creation of a Public Safety Task Force (PSTF) and on January 9, 2012 Council approved the creation of the task force with specific duties outlined in an approved Job Description for the Task Force. Basically, the Task Force was directed to research all possible options, hold community meetings and report back by April 23, 2012 to City Council with recommendations which reflect community need and desires for the Emergency Services Department. The Task Force met ten times including two community meetings and one meeting to talk with and question current Fire Volunteers.

In their work, the Task Force looked at over sixteen various options and the many derivatives that came from those options. Most of the meetings were televised and the meetings were conducted with public notice and lots of open discussion. There was a survey taken that provided the community with an opportunity to provide additional input. In all, about 120 survey forms were received.

This issue comes to City Council at this time for acceptance of the Task Force report. There is no formal action requested. The Task Force will be presenting their recommendations to City Council at this time and also be available to answer any questions City Council may have.

**CITY COUNCIL OPTIONS:** The City Council has the following options at this time.

- A. Accept the report and recommendations with thanks.
- B. Do not accept the report but send it back for additional work.
- C. Other action as may be the desire of City Council.

**RECOMMENDATION:** None at this time. This is a Report and Presentation item by the Public Safety Task Force and City Council will take no formal action at this time.

**Legal Review and Opinion:** None needed at this time.

**Financial review and status:** None at this time. Whatever action is ultimately determined by City Council will be reviewed through the 2012-13 budget process.

**BACKGROUND INFORMATION:**

1. The idea of the Public Safety Task Force was taken from the October formal report on the Emergency Services Department.
2. The Job Description, as approved by the City Council is attached for Council information.
3. Additional information utilized by the PSTF in doing their work has been placed in City Council mail boxes for additional information.

City of Cascade Locks, Oregon

Job Description

Public Safety Task Force

December 5, 2011

Approved by City Council December 12, 2011.

## JOB DESCRIPTION

# PUBLIC SAFETY TASK FORCE

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**Purpose:** This Task Force is appointed by the Mayor and City Council and is charged with the responsibility to carry out the tasks assigned to it and complete its work within 90 days of formal appointment of its members. This Task Force is to develop a description of the desired service level for the Emergency Services Department, an estimated cost, funding options and the community preferred method of delivering this service to the community. The Task Force will work with staff, representatives of the Oregon Fire Chiefs Association, CIS Insurance and the Oregon Special Districts Association and others in completing its work. It is also anticipated that this Task Force will hold several community meetings and that all of the meetings of this Task Force be open to the public.

**Membership:** This Task Force will be made up of local citizens appointed by the City Council.

**Selection Process:** Interested citizens will be required to make application to serve, on a city approved form, be interviewed by the City Council and then appointed to a position on the Task Force. The number of members to serve on the Task Force will be determined by the City Council.

**Length of Time of Assignment:** The Task Force will be expected to report its final recommendations to the City Council within 90 days of appointment. Periodic status reports may also be requested by the City Council.

**Quorum:** A quorum for the purposes of this Task Force will be a majority of the Task Force members present.

**General Description of Duties:** This Task Force will carry out the following duties in successfully completing its assignment.

1. Hold community meetings to get citizen and community suggestions and ideas about desired service level, method of payment and organizational method to deliver the service.
2. In collaboration with neighboring departments research the potential savings, approaches and benefits to the community of a regional approach to the delivery of fire and life safety services.
3. Look into the possibility of creating a new fire district for the community or contracting out for the service.

4. Research the potential for a two state approach that would link Cascade Locks with its Washington neighbors in a new sub-regional fire and life safety funding approach and operations. Identify where state law and or policy changes would facilitate the provision of this service in a more cost effective manner.
5. Develop a plan for long term implementation to recommend to City Council during the 2012-13 budget process. (Within the 90 day time line)
6. Look at all other ideas and options to enhance the delivery of emergency services in the community.
  - a. The cost of a volunteer fire service only.
  - b. The cost for both fire and ambulance (BLS) as volunteer only.
  - c. The costs for fire and ALS services on a volunteer only basis
  - d. The costs for a paid staff fire and ambulance service.
  - e. Other options and variations as might be determined by the Task Force.
7. Keep the community fully informed of meetings, discussions and options.

**Measures of Success: The effectiveness of the Task Force will be measured by the following criteria.**

- 1. A description of the desired level of service will be created.**
- 2. The full cost for the desired level of service will be documented.**
- 3. Community meetings will have been held.**
- 4. The options of City operation, contract for services and creation of a new district and or full volunteer department will have been explored and documented.**
- 5. A final written report will have been filed with the City Council by the Task Force within 90 days of appointment.**

3RD QUARTER REPORT		QUARTERLY REPORT					4/18/2012
JANUARY - MARCH 2012							
FUND #		FORECAST			APPROVED BUDGET	BALANCE REMAINING	REMAINING PERCENTAGE
		YTD	APRIL-JUNE 2012	TOTAL			
<b>1</b>	<b>GENERAL FUND</b>						
	<b>REVENUES</b>	<b>435,654.68</b>	<b>86,000</b>	<b>521,654.68</b>	<b>649,540.00</b>	<b>127,885.32</b>	<b>20%</b>
	<b>EXPENSES</b>						
	<b>ADMINISTRATION</b>						
	PERSONEL SERVICES	31,668.83	10,400	42,068.83	58,683.00	16,614.17	28%
	MATERIAL & SERVICES	25,598.48	9,624	35,222.48	40,316.00	5,093.52	13%
	CAPITAL OUTLAY	-	-	-	-	-	0%
	INTERFUND TRANSFERS	136,188.69	26,645	162,833.69	163,415.00	581.31	0%
	<b>PLANNING</b>						
	PERSONEL SERVICES	21,275.52	6,423	27,698.52	52,411.00	24,712.48	47%
	MATERIAL & SERVICES	5,758.60	3,469	9,227.60	137,650.00	128,422.40	93%
	<b>PROPERTY</b>						
	PERSONEL SERVICES	38,525.90	11,972	50,497.90	38,550.00	(11,947.90)	-31%
	MATERIAL & SERVICES	12,697.94	6,150	18,847.94	21,100.00	2,252.06	11%
	CAPITAL OUTLAY	-	-	-	-	-	0%
	INTERFUND TRANSFERS	-	-	-	-	-	0%
	<b>BEAUTIFICATION</b>						
	PERSONEL SERVICES	394.32	-	394.32	2,865.00	2,470.68	86%
	MATERIAL & SERVICES	3,951.12	100	4,051.12	7,350.00	3,298.88	45%
	<b>MUSEUM</b>						
	PERSONEL SERVICES	5,970.53	2,478	8,448.53	10,890.00	2,441.47	22%
	MATERIAL & SERVICES	1,068.08	500	1,568.08	1,000.00	(568.08)	-57%
	<b>GOV'T/COMMUNITY RELATIONS</b>						
	MATERIAL & SERVICES	5,818.41	1,200	7,018.41	7,984.00	965.59	12%
	<b>RECREATION</b>						
	PERSONEL SERVICES	3,991.94	1,500	5,491.94	6,097.00	605.06	10%
	MATERIAL & SERVICES	1,027.20	500	1,527.20	3,160.00	1,632.80	52%
	<b>POLICE</b>						
	PERSONEL SERVICES	-	-	-	-	-	0%
	MATERIAL & SERVICES	56,172.00	28,086	84,258.00	84,258.00	-	0%
	<b>CONTINGNECY</b>						
	-	-	-	-	13,811.00	13,811.00	100%
	<b>TOTAL GENERAL FUND REVENUE</b>	<b>435,654.68</b>	<b>86,000.00</b>	<b>521,654.68</b>	<b>649,540.00</b>	<b>127,885.32</b>	
	<b>TOTAL GENERAL FUND EXPENSES</b>	<b>350,107.56</b>	<b>109,047.00</b>	<b>459,154.56</b>	<b>649,540.00</b>	<b>190,385.44</b>	
<b>2</b>	<b>SDC FUND</b>						
	<b>REVENUES</b>	<b>81,882.16</b>	<b>90</b>	<b>81,972.16</b>	<b>94,232.00</b>	<b>12,259.84</b>	<b>13%</b>
	<b>EXPENSES</b>						
	<b>TRANSPORTATION SYSTEM DEVELOPMENT</b>						
	CAPITAL OUTLAY	-	-	-	-	-	0%
	<b>PARKS SYSTEM DEVELOPMENT</b>						
	CAPITAL OUTLAY	-	-	-	32,358.00	32,358.00	100%
	<b>WATER SYSTEM DEVELOPMENT</b>						
	CAPITAL OUTLAY	-	-	-	-	-	0%
	INTERFUND TRANSFERS	10,484.00	-	10,484.00	10,484.00	-	0%
	<b>SEWER SYSTEM DEVELOPMENT</b>						
	CAPITAL OUTLAY	-	-	-	31,390.00	31,390.00	100%
	INTERFUND TRANSFERS	-	-	-	20,000.00	20,000.00	100%
	<b>DRAINAGE/FLOOD SYSTEM DEVELOPMENT</b>						
	CAPITAL OUTLAY	-	-	-	-	-	0%
	<b>TOTAL SDC FUND REVENUE</b>	<b>81,882.16</b>	<b>90.00</b>	<b>81,972.16</b>	<b>94,232.00</b>	<b>12,259.84</b>	
	<b>TOTAL SDC FUND EXPENSES</b>	<b>10,484.00</b>	<b>-</b>	<b>10,484.00</b>	<b>94,232.00</b>	<b>83,748.00</b>	

3RD QUARTER REPORT		QUARTERLY REPORT					4/18/2012
JANUARY - MARCH 2012							
FUND #		FORECAST			APPROVED BUDGET	BALANCE REMAINING	REMAINING PERCENTAGE
		YTD	APRIL-JUNE 2012	TOTAL			
<b>3</b>	<b>STREET FUND</b>						
	REVENUES	102,704.20	11,000	113,704.20	100,350.00	(13,354.20)	-13%
	EXPENSES						
	PERSONEL SERVICES	14,577.97	6,000	20,577.97	30,616.00	10,038.03	33%
	MATERIAL & SERVICES	11,022.45	6,000	17,022.45	43,150.00	26,127.55	61%
	CAPITAL OUTLAY	1,300.00	2,000	3,300.00	15,500.00	12,200.00	79%
	INTERFUND TRANSFERS	1,000.00	-	1,000.00	1,000.00	-	0%
	CONTINGENCY	-	-	-	10,084.00	10,084.00	100%
	CAPITAL PROJECTS						
	PERSONEL SERVICES	-	-	-	-	-	0%
	MATERIAL & SERVICES	-	-	-	-	-	0%
	TOTAL STREET FUND REVENUE	102,704.20	11,000.00	113,704.20	100,350.00	(13,354.20)	
	TOTAL STREET FUND EXPENSES	27,900.42	14,000.00	41,900.42	100,350.00	58,449.58	
<b>5</b>	<b>EMERGENCY SERVICES FUND</b>						
	REVENUES	100,519.11	17,000	117,519.11	222,860.00	105,340.89	47%
	EXPENSES						
	PERSONEL SERVICES	5,186.33	47	5,233.33	59,244.00	54,010.67	91%
	MATERIAL & SERVICES	81,822.36	30,000	111,822.36	131,652.00	19,829.64	15%
	CAPITAL OUTLAY	-	3,000	3,000.00	3,000.00	-	0%
	INTERFUND TRANSFERS	1,844.28	615	2,459.00	2,459.00	-	0%
	CONTINGENCY	-	-	-	14,356.00	14,356.00	100%
	ADMINISTRATION EXPENSE						
	PERSONEL SERVICES	4,924.82	600	5,524.82	8,590.00	3,065.18	36%
	MATERIAL & SERVICES	2,438.88	975	3,413.88	3,559.00	145.12	4%
	TOTAL EMERGENCY FUND REVENUE	100,519.11	17,000.00	117,519.11	222,860.00	105,340.89	
	TOTAL EMERGENCY FUND EXPENSES	96,216.67	35,236.72	131,453.39	222,860.00	91,406.61	
<b>6</b>	<b>911 EMERGENCY TELEPHONE FUND</b>						
	REVENUES	2,765.54	3,000	5,765.54	6,000.00	234.46	4%
	EXPENSES						
	MATERIAL & SERVICES	2,765.54	3,000	5,765.54	6,000.00	234.46	4%
	TOTAL 911 EMERGENCY TELEPHONE REVENUE	2,765.54	3,000.00	5,765.54	6,000.00	234.46	
	TOTAL 911 EMERGENCY TELEPHONE EXPENSES	2,765.54	3,000.00	5,765.54	6,000.00	234.46	
<b>7</b>	<b>GRANT FUND</b>						
	REVENUES	1,000.00	-	1,000.00	1,000.00	-	0%
	EXPENSES						
	MATERIAL & SERVICES	-	1,000	1,000.00	1,000.00	-	0%
	TOTAL GRANT FUND REVENUE	1,000.00	-	1,000.00	1,000.00	-	
	TOTAL GRANT FUND EXPENSES	-	1,000.00	1,000.00	1,000.00	-	

3RD QUARTER REPORT JANUARY - MARCH 2012		QUARTERLY REPORT				4/18/2012	
FUND #		YTD	FORECAST APRIL-JUNE 2012	TOTAL	APPROVED BUDGET	BALANCE REMAINING	REMAINING PERCENTAGE
8	<b>TOURISM FUND</b>						
	REVENUES	55,187.16	13,165	68,352.16	92,850.00	24,497.84	26%
	EXPENSES						
	MATERIAL & SERVICES	28,622.52	21,919	50,541.52	76,905.00	26,363.48	34%
	CAPITAL OUTLAY	-	-	-	8,015.00	8,015.00	100%
	CONTINGENCY	-	-	-	7,930.00	7,930.00	100%
	ADMINISTRATION EXPENSE						
	PERSONEL SERVICES	-	-	-	-	-	0%
	<b>TOTAL TOURISM FUND REVENUE</b>	<b>55,187.16</b>	<b>13,165.00</b>	<b>68,352.16</b>	<b>92,850.00</b>	<b>24,497.84</b>	
	<b>TOTAL TOURISM FUND EXPENSES</b>	<b>28,622.52</b>	<b>21,919.00</b>	<b>50,541.52</b>	<b>92,850.00</b>	<b>42,308.48</b>	
16	<b>MUSEUM TRUST</b>						
	REVENUES	1,379.55	300	1,679.55	2,500.00	820.45	33%
	EXPENSES						
	MATERIAL & SERVICES	1,379.55	300	1,679.55	2,500.00	820.45	33%
	<b>TOTAL MUSEUM TRUST FUND REVENUE</b>	<b>1,379.55</b>	<b>300.00</b>	<b>1,679.55</b>	<b>2,500.00</b>	<b>820.45</b>	
	<b>TOTAL MUSEUM TRUST FUND EXPENSES</b>	<b>1,379.55</b>	<b>300.00</b>	<b>1,679.55</b>	<b>2,500.00</b>	<b>820.45</b>	
17	<b>CEMETERY</b>						
	REVENUES	20,229.24	300	20,529.24	16,700.00	(3,829.24)	-23%
	EXPENSES						
	PERSONEL SERVICES	2,038.78	900	2,938.78	3,000.00	61.22	2%
	MATERIAL & SERVICES	843.12	500	1,343.12	3,475.00	2,131.88	61%
	INTERFUND TRANSFERS	6,000.00	-	6,000.00	6,000.00	-	0%
	CONTINGENCY	-	-	-	4,225.00	4,225.00	100%
	<b>TOTAL CEMETERY FUND REVENUE</b>	<b>20,229.24</b>	<b>300.00</b>	<b>20,529.24</b>	<b>16,700.00</b>	<b>(3,829.24)</b>	
	<b>TOTAL CEMETERY FUND EXPENSES</b>	<b>8,881.90</b>	<b>1,400.00</b>	<b>10,281.90</b>	<b>16,700.00</b>	<b>6,418.10</b>	
21	<b>WATER FUND</b>						
	REVENUES	241,061.67	35,700	276,761.67	352,200.00	75,438.33	21%
	EXPENSES						
	PERSONEL SERVICES	36,112.43	13,500	49,612.43	52,273.00	2,660.57	5%
	MATERIAL & SERVICES	55,131.23	18,500	73,631.23	94,488.00	20,856.77	22%
	CAPITAL OUTLAY	4,322.17	1,000	5,322.17	56,750.00	51,427.83	91%
	INTERFUND TRANSFERS	24,578.91	921	25,499.91	25,500.00	0.09	0%
	CONTINGENCY	-	-	-	15,939.00	15,939.00	100%
	CAPITAL PROJECTS						
	PERSONEL SERVICES	-	-	-	20,000.00	20,000.00	100%
	MATERIAL & SERVICES	-	-	-	30,000.00	30,000.00	100%
	ADMINISTRATION EXPENSE						
	PERSONEL SERVICES	21,200.73	6,900	28,100.73	37,161.00	9,060.27	24%
	MATERIAL & SERVICES	13,278.34	5,100	18,378.34	20,089.00	1,710.66	9%
	<b>TOTAL WATER FUND REVENUE</b>	<b>241,061.67</b>	<b>35,700.00</b>	<b>276,761.67</b>	<b>352,200.00</b>	<b>75,438.33</b>	
	<b>TOTAL WATER FUND EXPENSES</b>	<b>154,623.81</b>	<b>45,921.00</b>	<b>200,544.81</b>	<b>352,200.00</b>	<b>151,655.19</b>	

3RD QUARTER REPORT		QUARTERLY REPORT					4/18/2012
JANUARY - MARCH 2012		FORECAST			APPROVED	BALANCE	REMAINING
FUND #		YTD	APRIL-JUNE 2012	TOTAL	BUDGET	REMAINING	PERCENTAGE
<b>25</b>	<b>CEMETERY TRUST</b>						
	REVENUES	13,920.02	15	13,935.02	13,900.00	(35.02)	0%
	EXPENSES						
	INTERFUND TRANSFERS	-	-	-	-	-	0%
	CONTINGENCY	-	-	-	13,900.00	13,900.00	100%
	<b>TOTAL CEMETERY TRUST FUND REVENUE</b>	<b>13,920.02</b>	<b>15.00</b>	<b>13,935.02</b>	<b>13,900.00</b>	<b>(35.02)</b>	
	<b>TOTAL CEMETERY TRUST FUND EXPENSES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,900.00</b>	<b>13,900.00</b>	
<b>31</b>	<b>SEWER FUND</b>						
	REVENUES	298,342.62	75,000	473,342.62	480,850.00	7,507.38	2%
	EXPENSES						
	PERSONEL SERVICES	7,618.43	8,100	15,718.43	26,218.00	10,499.57	40%
	MATERIAL & SERVICES	127,628.46	43,000	170,628.46	192,305.00	21,676.54	11%
	CAPITAL OUTLAY	5,030.62	-	5,030.62	17,750.00	12,719.38	72%
	INTERFUND TRANSFERS	131,468.00	-	131,468.00	131,468.00	-	0%
	CONTINGENCY	-	-	-	34,271.00	34,271.00	100%
	CAPITAL PROJECTS						
	PERSONEL SERVICES	-	-	-	10,000.00	10,000.00	100%
	MATERIAL & SERVICES	-	-	-	15,000.00	15,000.00	100%
	ADMINISTRATION EXPENSE						
	PERSONEL SERVICES	18,423.53	6,000	24,423.53	33,027.00	8,603.47	26%
	MATERIAL & SERVICES	12,926.27	4,500	17,426.27	20,811.00	3,384.73	16%
	<b>TOTAL SEWER FUND REVENUE</b>	<b>298,342.62</b>	<b>75,000.00</b>	<b>473,342.62</b>	<b>480,850.00</b>	<b>7,507.38</b>	
	<b>TOTAL SEWER FUND EXPENSES</b>	<b>303,095.31</b>	<b>61,600.00</b>	<b>364,695.31</b>	<b>480,850.00</b>	<b>116,154.69</b>	
<b>40</b>	<b>SEWER BOND 1998</b>						
	REVENUES	114,306.95	60	114,366.95	114,011.00	(355.95)	0%
	EXPENSES						
	MATERIAL & SERVICES	53,711.00	-	53,711.00	53,711.00	-	0%
	CONTINGENCY	-	-	-	60,300.00	60,300.00	100%
	<b>TOTAL SEWER BOND REVENUE</b>	<b>114,306.95</b>	<b>60.00</b>	<b>114,366.95</b>	<b>114,011.00</b>	<b>(355.95)</b>	
	<b>TOTAL SEWER BOND EXPENSES</b>	<b>53,711.00</b>	<b>-</b>	<b>53,711.00</b>	<b>114,011.00</b>	<b>60,300.00</b>	

3RD QUARTER REPORT  
JANUARY - MARCH 2012

QUARTERLY REPORT

4/18/2012

FUND #	YTD	FORECAST		APPROVED BUDGET	BALANCE REMAINING	REMAINING PERCENTAGE
		APRIL-JUNE 2012	TOTAL			
<b>41</b>	<b>CATV</b>					
	<b>REVENUES</b>					
	CATV	98,710.94	23,000	121,710.94	139,140.00	17,429.06 13%
	<b>EXPENSES</b>					
	PERSONEL SERVICES	2,366.35	2,000	4,366.35	9,303.00	4,936.65 53%
	MATERIAL & SERVICES	53,053.41	14,000	67,053.41	76,580.00	9,526.59 12%
	CAPITAL OUTLAY	550.47	500	1,050.47	3,100.00	2,049.53 66%
	INTERFUND TRANSFERS	2,250.00	750	3,000.00	4,000.00	1,000.00 25%
	CONTINGENCY	-	-	-	-	- 0%
	<b>CAPITAL PROJECTS</b>					
	PERSONEL SERVICES	-	-	-	3,000.00	3,000.00 100%
	MATERIAL & SERVICES	907.67	-	907.67	7,000.00	6,092.33 87%
	<b>BROADBAND</b>					
	<b>REVENUES</b>					
		42,907.61	14,000	56,907.61	59,300.00	2,392.39 4%
	<b>EXPENSES</b>					
	PERSONEL SERVICES	1,708.95	2,000	3,708.95	10,002.00	6,293.05 63%
	MATERIAL & SERVICES	19,508.63	7,000	26,508.63	32,702.00	6,193.37 19%
	CAPITAL OUTLAY	-	200	200.00	450.00	250.00 56%
	INTERFUND TRANSFERS	2,368.00	750	3,118.00	3,535.00	417.00 12%
	CONTINGENCY	-	-	-	4,774.00	4,774.00 100%
	<b>CAPITAL PROJECTS</b>					
	PERSONEL SERVICES	-	-	-	-	- 0%
	MATERIAL & SERVICES	-	-	-	-	- 0%
	<b>ADMINISTRATION EXPENSE CATV/BROADBAND</b>					
	PERSONEL SERVICES	19,634.18	6,600	26,234.18	32,314.00	6,079.82 19%
	MATERIAL & SERVICES	8,192.80	3,550	11,742.80	11,680.00	(62.80) -1%
	<b>TOTAL REVENUE FOR CATV/BROADBAND FUND</b>					
		141,618.55	37,000.00	178,618.55	198,440.00	19,821.45
	<b>TOTAL EXPENSES FOR CATV/BROADBAND FUND</b>					
		110,540.46	37,350.00	147,890.46	198,440.00	50,549.54
<b>45</b>	<b>OEDD LOAN</b>					
	<b>REVENUES</b>					
		44,468.50	-	44,468.50	64,468.00	19,999.50 31%
	<b>EXPENSES</b>					
	MATERIAL & SERVICES	24,468.00	-	24,468.00	64,468.00	40,000.00 62%
	<b>TOTAL REVENUE FOR OEDD LOAN FUND</b>					
		44,468.50	-	44,468.50	64,468.00	19,999.50
	<b>TOTAL EXPENSES FOR OEDD LOAN FUND</b>					
		24,468.00	-	24,468.00	64,468.00	40,000.00
<b>46</b>	<b>OIB FIRE HALL LOAN</b>					
	<b>REVENUES</b>					
		25,058.16	8,442	33,500.16	33,500.00	(0.16) 0%
	<b>EXPENSES</b>					
	MATERIAL & SERVICES	25,058.16	8,442	33,500.16	33,500.00	(0.16) 0%
	<b>TOTAL REVENUE FOR OIB FIRE HALL LOAN FUND</b>					
		25,058.16	8,442.00	33,500.16	33,500.00	(0.16)
	<b>TOTAL EXPENSES FOR OIB FIRE HALL LOAN FUND</b>					
		25,058.16	8,442.00	33,500.16	33,500.00	(0.16)

3RD QUARTER REPORT		QUARTERLY REPORT					4/18/2012
JANUARY - MARCH 2012			FORECAST				
FUND			APRIL-JUNE		APPROVED	BALANCE	REMAINING
#		YTD	2012	TOTAL	BUDGET	REMAINING	PERCENTAGE
<b>51</b>	<b>CITY LIGHT - CITY</b>						
	<b>REVENUES</b>	<b>1,752,156.13</b>	<b>333,000</b>	<b>2,085,156.13</b>	<b>2,468,666.00</b>	<b>383,509.87</b>	<b>16%</b>
	<b>EXPENSES</b>						
	PERSONEL SERVICES	233,759.91	80,000	313,759.91	268,252.00	(45,507.91)	-17%
	MATERIAL & SERVICES	537,094.25	180,000	717,094.25	968,746.00	251,651.75	26%
	CAPITAL OUTLAY	17,133.08	25,000	42,133.08	78,500.00	36,366.92	46%
	INTERFUND TRANSFERS	79,600.00	15,745	95,345.00	95,345.00	-	0%
	CONTINGENCY	-	-	-	154,660.00	154,660.00	100%
	<b>CAPITAL PROJECTS</b>						
	PERSONEL SERVICES	279.37	-	279.37	50,000.00	49,720.63	99%
	MATERIAL & SERVICES	34,037.12	-	34,037.12	450,000.00	415,962.88	92%
	<b>CITY LIGHT - SOUTHBANK</b>						
	<b>REVENUES</b>	<b>230,219.57</b>	<b>77,000</b>	<b>307,219.57</b>	<b>784,650.00</b>	<b>477,430.43</b>	<b>61%</b>
	<b>EXPENSES</b>						
	PERSONEL SERVICES	126,317.68	40,000	166,317.68	253,818.00	87,500.32	34%
	MATERIAL & SERVICES	103,072.88	36,000	139,072.88	219,755.00	80,682.12	37%
	CAPITAL OUTLAY	12,488.34	7,000	19,488.34	49,000.00	29,511.66	60%
	CONTINGENCY	-	-	-	-	-	0%
	<b>CAPITAL PROJECTS</b>						
	PERSONEL SERVICES	646.07	-	646.07	300,000.00	299,353.93	100%
	MATERIAL & SERVICES	-	-	-	180,000.00	180,000.00	100%
	<b>ADMINISTRATION EXPENSE CITY/SOUTHBANK</b>						
	PERSONEL SERVICES	65,584.34	21,300	86,884.34	114,127.00	27,242.66	24%
	MATERIAL & SERVICES	42,217.27	14,200	56,417.27	71,113.00	14,695.73	21%
	<b>TOTAL REVENUE FOR LIGHT DEPARTMENT FUND</b>	<b>1,982,375.70</b>	<b>410,000.00</b>	<b>2,392,375.70</b>	<b>3,253,316.00</b>	<b>860,940.30</b>	
	<b>TOTAL EXPENSES FOR LIGHT DEPARTMENT FUND</b>	<b>1,252,230.31</b>	<b>419,245.00</b>	<b>1,671,475.31</b>	<b>3,253,316.00</b>	<b>1,581,840.69</b>	
<b>56</b>	<b>CAPITAL RESERVE FUND 2008</b>						
	<b>REVENUES</b>	<b>1,380,190.94</b>	<b>14,544</b>	<b>1,394,734.94</b>	<b>1,508,143.00</b>	<b>113,408.06</b>	<b>8%</b>
	<b>EXPENSES</b>	<b>122,416.81</b>	<b>10,000</b>	<b>132,416.81</b>	<b>1,508,143.00</b>	<b>1,375,726.19</b>	<b>91%</b>
	<b>TOTAL REVENUE FOR CAPITAL RESERVE FUND</b>	<b>1,380,190.94</b>	<b>14,544.00</b>	<b>1,394,734.94</b>	<b>1,508,143.00</b>	<b>113,408.06</b>	
	<b>TOTAL EXPENSES FOR CAPITAL RESERVE FUND</b>	<b>122,416.81</b>	<b>10,000.00</b>	<b>132,416.81</b>	<b>1,508,143.00</b>	<b>1,375,726.19</b>	

**STAFF REPORT**

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**Date Prepared:** April 16, 2012

**For City Council Meeting on:** April 23, 2012

**TO:** Honorable Mayor and City Council

**PREPARED BY:** Paul Koch, Interim City Administrator

PK

**APPROVED BY:** N/A

**SUBJECT:** Providing Council direction for the proposed electric rate study

**SYNOPSIS:** On February 13, 2012 City Council authorized city staff to proceed to go out on the market with and RFQ (Request for Qualifications) for an electric rate study. The primary impetus for this RFQ and the rate study is the Tier 2 BPA rate issue along with the sub-station issue and the development of an electric rate schedule that facilitates economic development. The RFQ deadline was March 16, 2012 and two firms responded to this request.

Discussions have been held with the Port Commission, however, it is doubtful the Port Commission can spend any funds on this rate study. The Port Commission and staff should be involved in the process as the Port is the major economic development entity in the community.

There is no estimated cost. The approach approved in the RFQ calls for the City to meet with and discuss the potential scope of work with the firms, then develop the costs for completing the rate study. The next step in the process is to meet with each firm and begin developing the scope of work.

The City used resources from other municipalities that provide electric service as well as the Oregon Municipal Utilities Association in preparing the RFQ.

This issue comes to City Council at this time for direction regarding the next steps from here..

**CITY COUNCIL OPTIONS:** The City Council has the following options on this matter.

- A. Take no action on this matter at this time.
- B. Ask staff for additional information.
- C. Refer this matter to the Joint Work Group on Economic Development (Port and City)
- D. Create a Council work group to interview the firms and make a selection for City Council approval.
- E. Other actions as may be desired by City Council.

**RECOMMENDATION:** That City Council discuss and provide staff with direction to proceed with this study.

**Legal Review and Opinion:** None needed at this time. Once discussions have occurred and a firm has been selected, the City Attorney will be involved in finalizing the contract for the work.

**Financial review and status:** The estimated cost is unknown for the specific scope of work and will not be known until the discussions occur. The original estimate was \$40,000 for the three parts of the scope of work anticipated in the FRQ. Those four parts are 1) Study and analysis of the current rates; 2) Develop the methodology to incorporate Tier 2 into the City rate structure; 3) the sub-station needs and; 4) a new proposed rate structure that facilitates economic development. The Port may not be a funding partner in this endeavor.

#### **BACKGROUND INFORMATION:**

1. A copy of the approved RFQ is attached for City Council information.
2. Copies of the RFQ submittals of both firms are attached for Council information.
3. The estimated next steps in the process include:
  - A. Meeting with each firm individually to discuss and develop the desired scope of work.
  - B. Receive cost estimates and proposed schedules from the two firms.
  - C. Interview the firms and make a final recommendation.
  - D. Recommendation to the full Council regarding the firm to hire.
  - E. Begin the project as agreed.

City of Cascade Locks, Oregon  
Approved by City Council on February 13, 2012

## **RFQ FOR ELECTRIC RATE STUDY**

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**The City of Cascade Locks, Oregon in partnership with the Port of Cascade Locks invites all qualified individuals and firms to submit qualifications, proposals and experience in providing rural community electric rate studies and recommendations. This is a contract relationship and the City Council desires to seek proposals for completing this work and to help in determining the cost for this study and recommendations along with the full scope of work. The City intends to retain a firm committed to work with the City and its partners in determining appropriate rates, Tier 2 relationships and strategies to encourage economic development.**

**Estimated Cost for Services:** The costs for this rate study and recommendations will be determined as a result of proposals submitted by interested firms. The estimated and projected cost to do this work should be included in the response submitted to this RFQ. The estimated cost to complete this assignment will be considered by City Council in making its selection decision.

**Who will pay for this study:** The City of Cascade Locks will pay for the cost of this study and its recommendations. The basis for the contract cost will be the submitted proposal and its connection for achieving the desired and recommended rate structure as determined by the City Council.

**Work to be done:** It is the intent of the City that the following work be completed under the terms of the contract. (Scope of work)

1. Develop background data and identify the project goals and objectives in collaboration with the City and any of its partners.
2. Forecast revenue requirements for the future and allocate costs to customers in a cost of service analysis.
3. Research, study and analyze existing utility rates and recommend changes as required to meet long term needs and economic development requirements of the community. Examine the current rate schedule for adequacy and design rate options for each customer class and schedule.
4. Calculate the current and projected power supply costs based on current customers And operations. Incorporate tiered BPA rates, tier 2 power costs and transmission and ancillary costs as a part of this study.
5. Research study and assist the City determine the appropriate Tier Two rate to

charge. Assist the City in determining the long range facility and generating options as well as facility needs, purchases and other options. Help determine what facilities if any the City should acquire, purchase or build to enhance the electric system.

6. Educate, inform and assist the City Council to better understand electric operations, rates and rate setting.
7. In general assist the City and its partners develop rate and charges that facilitate long term economic development and potentially highly competitive rates.

**Qualifications:** To be considered, candidates or firms must possess the following qualifications and or experience.

1. Experience and sensitivity to the unique needs and potential of rural communities.
2. Have qualified professional staff with Bachelors and / or Masters Degree from an accredited four year university.
3. At least 5 years experience working successfully with rate analysis and setting.
4. Have successful experience in completing municipal rate studies and making recommendations.
5. Be familiar with the BPA system, economic development implications and other factors of importance to community livability and electric system operations and long term community viability.
6. Be willing to challenge existing assumptions that do not add value or benefit small rural communities.
7. Be willing to travel to the community to assist in successfully completing this project.
8. Make periodic presentations to both City Council and the community to help advance public understanding and acceptance of needs, necessary changes and alterations to the current situation.
9. Be willing to take this unique approach to rate and charges and assist the community develop a system that encourages economic development.

**Obligations of the City:** The City may provide office space, office furniture and the use of standard office equipment while working on this City assignment. The City will also cover the cost of postage, printing and other supplies necessary to the completion of this project. In addition, the City will be responsible to provide all necessary and required background information as the selected consultant may need to complete this project.

**Obligations of the Consultant:** The selected consultant shall be responsible for providing all payroll taxes, salaries, workers compensation and any other employees directly needed to complete assignments provided by the city. All off-site facilities shall be the full responsibility of the consultant.

**Evaluation:** Proposals will be evaluated on the basis of consultant experience, successful work in rural communities, sensitivity to Cascade Locks location within the

Columbia River Gorge and cost per hour. Knowledge of the BPA system, experience in other similar communities and innovation will also be used as selection criteria. Experience or willingness to design the scope of work in partnership with the City.

**Submittals:** Firms or individuals interested in applying to provide this service should apply to the Interim City Administrator no later than March 16, 2012. The City plans to begin the contract work in April 2012.

Submittals should include the steps to be undertaken in this study, dates and expected results. At least the following elements of work should be included in the response to this RFQ:

1. The steps, due dates and expected results of each element of this study.
2. Proposed costs and project budget for each element proposed by the consultant.
3. A list of all background information and data necessary to completion of the project.
4. A statement by the consultant expressing willingness to work with the City, Port of Cascade Locks and others in completing this project.

**EXPECTED RESULT:** The City expects to receive a set of recommendations dealing with proposed rates for all classes of customers and factoring into the rate structure the impact of Tier 2 and suggestions for a rate strategy that encourages and facilitates economic development.

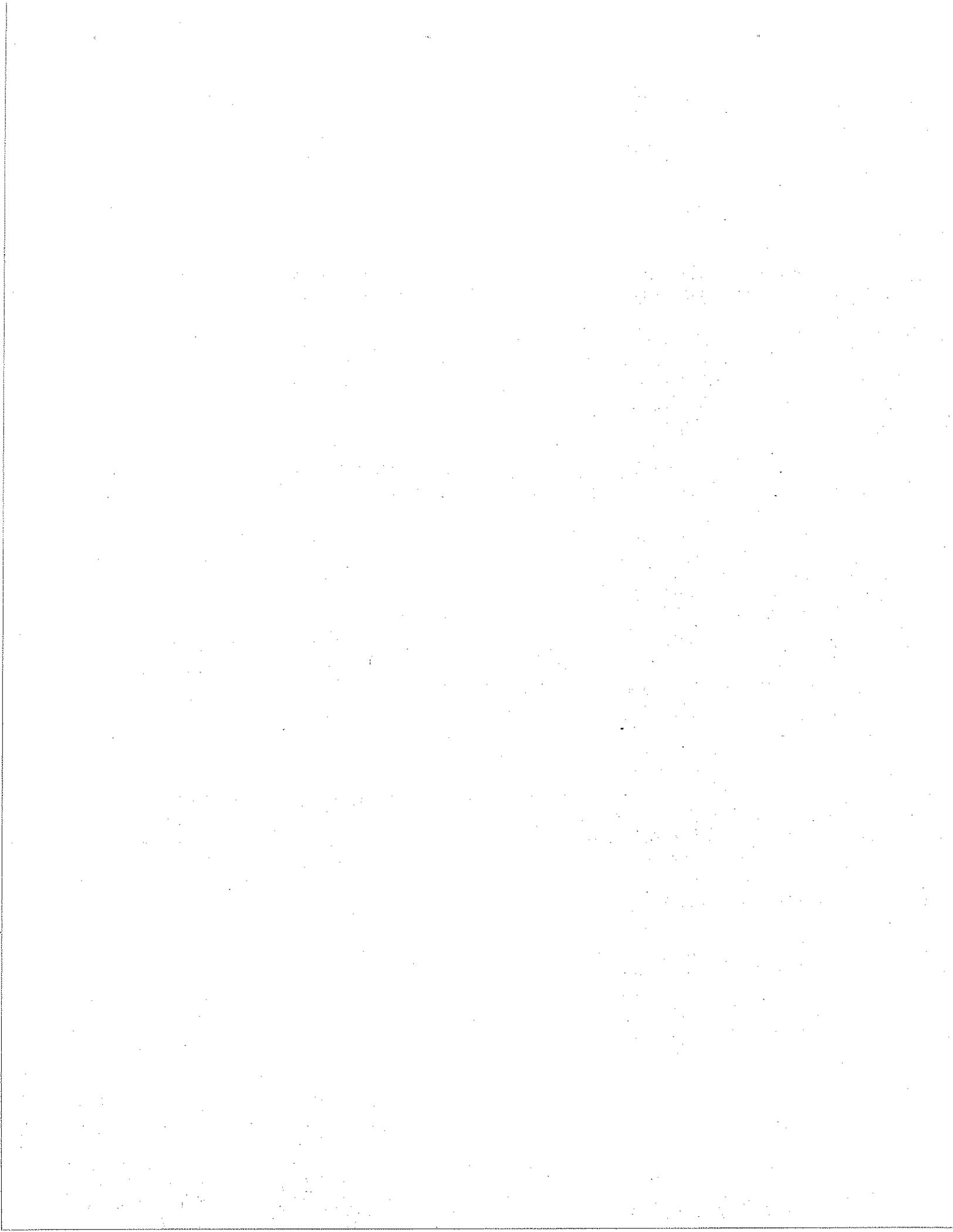
**Additional Information:** The City last increased its utility rates in 2006. In 2008, through a citizen initiative, the City is now required to seek a vote of the community in order to increase any rates for service. Additional information on the community can be accessed through the City web page at [www.cityofcascadelocks.or.us](http://www.cityofcascadelocks.or.us)

**Current Situation:**

Currently the community is working with a new company desiring to locate in town that will create 50 jobs. Additional economic development opportunities are constantly being looked at and the City is unsure of the full impact of Tier 2 on the rates. Current rates are reported to be high and the City desires to determine new approaches and strategies.

For additional information contact:

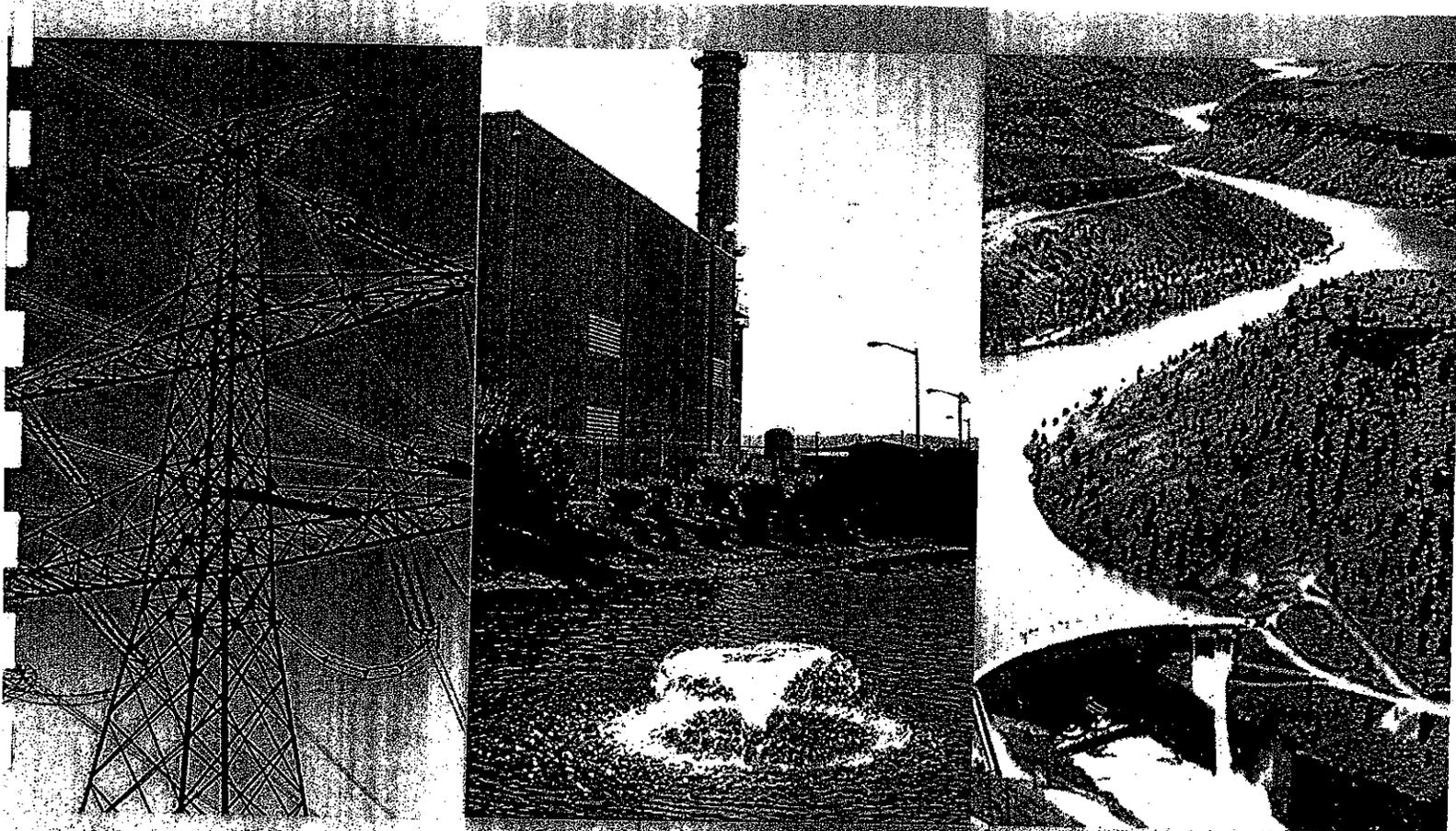
Paul Koch  
Interim City Administrator  
City of Cascade Locks, Oregon  
541-374-8484  
[pkoch@cascade-locks.or.us](mailto:pkoch@cascade-locks.or.us)



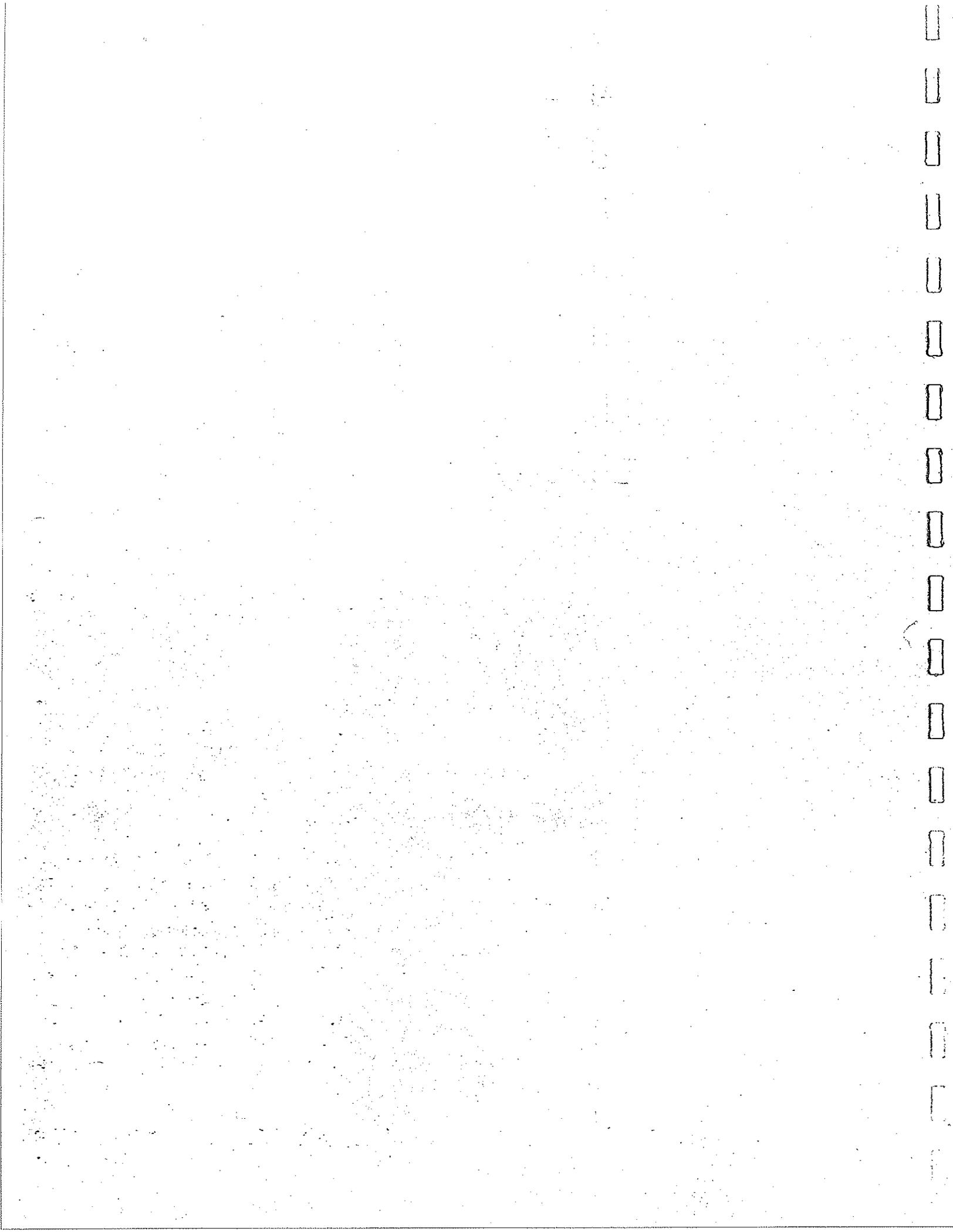
# City of Cascade Locks

## Proposal to Provide an Electric Rate Study

March 2012



**EES Consulting**



**EES Consulting**

March 14, 2012

Mr. Paul Koch  
Interim City Manager  
City of Cascade Locks  
P.O. Box 308  
140 WaNaPa  
Cascade Locks, Oregon 97014

SUBJECT: Proposal to Perform an Electric Rate Study

Dear Mr. Koch:

EES Consulting is pleased to submit this proposal to the City of Cascade Locks (City) to perform an Electric Rate Study. We are international leaders in performing cost of service and rate design studies. Our firm's personnel have performed over 500 such studies over the past 25 years and would very much like to assist the City in undertaking this interesting project. We look forward to work with the City, the Port and the community to develop rates that reflect the unique circumstances in the City.

We hope the attached proposal is responsive to your needs and look forward to discussing our proposal with you at your earliest convenience. Thank you for thinking of EES Consulting to cover your needs for outside technical assistance.

Very truly yours,



Anne Falcon  
Managing Director

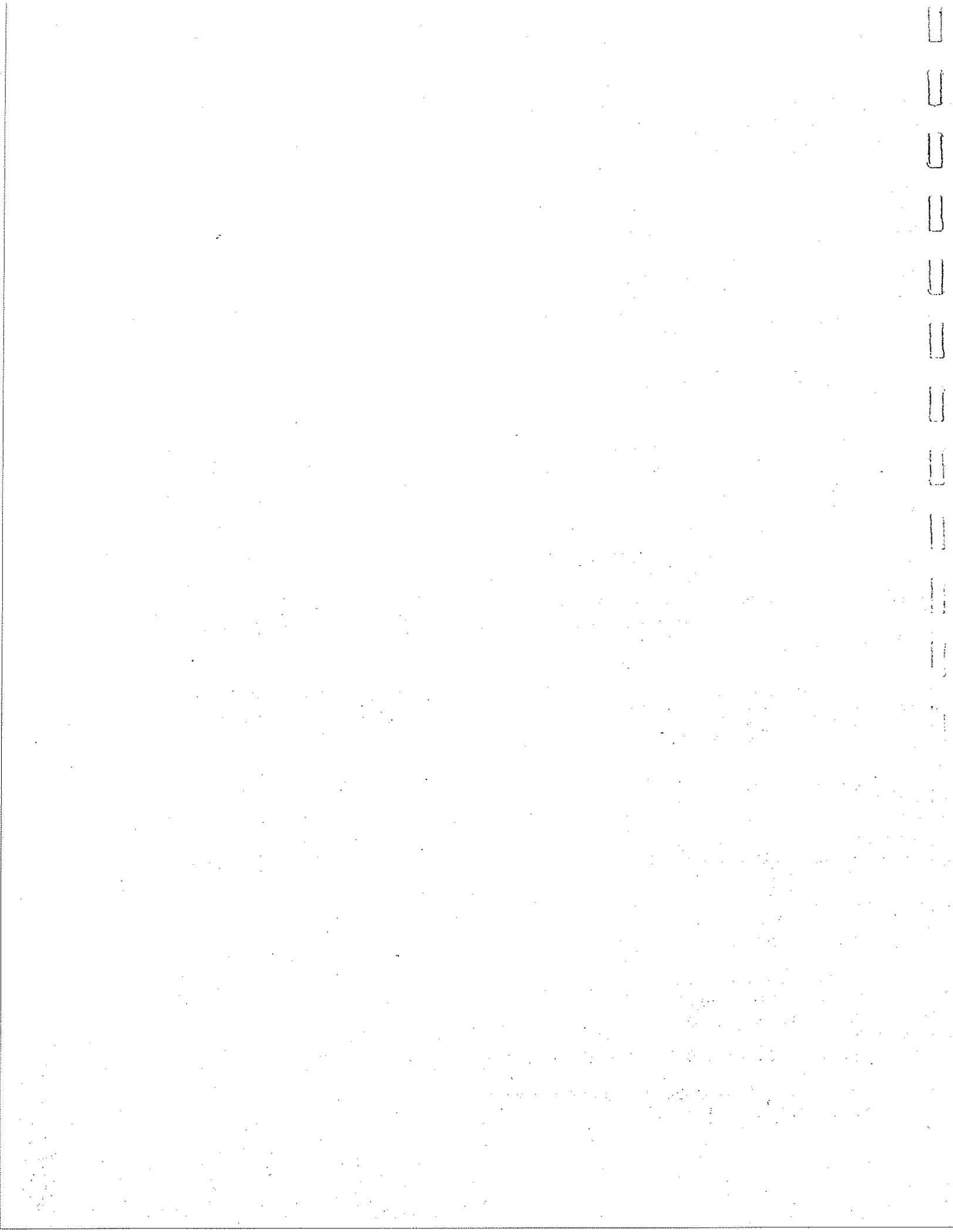
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570 Kirkland Way, Suite 200  
Kirkland, Washington 98033

Telephone: 425 889-2700

Facsimile: 425 889-2725

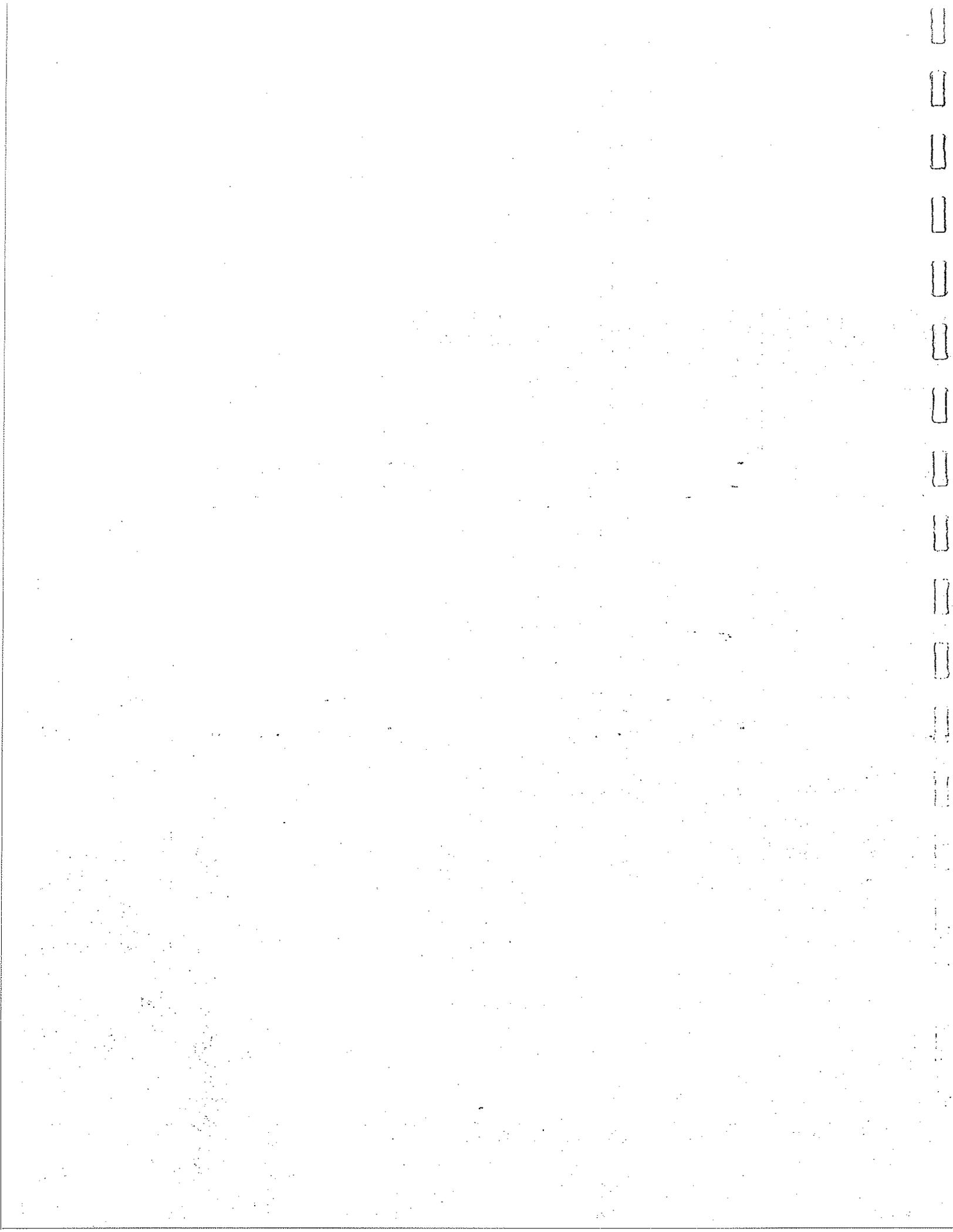
A registered professional engineering corporation with offices in  
Kirkland, WA and Portland, OR



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# Introduction and Summary Background About EES Consulting

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EES Consulting is pleased to offer a proposal in response to the City of Cascade Locks' (City's) Request for Proposal to perform an electric rate study. EES Consulting is a firm with offices in Kirkland, WA and Portland, OR. Our professional staff members have backgrounds in the areas of economics, finance, financial analysis, engineering, public administration, operations, research and general management.

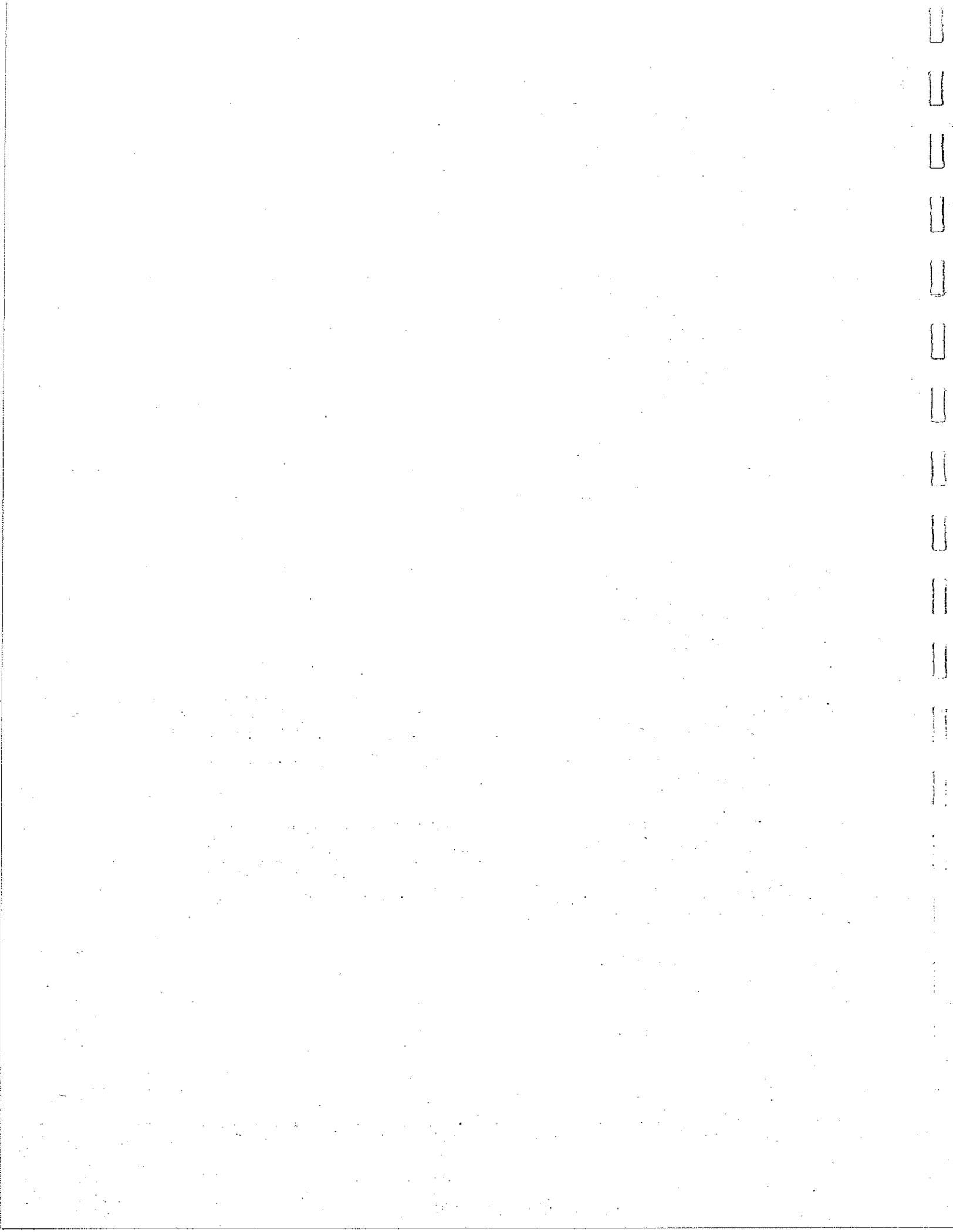
EES Consulting is a multidisciplinary management consulting and engineering firm that provides a variety of project solutions to clients involved with electric power, natural gas, telecommunications, water, wastewater and other energy and natural resource related businesses.

EES Consulting offers a broad array of services including:

- Cost of Service, Financial Analysis and Rate Design
- Strategic Planning
- Resource Development and Assessment
- Energy Purchasing and Risk Management
- Mergers and Acquisitions
- Engineering Design Services/Construction Management
- Expert Witness and Regulatory Policy Support Services
- Educational Seminars

EES Consulting has assisted clients in meeting the challenges of evolving competitive, regulatory and technical environments for over 20 years. We have a proven track record of success in arenas where the results of a particular project may have far reaching effects on the viability of an organization or the local community.

Because of the size of our firm and our highly qualified staff, we are able to deliver results in less time and with less expense to our clients. We are responsive and focused on cost-effective solutions for our clients' needs, and always recommend the most direct and efficient means of carrying out a project. The success of our project approach has resulted in the large volume of repeat business that the firm enjoys.



# Scope of Services for a Cost of Service and Rate Design Study

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EES Consulting staff has performed over five hundred electric, natural gas, water, wastewater and stormwater rate studies throughout the United States and Canada. Based on our experience we have prepared a proposed scope of services that summarizes the analysis and data to be provided in the City's project.

In order to accomplish this project successfully, it is necessary to develop a detailed scope of services at the beginning. This helps clarify both the needs of the City and the approach to be used by EES Consulting to ensure that the client receives the desired study results. The proposed scope of work is based on our discussion at the planning meeting and our experience providing cost of service and rate design studies to other utilities, however, EES Consulting is flexible in its approach and can modify the scope of work as needed.

The primary components of a cost of service and rate design study include:

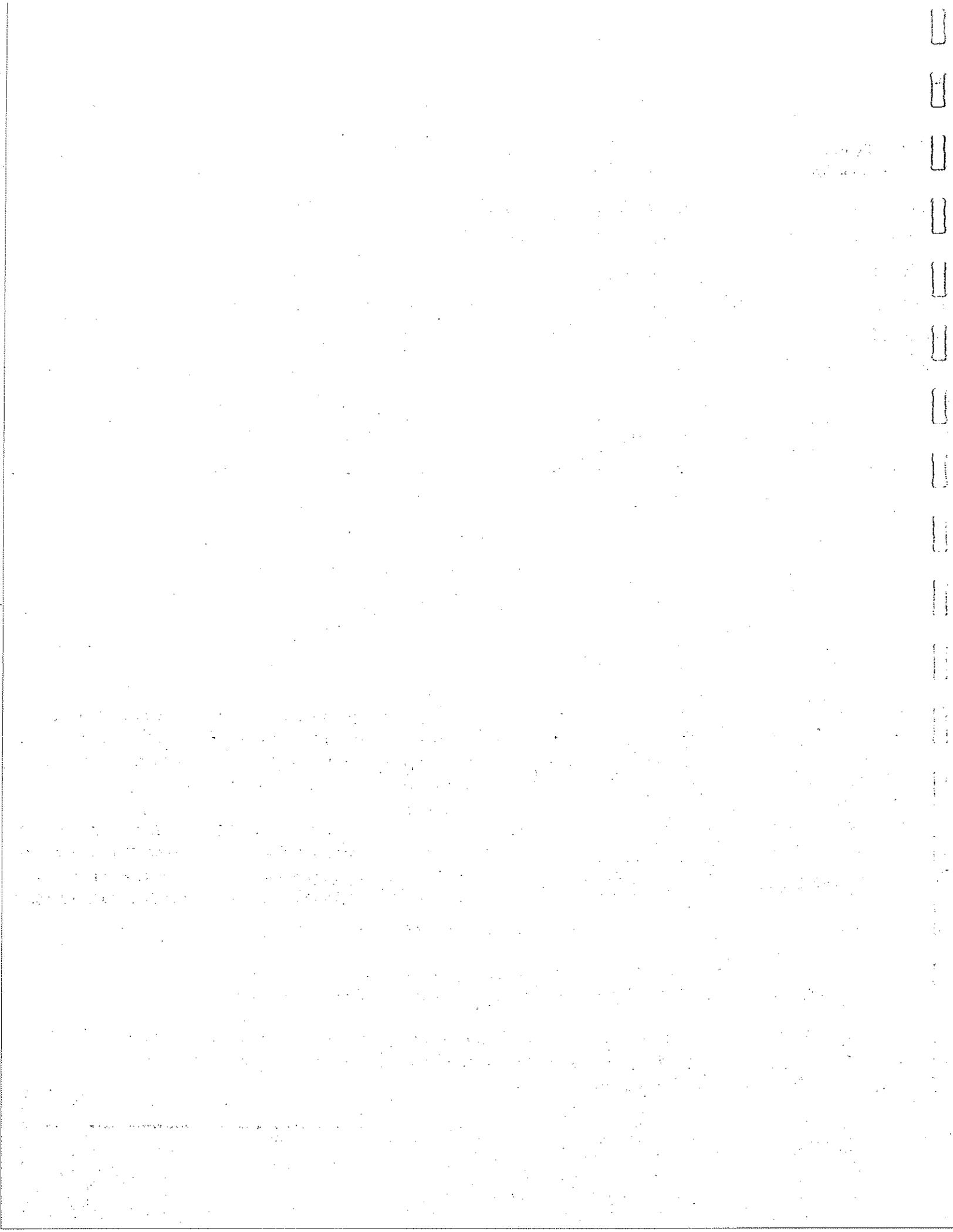
- Update background data and identifying project goals
- Development of forecast revenue requirements
- Allocating forecast revenue requirements to customers by performing a cost of service study
- Evaluating alternatives, making recommendations and presenting results to the City's senior staff and policymakers

The scope of work for this project involves analyzing and developing the City's annual revenue requirement. Also proposed is an analysis of utility customers, their user characteristics and system design data, to be able to allocate costs to customers based on their use of the system. If requested by the City, EES Consulting will assist with developing new retail rates based on the cost of service analysis results and goals of the City. The following summarizes the study analysis and results to be provided to the City.

## Proposed Scope for Gathering Background Data and Project Goals

Objective: To determine the scope of work, and the City's policy goals and objectives.

1. Key issues and changes identified by the City from the most recent COSA, and the City's project goals and objectives will be discussed during our initial planning meeting.
2. A data request is provided to the City as part of this proposal. Additional information needs will be discussed and a process to obtain the information necessary to complete the study will be developed.

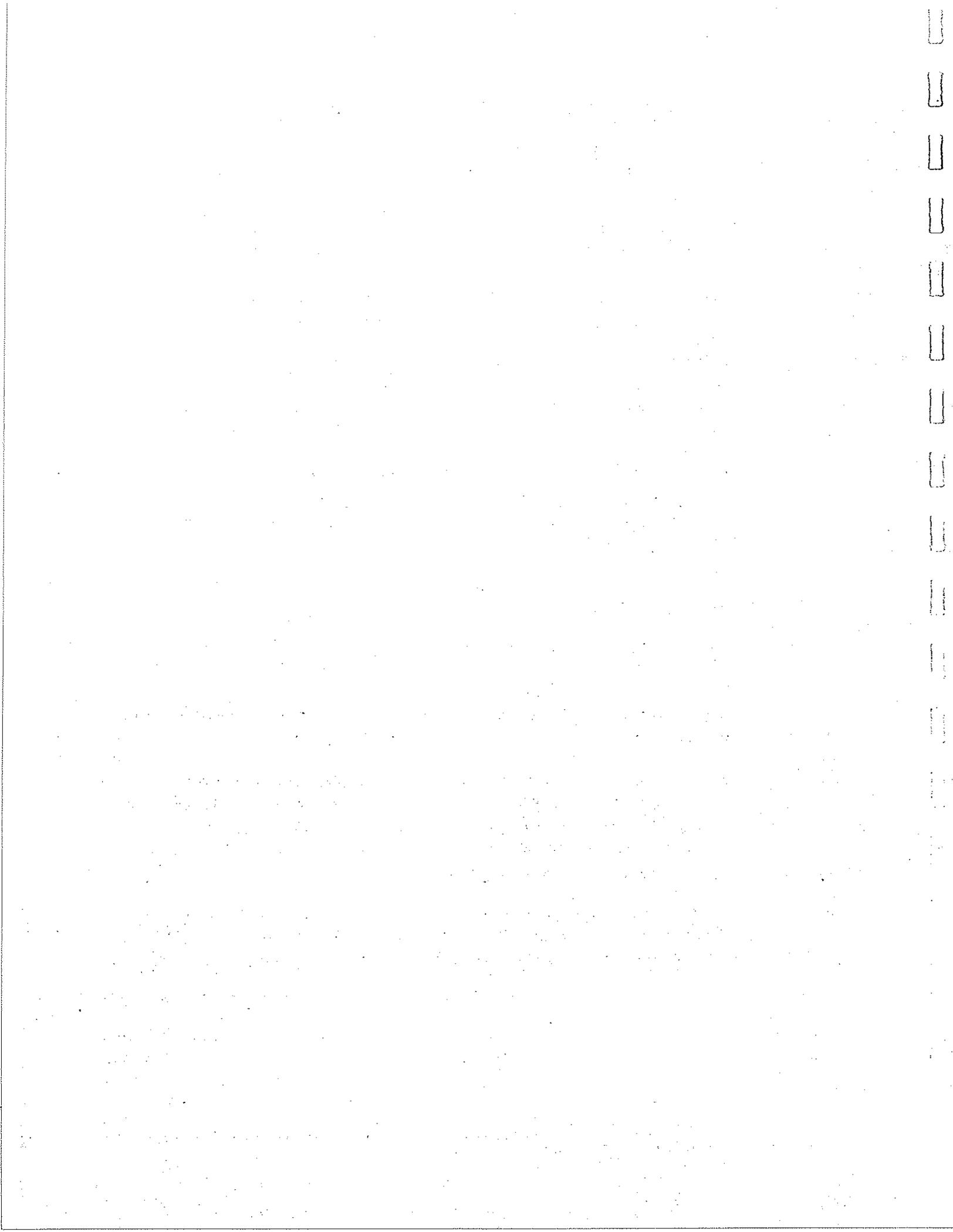


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## **Proposed Scope for Updating Revenue Requirements Task**

**Objective:** Identify the current and projected revenues and expenses for the City's electric system.

1. The appropriate basis (cash vs. accrual) for determining the annual revenue requirement for the City will be identified.
2. A test period for the study will be selected. For the study, a test period of FY 2011 - 2016 is proposed, but alternatives will be discussed prior to proceeding.
3. The load and customer forecast will be updated and re-evaluated based on the most recent information available.
4. The City's financial records will be analyzed to evaluate the current and budgeted system revenues from current rates and resources available to finance the annual revenue requirement for the desired test period.
5. The current and projected power supply cost will be evaluated based on the City's contracts and agreements. A City specific TRM power supply model will be developed to project the City's power costs, including Tier 2 costs and transmission & ancillary costs.
6. Appropriate reserve fund levels will be suggested based on current and projected utility industry standards.
7. Capital Improvement plans will be reviewed and options for future investments will be discussed with the City.
8. The impact of projected revenues and expenses on the City's debt-related financial ratios will be determined.
9. The cost of power supply and transmission expenses, other operation and maintenance expenses, taxes, debt service expenses, capital improvements funded from revenues, margins, reserve fund requirements and all other necessary costs associated with the efficient operation of the system will be analyzed to determine the annual revenue requirement for each year of the study period.
10. Projected revenues will be compared to the annual revenue requirement to identify the need for a rate change from existing monthly rates and charges. If necessary, a plan can be developed to phase-in rate changes over time, should large adjustments be required.



## **Proposed Scope for Updating Cost of Service Analysis (COSA) Task**

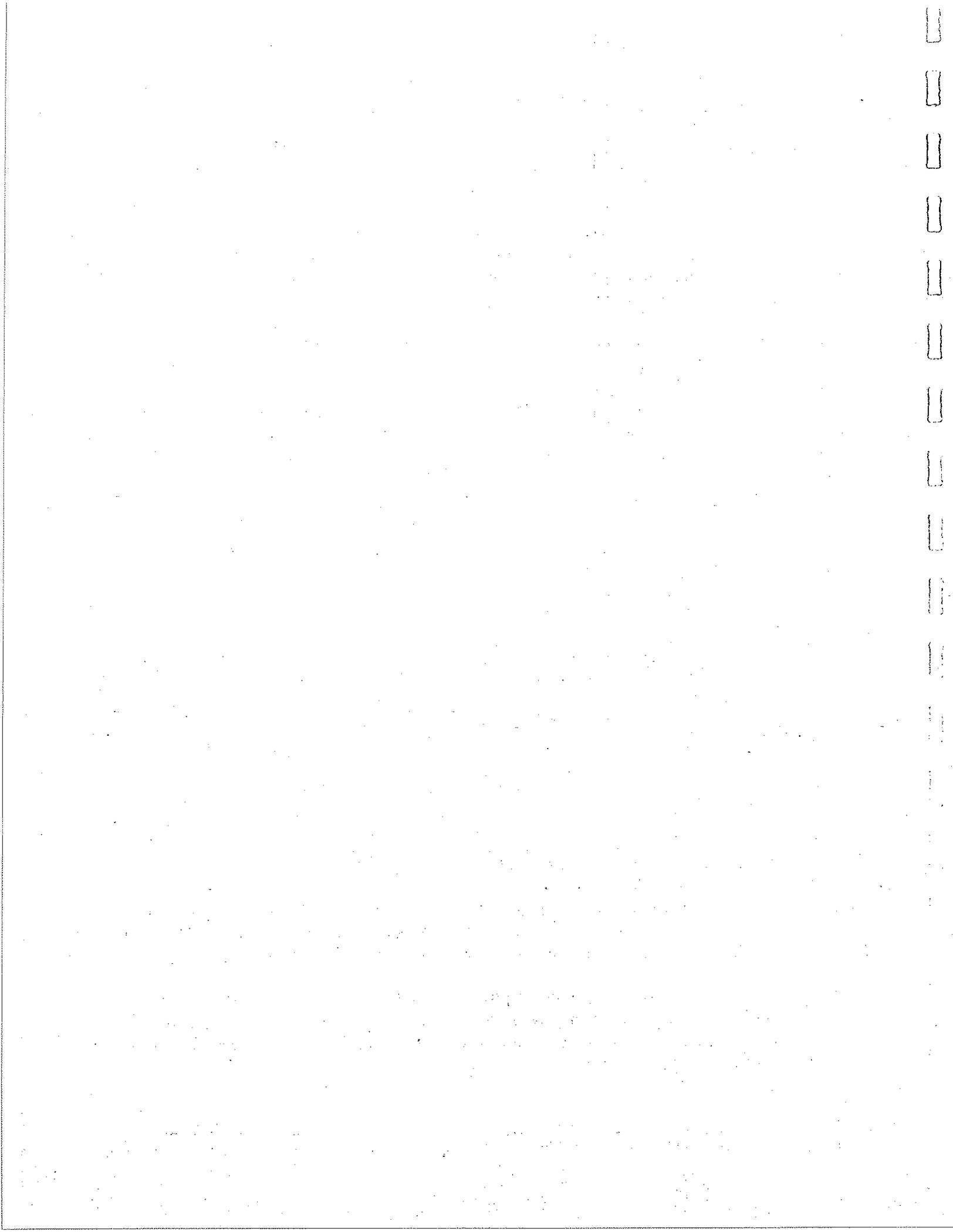
Objective: Determine an equitable allocation of the annual revenue requirement to the various customer classes using generally accepted cost allocation methods. A key concept in this process is the "cost causation" nature of each expense incurred by the City.

1. The City's most recent COSA assumptions and methodology will be reviewed and possible modifications will be evaluated if material changes in the City's cost-causation factors have occurred since its last COSA was developed.
2. Costs will be functionalized by itemizing plant investments and related expenses by the following functions: production, transmission, distribution, customer services, and administrative and general (A&G).
3. Costs will be classified to determine whether each individual plant investment or cost was incurred to meet a customer's demand, energy or customer related need. This item will be very important to ensure fair and equitable Industrial rates.
4. Costs will be allocated to the City's rate classes by developing allocation factors based on customer information, historic load data and projected usage by rate class. Where data is not available, industry standard data will be applied. A review of the planning, design, and operational data for the system will help to determine the facilities in place and how each rate class benefits from and uses these facilities. Some costs may be directly assigned to a specific rate class where appropriate.
5. Average unit costs by functional category will be provided based on the allocated costs and billing determinants developed for each rate class. Unit costs will be presented for energy (¢/kWh), demand (\$/kW), and customer related (\$/Customer/Mo.) charges for each customer class. The average unit costs represent cost of service rates and can be used as an input in the rate setting process.
6. Any subsidies that may exist between rate classes will be identified in this task and addressed before starting any rate design.

## **Proposed Scope for the Development of Rate Design Options**

Objective: Develop reasonable rate options using a variety of approaches, ranging from the current rate design to strict cost based rates. While average unit costs provide the cost basis for setting rates, other criteria will also be considered in designing rate options.

1. Different rate options based upon the goals and objectives identified by the City will be analyzed. Rate options can include both bundled and unbundled pricing to show the impacts of potential retail access, and to also develop the basis for any wheeling rates the City may need in the future.



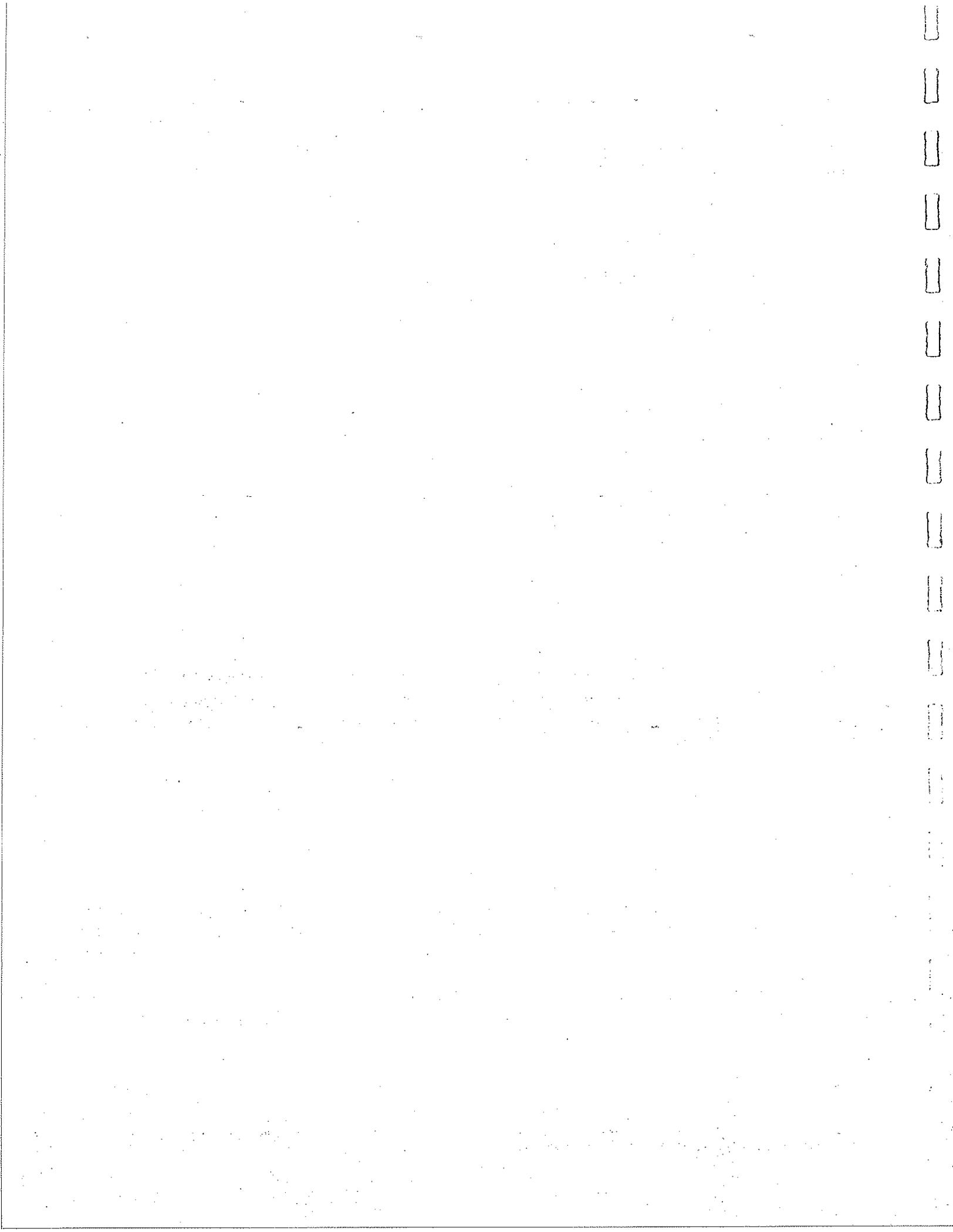
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2. Alternative rate designs including blocks, time of use, seasonal, and other appropriate charges may be developed, desired by the City. Consideration of Tier 2 power costs will be incorporated into rates. Rates for existing customers' growth above historical levels can be devised and incorporated into the City's rate structure.
  3. Revenues for each of the rate options will be compared to the system-wide and individual customer class revenue requirements.
  4. Customer bill comparisons will be developed to determine the rate impacts on different customer classes for different rate alternatives. New City rate proposals will also be compared to other neighboring electric utilities to compare the relative rate competitiveness of the City to other local utilities.
  5. Assist the City in developing an Economic Development rate, policy and process.

### **Deliverables**

EES Consulting will provide the City staff frequent project status reports to ensure a timely product. A draft report with the results of the cost of service study will be provided after the preliminary cost of service study is finalized. Once the City has reviewed the draft report, EES Consulting will incorporate any comments or suggestions into a final report. EES Consulting will provide the City with 5 copies of the final report.

### **Presentations**

EES Consulting will present results and make recommendations to the City's management staff and policymakers, as needed. Three onsite meetings are included in the budget below. Additional onsite meetings will be billed at the hourly rates discussed later in this proposal, plus any out-of-pocket expenses.



# Firm Experience and Client List

Our broad base of clients includes utilities and industrial companies located throughout North America, with a focus on utility operations. EES Consulting has a track record of success in arenas where the results of a particular evaluation or analysis may have far reaching effects on the viability of an organization and the local community.

In 2011, in addition to teaching NWPPA's Cost of Service class, EES Consulting staff developed COSA studies, TRM power supply models and/or rate design analysis for the following BPA customers.

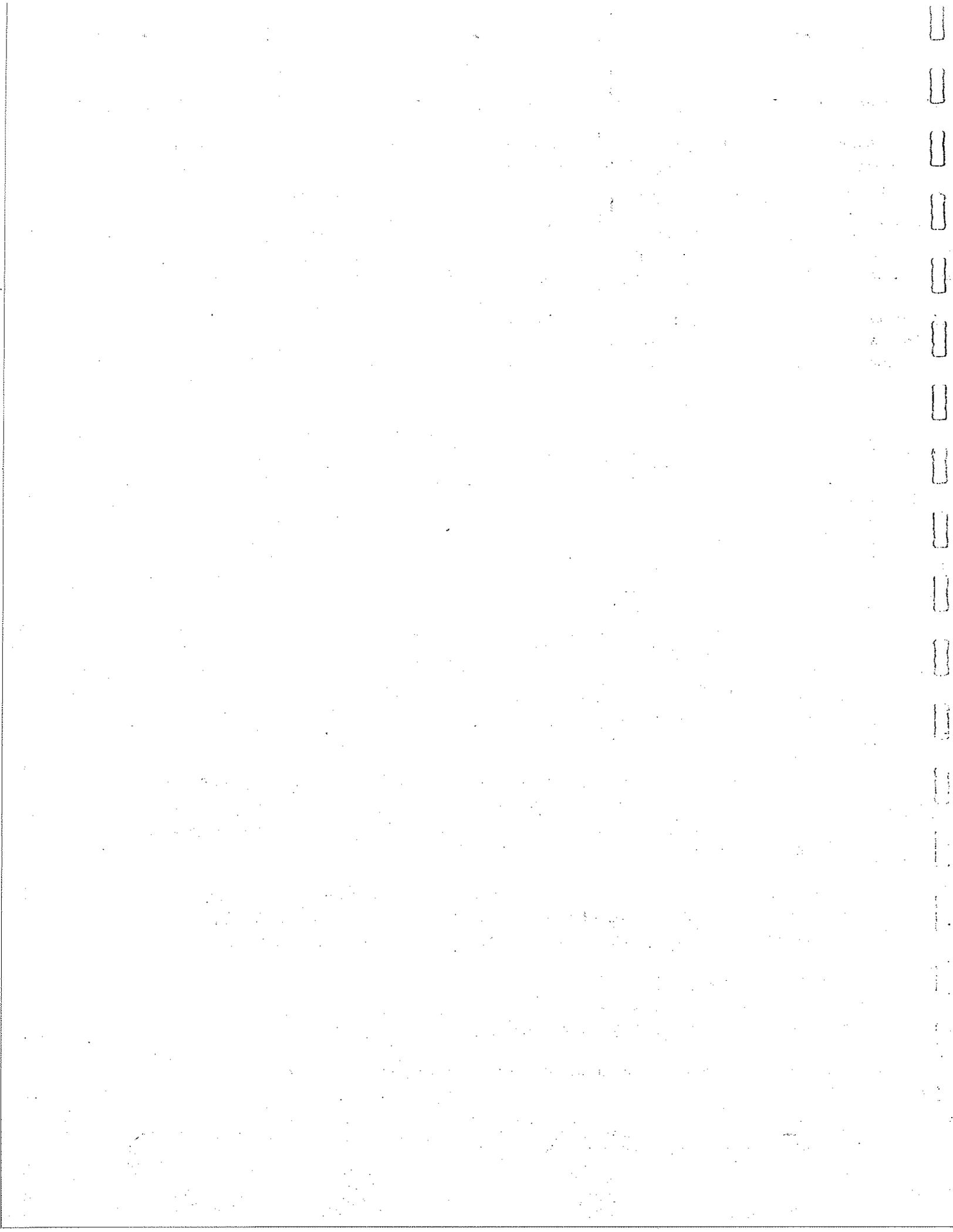
■ Benton County PUD	■ Fall River Rural Electric Cooperative
■ Benton Rural Electric Association	■ Mason County PUD #1
■ Central Electric Cooperative	■ Midstate Electric Cooperative
■ Central Lincoln People's Utility District	■ Missoula Electric Cooperative
■ City of Bonners Ferry	■ Northern Lights, Inc.
■ City of Port Angeles	■ Okanogan REA
■ City of Richland	■ Pacific County PUD
■ Clark Public Utilities	■ Ravalli County Electric Cooperative
■ Clearwater Power	■ Salem Electric
■ Columbia River Electric Association	■ Skamania County PUD
■ Columbia Rural Electric Association	■ Tacoma Power
■ Douglas Electric Cooperative	■ Wasco Electric Cooperative
■ Emerald People's Utility District	

Addressing new large loads and economic development for BPA customers was the focus of a seminar held in November 2011 and taught by EES Consulting and NWPPA staff. In addition, EES Consulting has helped several clients developing a framework for evaluating NLSL and economic development.

The following summarizes examples of work performed by EES Consulting, particularly for those clients for whom we have completed recent cost of service and rate studies. A complete set of our firm's primary lines of business and client list are included later in this proposal.

*Clearwater Power Company*  
*P.O. Box 997, Lewiston, Idaho 83501*  
*Mr. Dave Hagen, General Manager, (208) 743-1501*

- Performed a comprehensive retail cost-of-service and rate design study



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*Northern Lights, Inc.*

*P.O. Box 269, Sagle, Idaho 83860*

*Ms. Annie Terracciano, General Manager, (208) 263-5141*

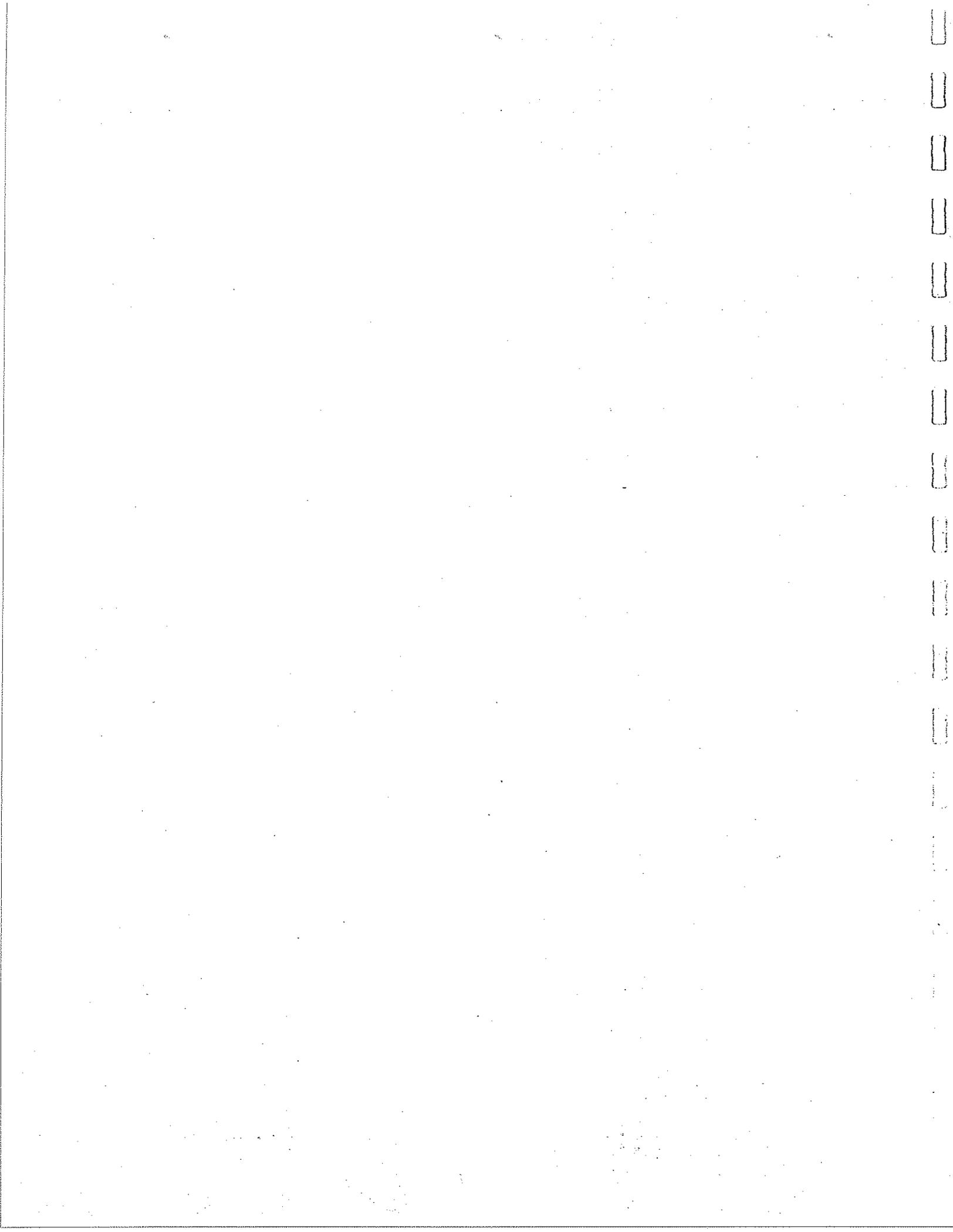
- Power cost adjustment
- Industrial Rate Negotiations
- Electric Cost of Service and rate study
- New Large Single Load education for the Board

*Pacific County PUD*

*P.O. Box 472, Raymond, Washington 98577*

*Mr. Doug Miller, (360) 942-2411*

- Cost of service and rate design studies
- Pole attachment study



# **Project Personnel**

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EES Consulting has a large staff consultants experienced in the area of cost of service and rate design analysis. For this project, EES Consulting proposes that day to day analytical tasks be performed by Kelly Tarp, with project management performed by Anne Falcon, and quality control and oversight provided by Gary Saleba. If necessary, the expertise of other staff members can be drawn on for specific technical assistance. The following summarizes qualifications of EES Consulting personnel. Resumes of all key EES Consulting project team members are attached at the end of this proposal.

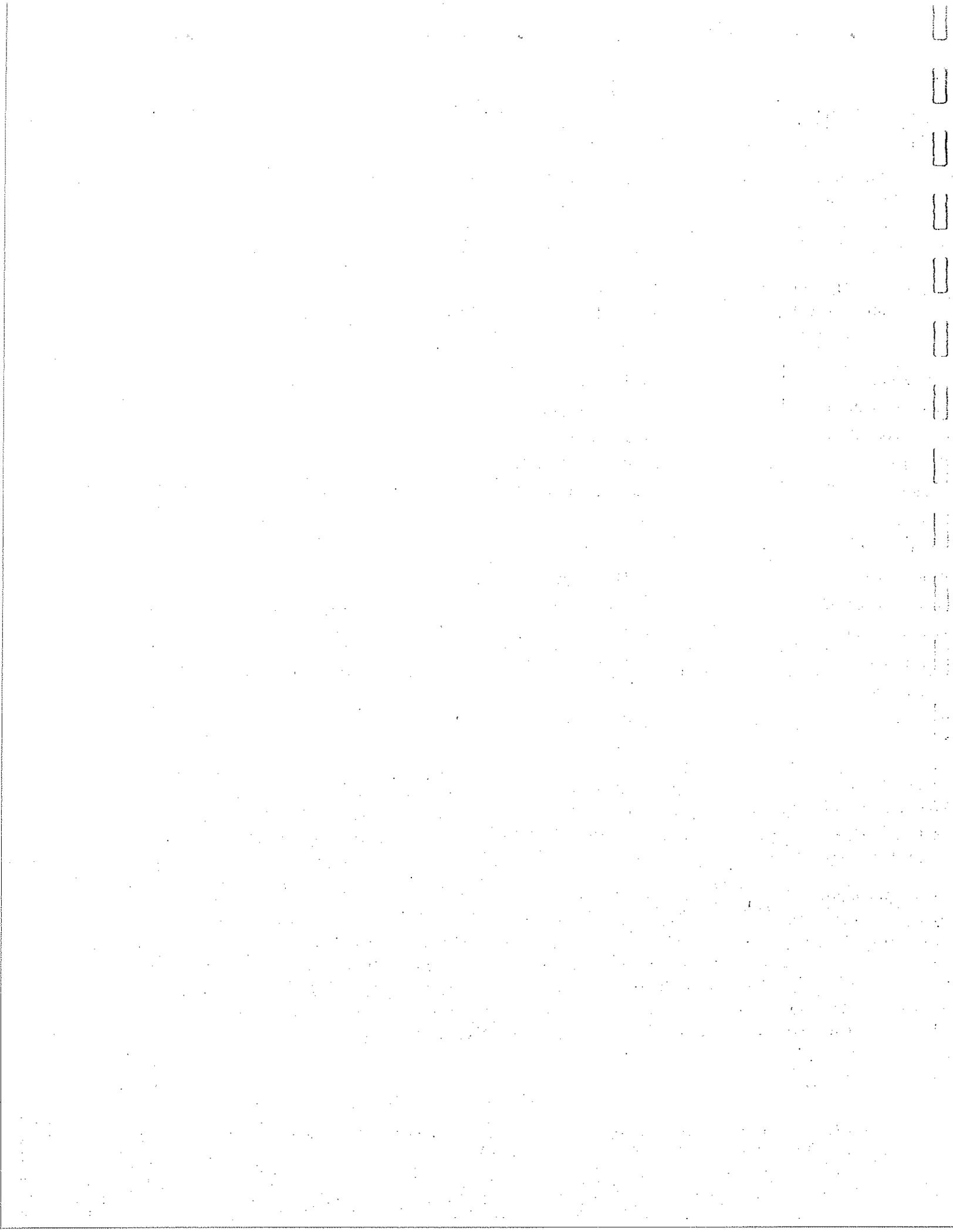
## **Gary Saleba, President**

As both a management and strategic planning consultant, Mr. Saleba is a principal and president of EES Consulting. He provides overall quality control and insight for comprehensive financial, rates and power supply planning studies. As a founding member of EES Consulting, Mr. Saleba has over 25 years of experience with electric, natural gas, water, wastewater, and disposal utilities. He has overseen more than 400 cost of service and rate design studies. He also has taught Northwest Public Power Association, American Public Power Association and American Water Works Association cost of service and rate design schools. Finally, Mr. Saleba has apprised virtually all of EES Consulting's clients in how to deal with fundamental changes in the energy and natural resource industries. These changes include increased competition, more emphasis on public input in major decision making, and strategic planning under an uncertain future. Gary Saleba will provide overall quality control and oversight for this project.

## **Anne Falcon, Managing Director**

Anne Falcon's primary responsibility with EES Consulting includes providing project management and technical support for all types of economic studies. Ms. Falcon will be the project manager for this project. She has over 15 years of experience managing projects concerning cost of service and rate analyses, financial planning and regulatory proceedings for electric, water, wastewater, and natural gas utilities. Her area of expertise includes restructuring, strategic planning, forecasting, unbundled cost-of-service studies, optimization research and specialized statistical studies.

Through her research and analysis of the current state of the industry, she has assisted many California and Northwest clients in preparing for the changes that are taking place. Ms. Falcon's work with utilities has included developing unbundled rates, average embedded and marginal cost-of-service studies, analysis of stranded costs, development of customer choice and conservation programs, market-based and green rate designs.



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Ms. Falcon, who has a graduate degree from Stanford in operation research, also provides technical assistance for EES Consulting's clients by applying modeling techniques for our client needs. This includes modeling in the following areas: dispatch modeling, least-cost planning, load forecasting, demand-side management studies, and cost of service studies. She assisted in developing optimization models in utility dispatch and resource planning.

### **Gail Tabone, Consultant**

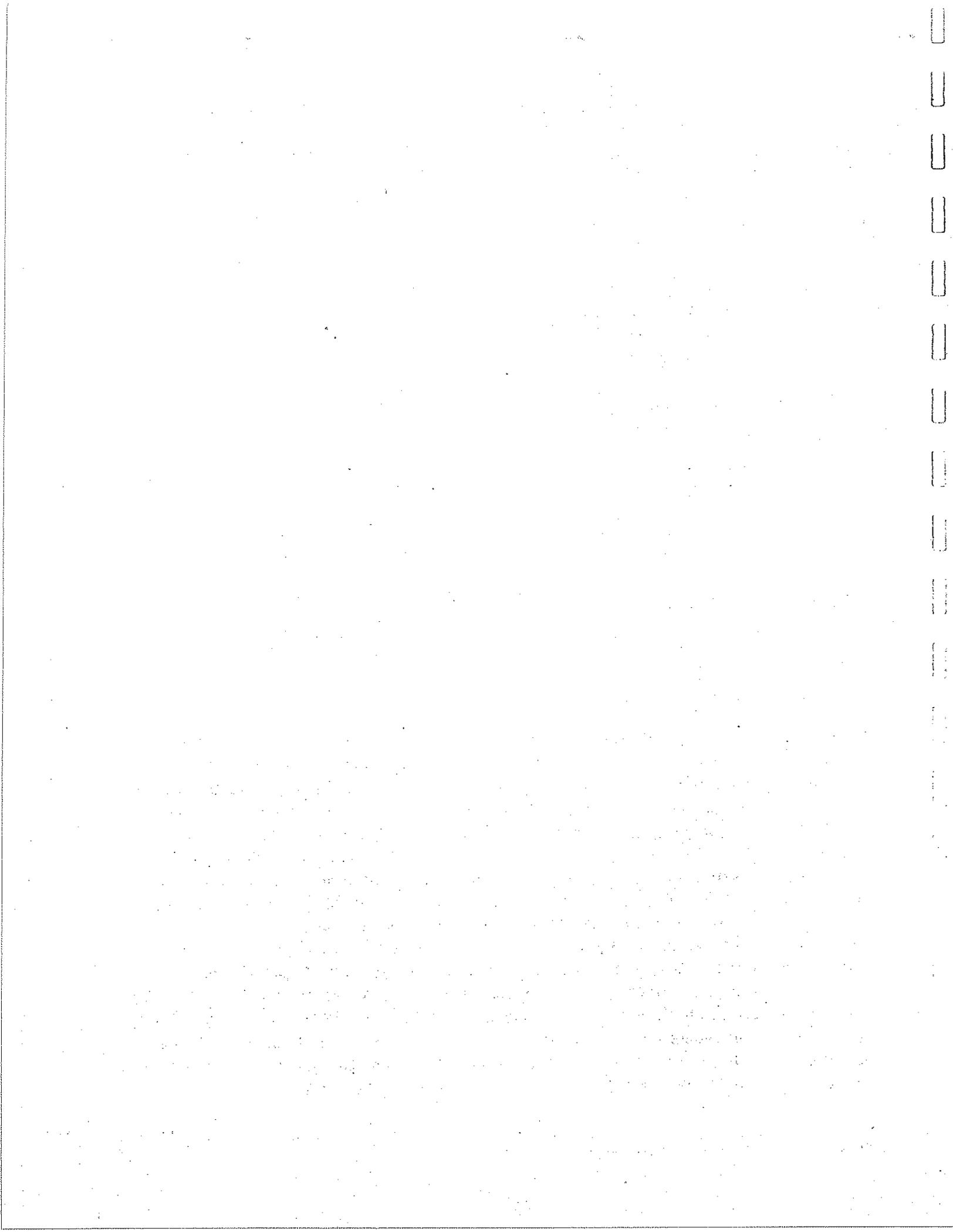
Ms. Tabone has applied her skills in integrated resource planning, resource evaluation, load forecasting, economic feasibility studies, cost of service analysis, conservation planning, and surveys in the many work products related to financial and power supply planning. A strong educational background combined with years of experience in the utility industry provide her with the skills to assess the needs of the client, to develop an approach to meet the need, provide the expertise necessary to conduct the economic analysis, and to make recommendations on future actions.

### **Steve Andersen, Manager of Project Evaluations**

Mr. Andersen is responsible for providing economic analysis for electric utility clients and for analysis of issues related to power transmission and scheduling. Since joining EES Consulting, Mr. Andersen has been involved in monitoring Bonneville Power Administration (BPA) rates and contract activities and analyzing their long-term impact on clients. He has experience working with BPA rates and penalties as they apply to all BPA contract customers. He is familiar with Pacific Northwest energy markets and how they function on a daily basis.

### **Kevin Smit, Manager, Demand-Side Management**

Kevin Smit is the Manager of Demand-Side Management with over 20 years of technical and management experience, primarily in the energy and utility industry. His current responsibilities include conservation potential assessments, utility conservation program evaluations, technical and regulatory analyses for electric and water utilities, and resource planning and acquisition. Prior to joining EES Consulting, Mr. Smit was Product Manager at Public Utility District No. 1 of Snohomish County (District). In this position, he performed the District's conservation potential assessments, conservation program evaluations, and new conservation program design. Mr. Smit is a member of the Pacific Northwest Regional Technical Forum which provides the Northwest Power Planning Council and the Bonneville Power Administration with development and technical review of conservation measures for the region. Prior to the District, Mr. Smit was a Program Manager at Energy International, Inc., managing and conducting energy technology research projects for electric and gas utilities and government agencies both in the U.S. and internationally. Selected research topics included distributed power generation, energy efficiency, energy storage, and the hydrogen economy. Mr. Smit has Bachelor's and Master's degrees in Mechanical Engineering. Mr. Smit will provide input on appropriate cost allocation of conservation/DSM costs for this project.



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### **Kelly Tarp, Senior Project Manager**

Kelly Tarp specializes in the areas of project management, cost of service, rate analysis and financial studies. Ms. Tarp has more than six years experience as a consultant in the energy industry, completing a variety of technical assessments for electric and gas utilities, government agencies, and supporting energy organizations with a focus on distributed generation and renewable energy. In addition, Ms. Tarp has performed a variety of financial studies, including cost of service and rate analyses for electric, water, and wastewater utilities; valuation studies; and financial analyses. Since joining EES, Ms. Tarp has performed the analytical and technical work on a long-range financial and rate impact analysis for a \$500 million water project. Duties include developing detailed cost allocation models, evaluating and comparing project alternatives, projecting costs under different financing options, and allocating projected costs to individual participants. Ms. Tarp has a degree in mechanical engineering.

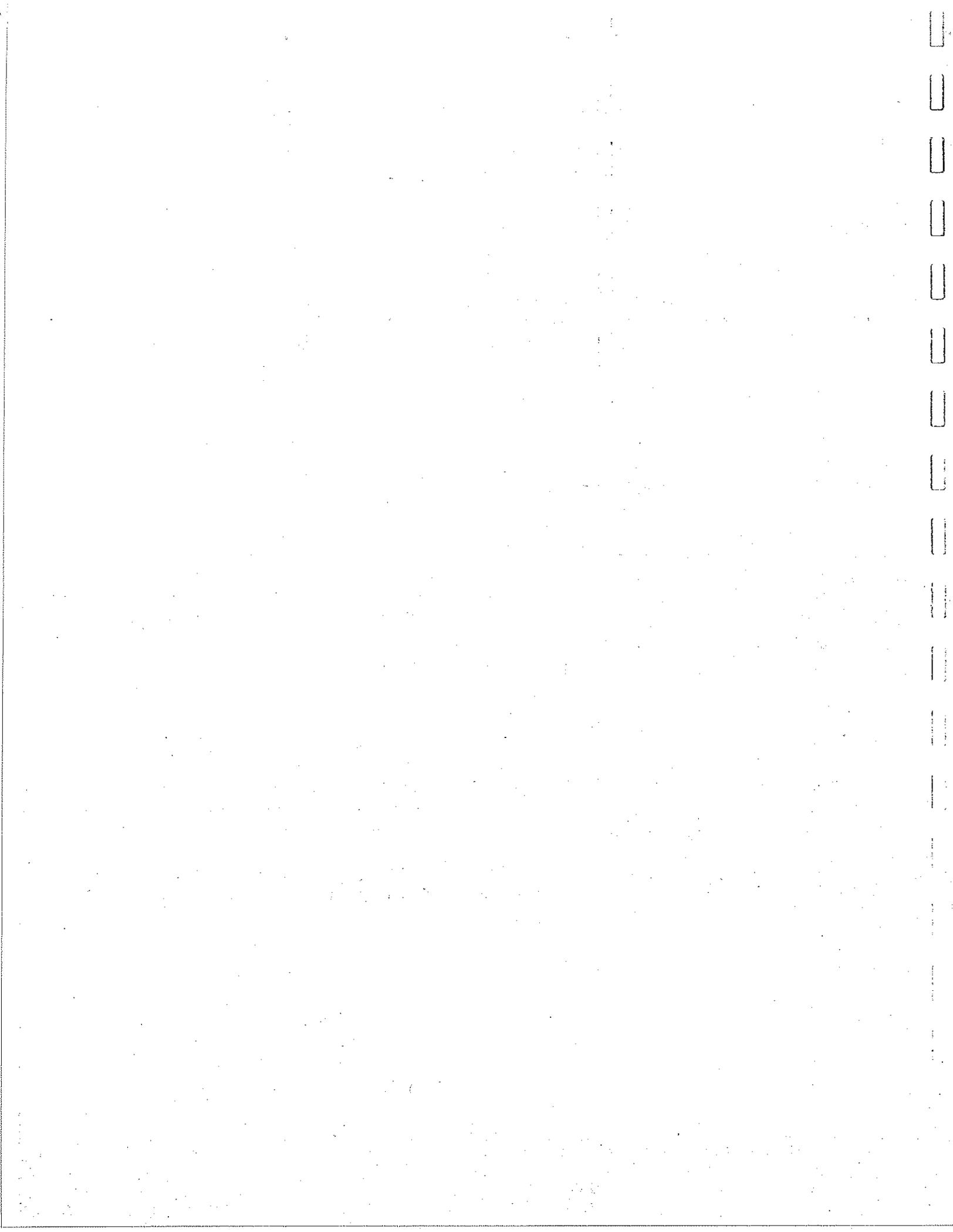
### **Amber Nyquist, Project Manager**

Amber Nyquist provides analytical expertise for EES in support of economic and financial studies. Ms. Nyquist's background includes research in electric utilities and rates and also intensive analytical work and forecasting in various fields. She also brings to EES knowledge in mergers and acquisitions among other competition theory and practices. Ms. Nyquist assists in Integrated Resource Planning for small and large utilities. Specifically she analyzes and models conservation and other demand side management resources. In addition to resource planning, she uses her background in econometrics and data analysis to collect quality data and develop load forecasts. Also, she utilizes her research skills to amass current utility information, support survey projects, and to prepare presentation and reference material.

### **Christopher Hutchinson, Analyst**

Chris Hutchinson's duties at EES include cost of service assessments, resource studies, financial planning, and economic analysis and research. Mr. Hutchinson's background includes environmental economic research and analysis of natural resource projects. He specializes in economic efficiency and conservation assessments of water use.

Mr. Hutchinson also brings analytical expertise in benefit cost and econometric evaluations. He received a MS in Applied Economics specializing in Environmental and Natural Resource Use.



# Proposed Time Schedule and Fees

## Time Schedule

It is anticipated that initial results of the revenue requirement and cost of service study can be available in 6-8 weeks after receipt of the necessary data. The proposed schedule assumes the study will begin by April 12, 2012 and will be completed by the middle of July. However, we can modify the schedule to meet the City's needs. A preliminary schedule to complete the work is provided below.

	April				May				June			July		
Data Gathering and Review														
Revenue Requirement														
COSA														
Rate Design														
Reports														

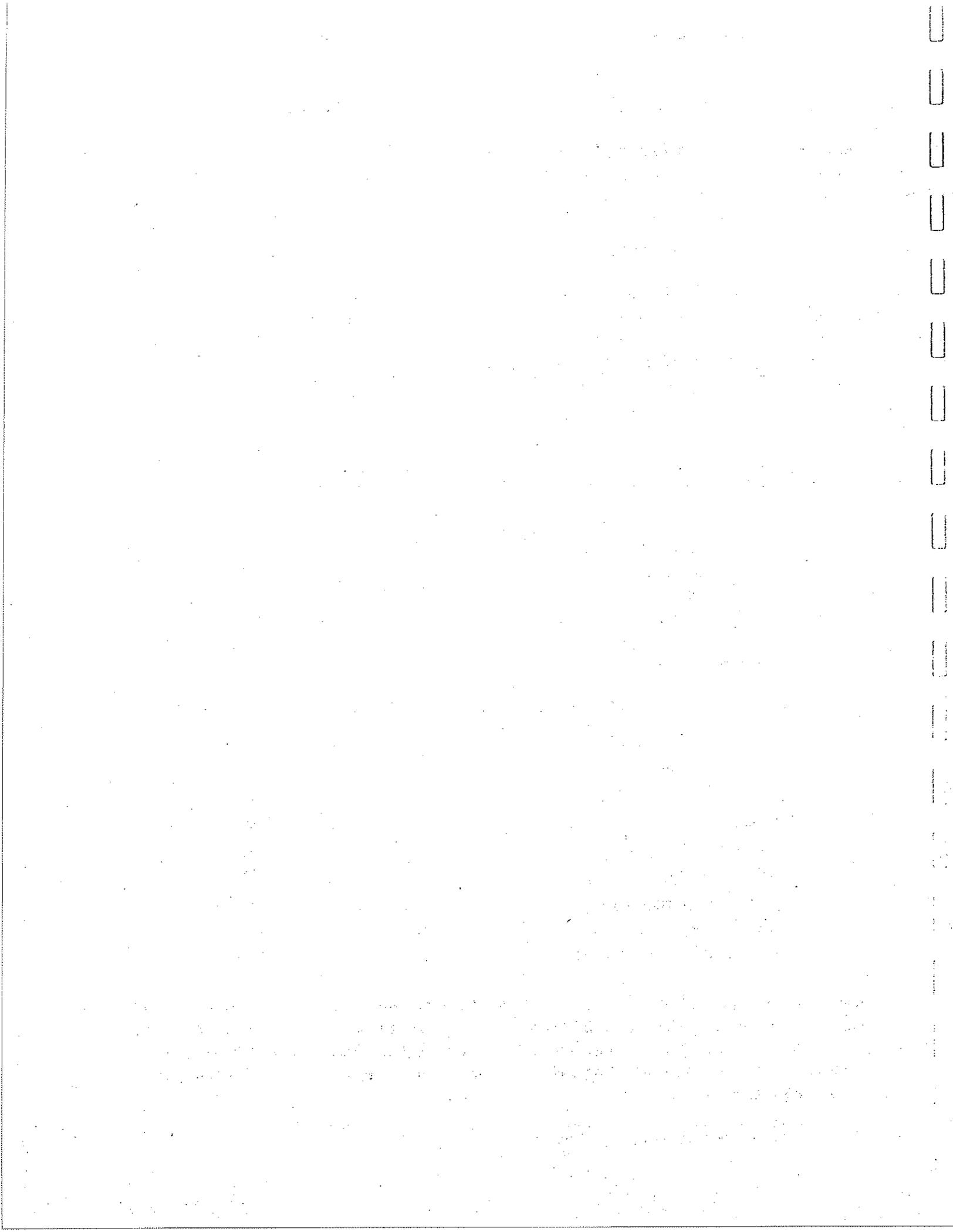
This schedule will deliver the revenue requirement by the middle of May and provide the draft report to the City on June 15<sup>th</sup>, 2012. A final report including rate design can be available on July 15<sup>th</sup>, 2012. Because of our experience in performing cost of service and rate design studies, EES Consulting is confident that the scope of services presented can be achieved within the time frame required by the City.

## Basic Fee Estimates

EES Consulting charges the following hourly billing rates. The fee estimates for this project have been developed on the basis of the following billing rates:

President.....	\$185
Managing Director .....	165
Manager.....	160
Senior Project Manager .....	155
Project Manager .....	150
Senior Analyst/Engineer .....	145
Analyst/Engineer.....	140
Senior Administrative Assistant.....	120

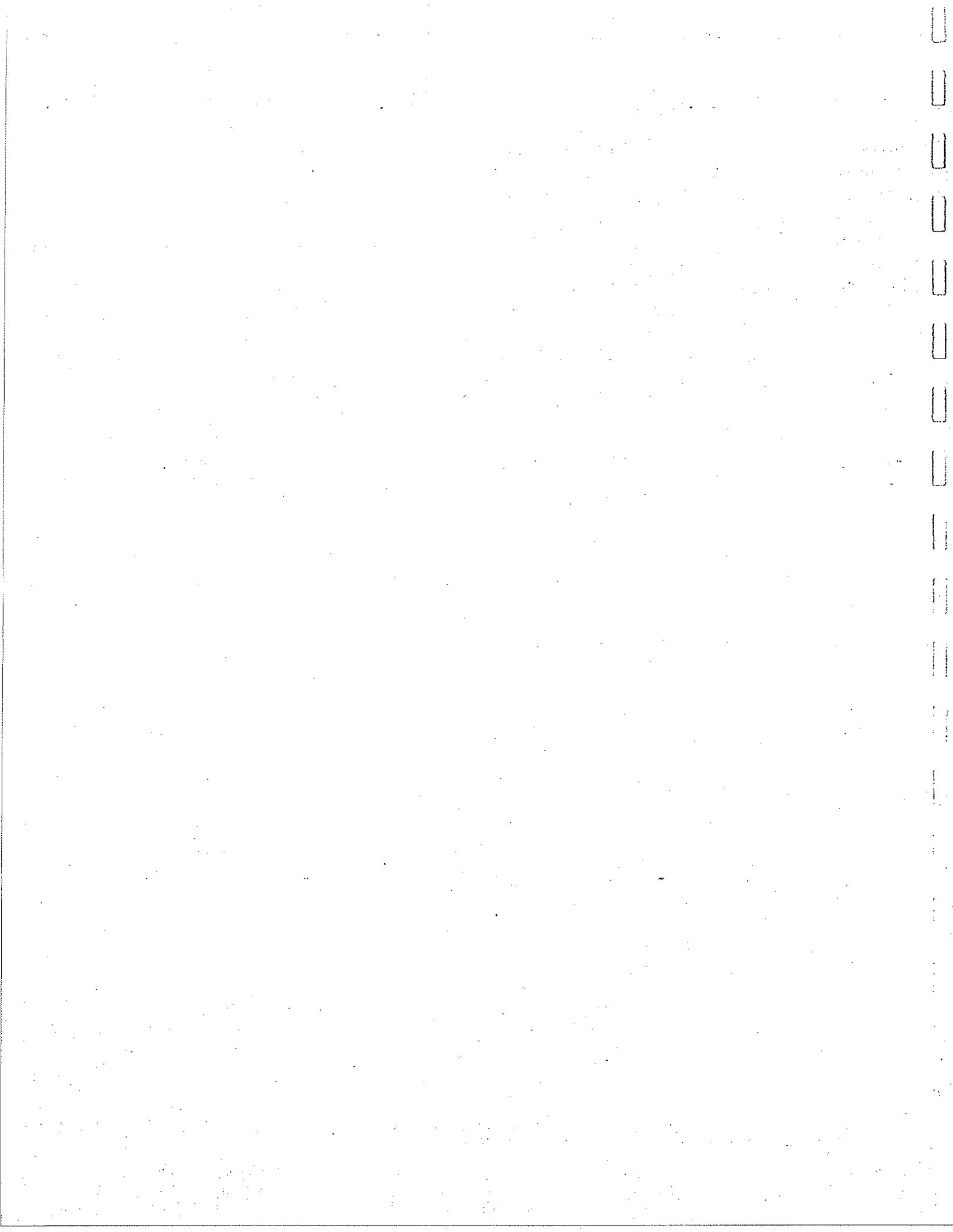
Based upon the above hourly billing rates and proposed scope of work, the following not-to-exceed labor fee budget is estimated for the scope of services presented. Out-of-pocket and travel expenses will be billed separately at their actual cost to EES Consulting. If the scope of services is modified, EES Consulting will discuss any required changes to the budget prior to proceeding with additional work.



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	<u>Estimated Labor</u>
Data Gathering and Review	\$ 4,000
Revenue Requirements	5,000
Power Supply Model	10,000
Cost of Service Analysis	12,000
Rate Design & Rate Assistance	11,000
<u>Meetings</u>	<u>2,000</u>
Total Labor Including Rate Design	\$44,000

The above quoted fees will remain in effect until December 31, 2012. Out-of-pocket and travel expenses will be billed separately at their actual cost and in addition to the labor budget above.



# COST OF SERVICE, FINANCIAL PLANNING & RATES

EES Consulting staff has performed over five hundred electric, natural gas, water, wastewater and stormwater rate studies throughout the U.S. and Canada. We have earned a national reputation in these areas by assisting utilities, end use customers, associations and regulatory commissions in developing automated average embedded and marginal cost of service computer programs, and in analyzing various cost allocation structures and frameworks. EES Consulting staff has conducted numerous time differentiated average embedded and marginal cost of service rate studies. In addition, EES Consulting is at the forefront in development of unbundled cost of service studies for utilities as they move towards offering retail access and customer choice programs.

EES Consulting's qualifications are very strong in the areas of developing retail and wholesale tariffs. This particular area of expertise is one of the areas of specialty around which EES Consulting was formed. A more detailed discussion below will demonstrate why we can make this claim.

Our approach to each project begins with the assumption that most utility problems are not simply an engineering problem or a financial/economic problem. Rather, they are complex problems, best solved by a team composed of experts in the fields of finance/rates, engineering, customer service, economics and planning. This technique of viewing a situation from several aspects has a great deal of merit. Each expert provides a unique viewpoint and perspective to the problem and to the solution. Furthermore, individuals provide input from their area of expertise and do not attempt to over-stretch their professional bounds to provide solutions.

EES Consulting's qualifications in this area center around three key areas:

- Breadth of Consulting Services
- Competitive Margin Analysis
- Teaching Experience



**EES Consulting**

## BREADTH OF CONSULTING SERVICES

One of the keys to a successful consulting practice is to have a specialized practice, yet not so specialized that you lose sight of the overall objective or needs of the engagement. EES Consulting, by virtue of being a multi-disciplinary consulting firm, meets this criterion. One of the areas that EES Consulting does specialize in is the development of rates in the context of deregulation, customer choice and the unbundling of utility cost. The primary steps in the cost of service and rate design process include:

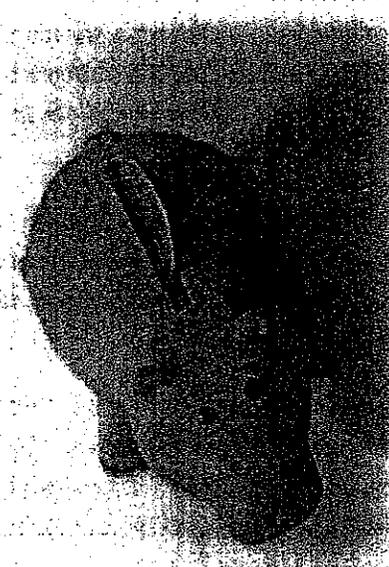
- Obtaining policy direction and detailed data
- Developing revenue requirements for the utility
- Allocating costs by performing a cost of service study
- Designing rate options for existing customers
- Determining unbundled costs and rates

While this area of expertise was one of the first developed by EES Consulting, we do not lose sight of the overall need for good utility management practices. When necessary, we can draw on the other areas of expertise that are contained in the firm. Some of these other areas of consulting services include regulatory affairs, antitrust, econometrics, economic policy review, financial planning, general management, environmental and engineering services. This diversity simply adds breadth of knowledge and expertise to all of our projects.

## COMPETITIVE MARGIN ANALYSIS

In a competitive world, it is important from both the customer standpoint and the utility standpoint to determine appropriate margins given different rate structures.

Individual customers have unique load characteristics. Utilities have cost structures including transportation, commodity and ancillary services. Different unbundled pricing structures provide different margins to the utility. EES Consulting has developed a methodology that provides flexibility in analyzing different rate structures. From a customer standpoint, EES Consulting has utilized the analysis to minimize margins and therefore reduce overall rates. From a utility standpoint, EES Consulting has used this type of modeling to ensure revenue stability and adequate margins for the utility.



## TEACHING EXPERIENCE

As nationally recognized experts, the principals of EES Consulting teach a number of courses and workshops on the subject of cost of service and rate design including American Public Power Association (APPA) cost of service seminars. In addition to teaching this course, we also teach similar courses for the American Water Works Association (AWWA) and the Northwest Public Power Association (NWPPA). Members

of EES Consulting have presented numerous papers before various utility groups. EES Consulting also is active in developing publications and manuals in this area of expertise. We have participated as a member of the AWWA Rates and Charges subcommittee, and assisted in the development of the AWWA M1 manual. In addition, EES Consulting has contributed to the development of a number of other APPA and NWPPA rate and financial publications.



# MERGERS & ACQUISITIONS

Driven by deregulation and competition, mergers, acquisitions and divestitures are becoming commonplace in today's utility industry. In some areas, legislation has mandated the divestiture of generation from the other functions of utilities. In others, utilities have made strategic planning decisions to either enlarge or divest one or more of their previous functions. Whatever the reason and however large or small the acquisition, divestiture or merger, the procedure is complicated and time-consuming. EES Consulting has assisted many clients over the past few years to consider options, evaluate strategies and complete transactions.

## STRATEGY

The strategic decision to acquire, divest or merge is one that is not made lightly. The utility must look at its future and decide what type of utility it wants to be. In order to do this it must understand what possibilities are available. There are new lines of business to be considered and old ones that can be expanded or eliminated. EES Consulting has been very effective in assisting utilities to understand their options and to help them make these strategic decisions.

Once a decision has been made that involves changing the strategic path of the utility, it is necessary to look at an economic comparison of the proposed options to ensure financial feasibility or determine potential savings. It is possible that financing for a new venture might need to be arranged. This could be accomplished in several ways. EES Consulting's economic analysts are adept at forecasting and financial modeling to assist in examining various scenarios.

Once a thorough assessment of the utility's current situation and future plans has been made, negotiation with any proposed partners in the transaction must proceed. EES Consulting has experience in contract negotiations that will accomplish the transition most advantageously for the client.



## REGULATORY COMPLIANCE

In many cases, a merger, acquisition or divestiture is governed by regulatory oversight. The regulatory requirements must first be determined on all jurisdictional levels, and then the necessary efforts made to comply with them. EES Consulting has dealt with regulation on all levels from city councils to federal energy agencies. We have worked throughout the U.S. and Canada with concentration in the west.

In the case of a merger or acquisition, much of the time and work involved goes into the due diligence process. Engineering due diligence is an examination of the assets of the proposed partners to determine that everything on the books exists and is in good working order. The assets must comply with accepted utility practice, be sufficient to meet present demands and show evidence of proper maintenance.

EES Consulting has engineers who go out into the field to physically examine these assets in order to make these determinations.

Environmental due diligence is, in part, an examination of what has gone on in the past. It involves both on-site examination and the perusal of records pertaining to environmental issues. Any noted leaks, spills, or accidents must be investigated to be certain that proper mitigation was provided. If necessary, Phase II environmental due diligence will be performed. This involves physical testing for compliance with mitigation standards.

EES Consulting has also done several financial due diligence analyses in the area of mergers and acquisitions. We have reviewed the buying and/or selling utility's rate structures, terms and conditions, financial pro formas associated with the sale, and associated asset sheet and income statement items, and opined on their appropriateness. EES Consulting is familiar with EPA codes of both federal and state agencies and has performed environmental, financial and engineering due diligence.



## OPERATIONS PLANNING

Any acquisition, divestiture or merger will require changes in the operation of the utility or utilities involved. The more these changes can be anticipated and planned for, the smoother the transition will be. A sound operating plan will recognize necessary alterations and describe the specific tasks required to achieve them. It will provide an organizational plan that may allow for managerial adjustments or new hires and a business plan for the financial operation of the emerging utility.

EES Consulting has a great deal of experience in the area of operations planning and will see that the restructured utility gets off to a successful start.

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# EDUCATIONAL SEMINARS

The competitive evolution of the utility industry has driven an increasing demand for information and education by those utilities that seek to position themselves for continued success. EES Consulting can assist the client's organization in meeting this demand. Our professional staff has presented numerous educational seminars to electric, natural gas, water and wastewater, and industry groups for over two decades. We bring our extensive experience and expertise to the client's staff on subjects including strategic planning, utility system planning, financial planning and rates, resource development, new technology assessment, purchase and scheduling, engineering, and system operations.

## COMPETITION

As an example of our educational skills and services, EES Consulting has been one of the major participants in helping to shape and structure the emerging competitive energy market. We have done so in a number of ways, including:

- Development of strategic plans for supply and customer service in a competitive market
- Development of unbundled services and rates for utility clients
- Development and issuance of requests for proposals for competitive bids for wholesale and retail supply
- Analysis and development of wholesale and retail wheeling rates in conformance with generally accepted regulatory guidelines
- Assessment of corporate structure and staffing to meet the competitive market utility environment
- Implementation of public involvement processes dealing with competitiveness challenges

## WORKSHOPS

As nationally recognized experts, we teach a number of courses and workshops. Our senior staff has taught numerous courses for the American Public Power Association (APPA), the Northwest Public Power Association (NWPPA) and the American Water Works Association (AWWA). EES Consulting has also been active in developing publications and manuals in this area of expertise. For example, APPA and AWWA cost-of-service manuals were written with the assistance of EES Consulting personnel. These publications discuss the techniques and methods that should be used by utility systems.



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## RISK MANAGEMENT

EES Consulting has also presented seminars on introduction to risk management tools, including futures, options and swaps. We explain how to utilize these financial products to manage and control price risk via "hedging." The seminar also covers trading mechanisms such as locational basis swaps, delivery mechanism, and why to make or take physical delivery of futures contracts. After covering the basic tools used in hedging price risks, several hedging examples geared to the client can be presented. The hedging seminar can also include how to develop the hedging program, from getting board approval to developing hedging strategy objectives and goals. The hedging seminar could be the first step in establishing a risk management department.



- Integrated Resource Planning and Resource Acquisition Techniques (2-day seminar)
- Engineering for Non-Engineers (1-day class)
- Accounting/Finance for Non-Finance Personnel (1-day class)
- Transmission Rates (1-day seminar)
- Fundamentals of Credit and Risk Management (1-day seminar)

EES Consulting is available to present seminars at your offices on these and other topics that may be customized to suit your needs.

## EDUCATIONAL TOPICS

Some of our typical seminar topics include the following:

- Competitive Retail Ratemaking in a Changing Electric Utility Environment (1-day seminar)
- How to Deal Successfully with Wholesale Access (1-day seminar)
- Fundamental Rates, Finance and Economic Principles (1-day seminar)
- Basic Load/Flow Forecasting (2-day seminar)
- Future Resource Options in a Competitive Utility Industry (1-day seminar)

# EXPERT WITNESS & REGULATORY POLICY SUPPORT SERVICES

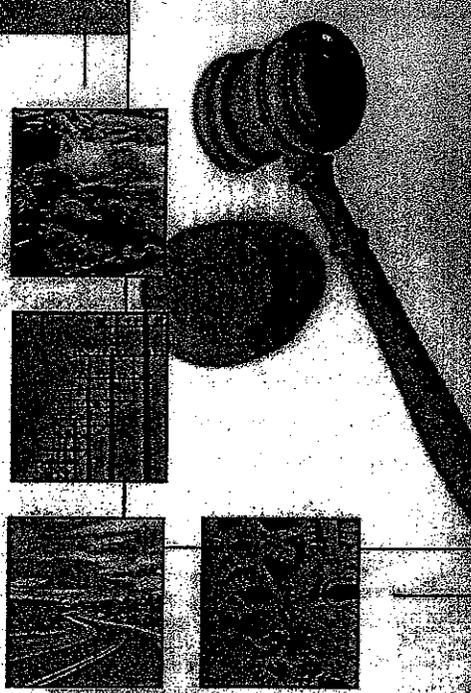
EES Consulting has a record of success in providing expert witness and legal support services to clients. Our approach to legal matters is from the standpoint of economists, engineers, and utility industry specialists. We are not lawyers, but the experience of our staff complements that of the lawyers with whom we work. Working together with legal professionals, we offer clients a unique approach to the challenges that they face. Our senior staff have testified over 500 times as experts before numerous forums including the Federal Energy Regulatory Commission, National Energy Board, state PUCs, provincial PUBs, and state and federal courts of law.

EES Consulting offers the following expert witness and legal support services:

- Expert witness services
- Research
- Negotiations
- Case management and litigation support

Each of these services is described in detail below.

EES Consulting has several professionals with a wide range of experience preparing and delivering expert witness testimony in various legal forums. Our senior staff is particularly familiar with public utility commissions and other regulatory bodies. Senior expert witnesses are supported by a team of economists and engineers who help them prepare and defend testimony, including answers to interrogatories and preparation of cross-examination. Our staff also assists legal professionals in preparing briefs and in formulating an overall litigation/technical strategy.



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## RESEARCH

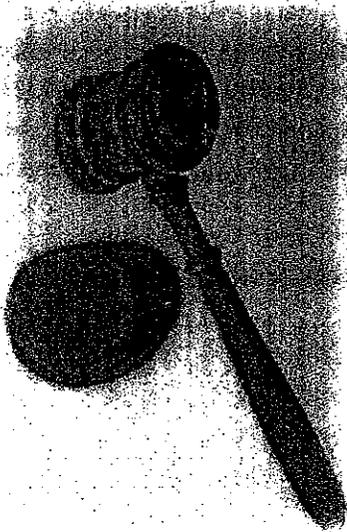
Our approach to legal research is from the standpoint of the utility practitioner. With traditional tools such as the law library, and more advanced tools such as WESTLAW, DIALOG, and other on-line information retrieval sources, our professional staff search for relevant precedents and background information on all matters related to utility operations. While we do not present legal opinions, our research supports the lawyers with whom we work in providing legal advice to their clients. We also provide background information on companies and on individuals, including opposing expert witnesses, to locate areas of testimony that may provide exposure for cross-examination.

## NEGOTIATIONS

Our team of professionals has been involved in negotiations ranging from small energy conservation programs to large combustion turbine and water treatment plant projects, and with counterparts at the table ranging from government agencies, such as the Bonneville Power Administration and British Columbia Hydro, to large private companies such as TransAlta Corporation and PacifiCorp. Always working with one or more lawyers skilled in contract matters, our staff provides valuable practical experience to ensure that the provisions of the contract will meet the needs of our clients. We have also provided technical expertise for mediation and settlement negotiations.

## CASE MANAGEMENT AND LITIGATION SUPPORT

An administrative law proceeding can easily become a flurry of papers and deadlines, especially in cases where a large number of intervenors are involved. EES Consulting staff has experience in managing the calendar and the paper flow in large cases. We set up docket systems that ensure that testimony is submitted, interrogatories answered and deadlines met. We review daily testimony transcripts to determine which areas need further attention. Finally, we provide follow-up monitoring on cases that are pending decision or have been appealed.



# STRATEGIC PLANNING

For sixty years, the entire utility industry operated in a regulated and non-competitive market environment. Utilities were granted certain defined service areas and franchise rights. Investments were made in resources and distribution networks to serve these captive customers. Investor-owned utilities were allowed to earn an allowed rate of return for their shareholders. Municipal utilities were allowed to earn a return or issue tax-exempt bonds to finance their investments. These policies produced a highly segmented, heavily capitalized industry with steadily increasing rates to pay for large, high reliability assets over 20 to 40 year investment time horizons.

As the economies of newly industrialized nations around the world grew dramatically in the 1980's, industrial companies in the United States and Canada began to face increasing competition in existing and new markets for their products. This has led to increasing pressure to reduce production costs, including the cost of energy and other natural resources. This cost pressure culminated in several federal, state and provincial legislative efforts to induce competition into other utility sectors to include electric, water and wastewater operations.

For example, energy is quickly evolving towards deregulated commodity status. Energy may now be bought and sold in a variety of markets at prices that are published on a daily basis. Transmission capacity is available to any utility or broker at postage stamp rates that are non-discriminatory. In some areas, end-use customers are able to shop for alternative energy providers under terms of customer choice or retail wheeling that many jurisdictions are supporting. These revolutionary changes offer unique opportunities for market participants that are able to position themselves correctly through the use of strategic planning.

Strategic planning involves assessment of current market conditions versus the key competitive advantages of the business, in order to define an action plan to ensure future success. Given the pace of change and new level of competition in the energy industries today, strategic planning has become an almost continuous process.

## PROVIDE GUIDANCE THROUGH DEREGULATION

EES Consulting can assess the current and future regulatory environment and make recommendations for change. During the rule setting process, we can make recommendations regarding what rules and regulations would be best for a particular company, whether asset based or retail. After the rules are in place,



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EES Consulting can make recommendations as to the most suitable organizational structures and processes.

In some jurisdictions, electricity deregulation is forcing traditional asset based companies to spin off retail affiliates. We have helped distribution utilities decide to keep or sell retail affiliates. We have experience valuing retail affiliates as stand-alone entities and as part of a vertically integrated company.

#### **ASSESS MARKET CONDITIONS AND TRENDS**

EES Consulting can assess current market conditions and future market trends. We are in daily contact with decision makers at utilities concerning developing market trends. We actively participate in industry forums, conferences and roundtable discussions. Over the past three years, we have issued RFPs and evaluated responses for power purchases, power plants and fuel supplies on behalf of dozens of clients from as large as 500 MW to as small as 1 MW. We have access to daily price information for all energy markets.

This broad network of industry contact and experience base allows us to evaluate and recommend several alternative strategies that may range from renegotiation of existing energy contracts to merger or acquisition of complementary businesses.

Through the use of focus groups or one-on-one interviews, EES Consulting can poll the opinion of customers concerning utility rates, customer service, communications and overall quality of service provided.

EES Consulting is experienced at "benchmarking" the performance of an organization against competitors in the marketplace. Comparison of operating parameters such as rates, customers per employee, employee salary

levels, operation and maintenance (O&M) expenditures per customer and other ratios yields important information about the current and future cost competitiveness of the organization.

#### **ASSESS STRANDED COST EXPOSURE**

New competition in the energy markets has spawned the issue of stranded costs. Stranded costs are those costs that customers would not pay (strand) if they left the utility system for the purpose of obtaining less expensive energy provided by alternative suppliers. Customers remaining on the system would face higher rates to recover these costs over a smaller sales volume. In the worst case, rising rates would result in additional defections, revenue shortfalls and eventual sale or dissolution of the organization.

EES Consulting can perform an asset by asset review of the potential stranded cost liability of an organization, including energy purchases, supply resources, and distribution systems.

Strategies can then be developed to mitigate or eliminate stranded costs, including retirement of debt, renegotiation of contracts or even sale of assets. Rate impacts of strategies are also considered in comparison to rates of competitors.

#### **ASSESS ORGANIZATIONAL STRUCTURE**

EES Consulting can make an objective assessment of the organizational structure and quality of internal communications. Recommendations can be made to consolidate or expand certain functional groups and modify reporting lines. Overall, the organization is evaluated based on the skill sets and functions that would be necessary to remain market competitive.



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# ENERGY PURCHASING, LOAD AGGREGATION & RISK MANAGEMENT

With the advent of open and competitive energy markets, utilities, associations and retail consumers face a myriad of new purchase opportunities. Energy may now be bought and sold in a variety of markets at prices that are published on a daily basis. Transmission capacity is often available to any utility, marketer or customer at postage-stamp rates that are non-discriminatory. Industrial, commercial and residential customers will be able to shop for alternative power providers under customer choice initiatives and retail wheeling services that many jurisdictions support. Energy is quickly evolving towards deregulated, commodity status.

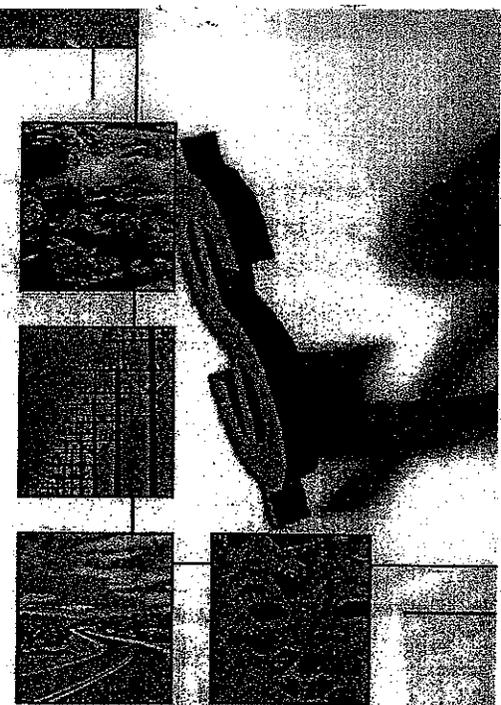
This evolution has resulted in shortened planning horizons for purchasers. It has also resulted in unbundling services that were formerly provided by the large utility seller. These include the scheduling of energy, the sale of surplus energy, purchase of transmission capacity, purchase of short-term economy energy to displace purchases, as well as the mitigation of price risk to the buyer. At EES Consulting, we have the expertise to provide these necessary services.

## LOAD AND ENERGY PRICE FORECASTING

We define our clients' longer term purchase needs through load forecasting using statistical and econometric analysis of consumption patterns and energy efficiency measures. Shorter-term purchase needs are developed from review of historical demands, weather forecasts, spot market prices, and existing purchase contract prices and limits. We can plan a resource stack to meet these forecasted loads using the lowest cost combination of existing contract purchases, existing supply resources, and short term market purchases and sales.

## RFP ISSUE AND PROPOSAL EVALUATION

When new and longer-term purchases are necessary, we will draft and issue Requests for Proposals (RFP) to major utilities and power marketers. Over the past several years, we have issued RFPs and evaluated responses for energy purchases, power plants and fuel supplies on behalf of clients from



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as large as 500 MW and 40,000 MMBTU/day to as small as 1 MW. We routinely follow daily price information from electricity and gas markets nationwide. Our staff would handle all respondent questions and requests, thereby protecting your staff from distractions and exposure to confidential proposer information. Through extensive economic evaluation and interviews with proposers, we can recommend a short list of qualified candidates.

On the client's behalf, we can negotiate with potential energy suppliers and renegotiate with existing suppliers as necessary. We form a negotiating team including client personnel, experienced energy managers and analysts, and experienced attorneys from our network of energy industry law firms. We establish clear standards of performance along with a timetable to successfully close negotiations. We control the document drafting process to the client's benefit. We leverage the current competitive nature of the energy markets to the greatest extent possible to deliver low cost, reliable, and flexible energy supply agreements for the client's signature. Our services in this area are uniquely valuable, as we represent no brokers or marketers. Our only goal is to provide our clients with the best quality commodity at the lowest possible price. We will report necessary accounting summaries of purchased and sold power.

We will also audit power purchase invoices for accuracy relative to actual schedules, metering, and contract terms and conditions, including prices. We will pursue reconciliation with the buyer and/or seller on the client's behalf.

## FUTURES AND OPTIONS TRADING

We can assist the clients in mitigating energy price volatility risk through the use of electricity futures and options trading. Through the use of a futures trading firm, our clients can purchase futures contracts to offset or hedge power prices for deliveries up to 18 months in advance. We can help our clients establish and train a futures trading group within their organization.

We can also help establish clear approval limits and verification procedures for financial protection.

EES Consulting can develop internal risk management systems that keep track of futures, options, and other financial instrument positions. The tracking system would include the development of reports for upper management and accounting, showing daily profits and losses on hedges and pricing level risks.

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# RESOURCE DEVELOPMENT & ASSESSMENT

In today's market customer loads continue to grow, reserve margins continue to shrink, and the need for new resources across North America continues to increase. These factors are driving a growing demand for development of new resources. Advancements in resource technologies may present a range of opportunities for suppliers to install new or retrofitted facilities that are market competitive and environmentally acceptable.

At EES Consulting, our experienced team of engineers and financial analysts are focused on responsive and cost-effective solutions to the utility's resource needs. We excel in provision of development services, including feasibility studies, site acquisition, project financing and permitting support, acquisition of design and construction services, O&M services, and fuel supply and transportation. We offer these services for electric, natural gas, water, wastewater and storm drainage utility applications. We also offer contract administration and site construction monitoring services. We are experienced across a wide range of technologies. We are also able to assess the ongoing viability of existing resources and recommend cost reduction, purchase or sale opportunities. A brief description of our range of services is provided below.

## FEASIBILITY STUDY

EES Consulting can evaluate the overall technical and economic viability of nearly any project. For new resources, we perform conceptual design and engineering, including site selection, equipment selection and layout, performance estimates, capital and O&M cost estimates. The availability and price of water, fuels and electric transmission capacity are assessed. We also assess environmental impacts and regulatory constraints to development. Finally, we assess alternative ownership structures and provide full pro forma financial statement projections of long term plant economic performance. Similar studies are performed to support due diligence efforts concerning acquisition, retrofitting, or sale of existing facilities.

At EES Consulting, we can assist in acquisition financing and permitting for projects. In conjunction with the feasibility studies described above, we prepare



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engineering letters in support of official statements. We develop capital budgets and cash flow projections, along with O&M budgets, including the impact of overhauls and performance degradation. We perform due diligence reviews of existing projects, including assessment of plant operations, organization, and potential performance improvements. We prepare environmental impact statements, air and water related permit applications, as well as prepare and defend applications in front of all levels of governmental energy permitting agencies.

### ACQUISITION OF EQUIPMENT, EPC AND O&M SERVICES

We have a track record of success in acquisition of equipment, engineering, procurement, construction (EPC) and O&M services from major firms on behalf of client projects. Based on the level of project complexity and risk, we identify the type, size and level of expertise of the necessary firms to complete the job. We write and issue Request for Proposals for such services, and perform extensive interviews and evaluation of proposed prices on behalf of clients. We compare alternative major equipment providers and assess the viability of technology advancements they may claim. We negotiate contracts with firm cost and performance guarantees, utilizing unique cost sharing and pay for performance incentives. We are familiar with the bonding, insurance and dispute resolution mechanisms that are required for major projects. Finally, we procure supplementary services such as backup fuel, water treatment and other services on behalf of clients.

For a power project, the costs of fuel and transportation are typically the largest components of operating costs, and therefore the key determinants of overall power project viability. We can develop and execute a cost effective fuel supply and transportation plan for gas, coal, oil and geothermal plants. Viable producers and marketers



are first identified, along with the cost and availability of transportation. Existing buyers and shippers are contacted for possible capacity-sharing or peak-sharing arrangements. Through the use of a Request for Proposals or direct discussions with qualified firms, we negotiate purchase and transportation contracts that include market indexed pricing, flexible displacement provisions and rail or pipeline lateral facilities to complete delivery. Through our network of affiliated law firms, we handle all regulatory interfaces with local and federal agencies.

### ADMINISTRATION

Successful completion of large capital projects requires the efforts of several permitting, engineering, procurement, construction and operation tasks, often by one or more firms under contract to the client. EES Consulting can oversee, monitor, and coordinate the activities of these subcontractors, acting as Owner's Engineer or Project Manager to ensure compliance with contracts. EES Consulting has performed these services across a wide spectrum of projects, from simple pipeline modifications through multi-million dollar supply facilities.

EES Consulting services do not end at the award of the EPC contracts. EES Consulting has experienced staff available to perform construction oversight. Oversight can range in level from occasional construction site visits to ensure the work is being completed appropriately, to a full-time observation at the site. EES Consulting personnel are experienced in the construction process and recognize that timely, accurate reviews and responses to the contractor's questions are necessary.

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