

COUNCIL AGENDA

Tuesday, January 17, 2023



Ellensburg City Council meetings are broadcast on Charter/Spectrum Channel 191 and available to livestream on Ellensburg Community Television at ectv2.com or on YouTube at ECTV Ellensburg. Members of the public may attend City Council meetings either in person in the City Council Chambers, 501 N Anderson Street, Ellensburg, WA 98926 or by registering to attend remotely via video conference.

To attend the city council meeting virtually register here:
https://us02web.zoom.us/webinar/register/WN_hpEOZpPkSt2b-drLPKzZhQ

AMERICANS WITH DISABILITIES ACT

The City of Ellensburg strives to make our services, programs, and activities readily accessible and usable by individuals with disabilities. Reasonable accommodations will be made upon request. Please furnish the ADA Coordinator with your request in sufficient time for the City to provide a reasonable accommodation by calling the City of Ellensburg ADA Coordinator at (509) 962-7222 or email ADAAcoordinator@ellensburgwa.gov

COUNCIL MEETING GUIDELINES FOR PUBLIC PARTICIPATION

All City Council meetings are broadcast on Charter/Spectrum Channel 191 and available to livestream on Ellensburg Community Television at www.ectv2.com or on YouTube at ECTV Ellensburg. You may also attend by phone, only, and listen to the meeting by following the registration instructions under “Remote testimony during the meeting,” below. Once you register, you will be sent a meeting invitation with a phone number for the meeting.

City Council accepts testimony or comments in person or via remote testimony under Citizen Comment on Non-Agenda Items (Item No. 7) as well as for all other topics under the Regular Agenda. Testimony or comments will be accepted in the following manner:

SUBMISSION OF WRITTEN COMMENTS

- **Written comments submitted in advance of meeting**
Submit written comments by mail to Beth Leader, City Clerk, Ellensburg City Hall, 501 N. Anderson St., Ellensburg, WA 98926, or via email to: cityclerk@ellensburgwa.gov. Comments received by 5 p.m. on the meeting date will be compiled, sent to the City Council and entered into the record.
- **Comments for public hearings**
Written comments must be received by the City Clerk by 5 p.m. on the meeting date. Comments can either be mailed to Beth Leader, City Clerk, Ellensburg City Hall, 501 N. Anderson St., Ellensburg, WA 98926, or sent via email to: cityclerk@ellensburgwa.gov. Comments received by 5 p.m. on the meeting date will be compiled, sent to the City Council and entered into the record.

PROCEDURE FOR REMOTE PARTICIPATION DURING MEETING

1. ***Advance registration is required to provide public comment or hearing testimony via remote meeting attendance.*** Anyone wishing to speak on items under the Agenda must register prior to 7 p.m. the day of the meeting. Register for the meeting at: https://us02web.zoom.us/webinar/register/WN_hpEOZpPkSt2b-drLPKzZhQ - Once registered, you will receive an email with the meeting link and phone number (for those who wish to call into the meeting).
2. **Join the meeting early**, as you may need to download the app in advance to participate. Once you've joined the meeting, your camera and microphone will be muted until you are recognized by the Mayor to speak.
3. Please note that there may be several items on the City Council Agenda that will precede the agenda item you wish to address.
4. **The Mayor will identify the agenda item** and ask if anyone wishes to speak on the matter.
5. Any interested person may provide comments: 1) under Item 7 on non-agenda items, or 2) on any listed agenda items. If you wish to speak, you must:
 - a) **Raise your “virtual hand”** in the corner of Zoom application on the computer screen or press *9 on your phone. Raising your hand signals the moderator that you wish to speak.
 - b) **Wait to be called upon by the Mayor** using your name, e-mail, or phone number used to log in to the teleconference.
6. **Please state your name, address, and whether you are representing only yourself or others.**

PROCEDURE FOR IN-PERSON PARTICIPATION (COUNCIL CHAMBERS)

- ◆ When recognized, approach the microphone provided on the right side of the room.
- ◆ Please state your name, address, and whether you are representing only yourself or others.
- ◆ Each speaker's comments are to be limited to 3 MINUTES.
- ◆ Submit written comments to the City Clerk.
- ◆ Speakers are cautioned not to make comments of a personal, impertinent or derogatory nature.
- ◆ Speakers may not identify themselves as candidates for elective public office or make any statements which assist or discuss the campaign of a candidate for elective office or discuss or campaign for or against a ballot proposition (unless the ballot proposition is being considered as part of the City Council agenda item).

PUBLIC COMMENT RULES FOR ALL MEETING PARTICIPANTS

1. Each speaker's comments are to be limited to 3 MINUTES.
2. Speakers are cautioned not to engage in conduct that disrupts, disturbs or otherwise impedes the orderly conduct of the Council meeting.
3. Speakers may not identify themselves as candidates for elective public office or make any statements which assist or discuss the campaign of a candidate for elective office or discuss or campaign for or against a ballot proposition (unless the ballot proposition is being considered as part of the City Council agenda item).

Please note: City Council Rules provide that no action will be taken by the Council at the meeting at which a subject is first introduced during the citizen comment period (Item 7 on the Agenda). Council may consider an item at a future meeting, thus you may wish to concisely state your concern and request placement of your matter on a future agenda. Staff will follow up with speakers as necessary.

CONSENT AGENDA

Members of the audience may request items be removed from the consent agenda by asking for recognition and making the request during Agenda Approval. Items will not be removed from the consent agenda unless your request is confirmed by a councilmember.

AGENDA ITEMS

If you wish to have an item placed on a Council agenda, a written request should be delivered to the City Manager's Office prior to noon on the Monday preceding the Council meeting. Assistance will be provided in preparing a request if you wish to contact the City Clerk at (509) 925-8614.

PUBLIC HEARINGS

City Council accepts testimony or comments in person or via remote testimony on a particular subject schedule for Public Hearing. Council will consider all testimony, respond to any questions, and take action after the public hearing is closed. Testimony or comments will be accepted in the following manner:

1. When recognized,
 - If attending in the Council Chambers, approach the microphone provided on the right side of the room.
 - If attending remotely, raise your "virtual hand" in the corner of Zoom application on the computer screen or press *9 on your phone.
2. Please state your name, address, and whether you are representing only yourself or others.
3. Please limit your comments to 5 MINUTES.
4. Submit written comments to the City Clerk.

**CITY OF ELLENSBURG
COUNCIL AGENDA
Council Chambers
501 North Anderson Street
Ellensburg, WA 98926
And remotely via Zoom
Tuesday, January 17, 2023
7:00 PM - Regular Meeting**

Pledge of Allegiance

- 1. Call to Order and Roll Call**
- 2. Proclamations**
- 3. Awards and Recognitions**
- 4. Approval of Agenda** [No Public Comment]
- 5. Consent Agenda** [No Public Comment]

Items listed below have been distributed to Councilmembers in advance for study and will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Agenda at the request of a Councilmember or at the request of a member of the public with concurrence of a Councilmember. Requests to remove items should be made under Item 4 Approval of Agenda.

- | | |
|--|----|
| 5.A Approve Minutes of January 3, 2023 Regular Meeting
1-3-23 Regular meeting | 7 |
| 5.B Approve Minutes of January 3, 2023 Study Session
1-3-23 Study Session | 12 |
| 5.C 2023 City-County Library Services Agreement
2023 City-County Library Services Agreement | 13 |
| 5.D 2023 Natural Gas Pipe Purchase
Quote Submittal Request
Performance Pipe's Proposal | 16 |
| 5.E 2023 First Choice Health Administrative Services Agreement, and the
Accompanying Business Associates Agreement, PHI Designation Form, and
Appendices A, B, C, D, E, F, and G.
FCH-COE ASA and Appendices 2023 | 19 |
| 5.F Accept the Resignation of Cassandra Town from the Arts Commission
C Town Resignation | 61 |

5.G	Removal of Library Board Member	62
5.H	City of Ellensburg and WA Department of Enterprise Services Interagency Agreement Interagency Agreement for ESPC Ellensburg DES Energy Program - ESPC Process Description	64
5.I	Approve Voucher Listing for January 17, 2023 1-17-2023 Voucher Listing	78
6.	Petitions, Protests, and Communications	
6.A	Board and Commission Appointments [Public Comment Opportunity] B and C Agenda Report Chart 1-17-23 Library Board Reappointment Library Board Reappointment Requests LTAC Reappointment LTAC Reappointment Requests EBDA Board Reappointments	79
7.	Citizen Comment on Non-agenda Issues	
8.	Business Requiring Public Hearings	
8.A	Resolution 2023-03 to Declare the Ellensburg Racquet and Recreation Center Property as Surplus to the City's Needs [Public Comment Opportunity] Resolution 2023-03 ERRC Surplus	102
9.	Introduction and Adoption of Ordinances and Resolutions	
9.A	Resolution 2023-04 for 2019 Countywide Hazard Mitigation Plan [Public Comment Opportunity] Resolution 2023-04 Hazard Mitigation Plan Ellensburg Annex 01-17-2023 Updated Version 2019 Kittitas CountyHMP Volume 1 Planning-Area-Wide Elements 2019 KittitasCountyHMP Volume 2 Planning Partner Annexes	105
10.	Unfinished Business	
11.	New Business	
11.A	Proposed Wippel Park Improvements [Public Comment Opportunity] Letter to West Ellensburg Property Owners Regrading Proposed Changes to Wippel Park Parks & Recreation Commission Minutes - November 9, 2022 Wippel Park Photograph	140

Family Support - Bonnie Wippel Peterson Email
Ellensburg Morning Rotary Club Pollinator Garden Draft Letter

- 11.B Council Subcommittee Recommendation to Honor 100-Year Anniversary of the
Ellensburg Rodeo [Public Comment Opportunity] 149
Council Subcommittee Recommendation for 100-Year Rodeo Mural

12. Miscellaneous

- 12.A Manager's Report [No Public Comment] 153
Manager's Report 1-17-23

- 12.B Councilmembers' Reports [No Public Comment]

13. Executive Session

14. Adjournment



CITY OF ELLENSBURG

Date of Meeting

Time of Meeting

Place of Meeting

Minutes of City Council, Regular Meeting

January 3, 2023

7:00 PM

Council Chambers 501 North Anderson Street

Ellensburg, WA 98926

And remotely via Zoom

Pledge of Allegiance

The Pledge of Allegiance was led by Mayor Lillquist

1. Call to Order and Roll Call

Roll Call Present: Sarah Beauchamp, Rich Elliott, Nancy Goodloe, Nancy Lillquist, David Miller (remote attendance), Adam Winn

Absent: Monica Miller (excused)

Others present in person: City Manager Behrends Cerniwey, City Attorney Weiner, City Clerk Leader, Community Development Director Ayling, Civil Engineer Mattson and approximately 15 members of the public

Others present remotely via Zoom: approximately five members of the public

2. Proclamations

3. Awards and Recognitions

4. Approval of Agenda

Councilmember Elliott moved to Approve the Agenda as presented. **Motion Approved 6-0.**

5. Consent Agenda

5.A. Approve Minutes of the December 19, 2022 Regular Meeting

5.B. Acknowledge Minutes of Boards and Commissions

5.C. Approve University Way Banner Request for League of Women Voters Oct 24 – Nov 6, 2023

5.D. Resolution 2023 -01 Approving Kittitas Valley Healthcare's (KVH) Street Tree Removal Request at 603 S Chestnut Street

-
- 5.E. Project Acceptance - Bid Call 2021-07 for Walnut Street Rectifier and Deep Well Anode Replacement and Relocation.
- 5.F. Professional Services Agreement with Kittitas County Chamber of Commerce for 2023 Tourism Marketing and Visitor Information Center Operations
- 5.G. Interlocal Agreement for Professional Services with Ellensburg Business Development Authority (dba CenterFuse)
- 5.H. 2023 Interlocal Agreement with Kittitas County Emergency Medical Services (EMS) and Trauma Care Council
- 5.I. Approve January 3, 2023 Voucher Listing

Councilmember Elliott moved to Approve the Consent Agenda as presented. **Motion Approved 6-0.**

6. Petitions, Protests, and Communications

7. Citizen Comment on Non-agenda Issues

8. Business Requiring Public Hearings

8.A. Public Hearing (Legislative) to Consider Annexation Request from the International Order of Odd Fellows (IOOF) Lodge 20 for Parcels 744134, 474134, 513634, 503634 Located at 1900 Brick Road and First Reading of an Ordinance Approving Petition for Annexation P22-085

The Mayor opened the public hearing. Jamey Ayling, Community Development Director, presented information in the staff report.

- David Sturgill, representing IOOF Lodge, spoke in favor of the annexation and medium density zoning
- Jeff Watson, 703 E Walnut, spoke in favor of the annexation and medium density zoning
- Dan Terry, 2208 Brick Rd, spoke against the proposed annexation zoning
- Ren, representing those living in affordable housing, spoke regarding residents in affordable housing
- Scott Nicolai, member of IOOF, 510 N Mt. Stuart Ave, spoke regarding the potential development of the property
- Dave Christopherson, 1709 E Gala Way, spoke regarding the development of the property
- Korbie Jorgensen Haley, 630 Fairview Rd, speaking for herself, spoke in support of the annexation and medium density zoning
- Dan Terry, 2208 Brick Rd, provided additional comments against the annexation

Council asked questions of city staff and the applicant representative.

With no further comments or questions from the public or Council, the Mayor closed the public hearing.

Councilmember Goodloe moved to Approve annexation request P22-085 for parcels 744134, 474134, 513634, 503634 located at 1900 Brick Road; and simultaneous adoption of Residential-Medium zoning designation. **Motion died due to lack of second.**

Councilmember Elliott moved to Approve annexation request P22-085 for parcels 744134, 474134, 513634, 503634 located at 1900 Brick Road; and simultaneous adoption of Residential-Low zoning designation. **Motion Approved 5-1 (Goodloe voted no).**

Councilmember Elliott moved to Approve conducting first reading of Ordinance 4909.

Following a second to the main motion, Councilmember Elliott moved to amend the main motion to change the zoning reference in Section 4 of the Ordinance from Residential Medium (R-M) to Residential Low (R-L). **Motion Approved 6-0.**

Vote on main motion to Approve conducting first reading of amended Ordinance 4909. **Motion Approved 6-0.**

8.B. Public Hearing (Legislative) to Adopt Resolution 2023-02 Amending the City's Six-Year Transportation Improvement Plan (TIP) for 2023-2028; Revising Grant Funded Projects
The Mayor opened the public hearing. Josh Mattson, Civil Engineer, presented information in the staff report.

With no comments or questions from the public and few questions from Council, the Mayor closed the public hearing.

Councilmember Elliott moved to Approve adoption of Resolution 2023-02 amending the 2023-2028 Transportation Improvement Plan and authorize the Mayor and staff to execute any and all necessary grant paperwork associated with the Main Street Overlay and Pfenning Rd. Sidewalks projects. **Motion Approved 6-0.**

9. Introduction and Adoption of Ordinances and Resolutions

9.A. Ordinance 4906 (Second Reading) - Exclusion and Trespass from City Property
Terry Weiner, City Attorney, presented information in the staff report.

Tyrell Nielsen, 1200 N Craig ave, spoke in support of the ordinance and suggested amendments

Councilmember Goodloe moved to Approve second reading and adoption of Ordinance 4906. **Motion Approved 6-0.**

9.B. Ordinance 4907 (Second Reading) - Update of the Ellensburg City Code (ECC Ch. 3.12 Sign Code)

Jamey Ayling, Community Development Director, presented information in the staff report. He reviewed revisions to the Ordinance for second reading.

Councilmember Elliott moved to Approve conducting second reading and adoption of Ordinance 4907 as amended. **Motion Approved 6-0.**

9.C. Ordinance 4908 (Second Reading) Approving Rezone Request P22-075 Submitted by Jason Smith, Property Owner

Jamey Ayling, Community Development Director, presented information in the staff report.

Councilmember Elliott moved to Approve conducting second reading and adoption of Ordinance 4908. **Motion Approved 6-0.**

10. Unfinished Business

11. New Business

12. Miscellaneous

12.A. Manager's Report

The City Manager reviewed the report.

12.B. Councilmembers' Reports

- Councilmember Elliott volunteered at the Ellensburg Animal Shelter
- Councilmember Goodloe gave update of the Council funded grants subcommittee and that it was recommending to Council that the funding be allocated to Northwest Expressive Arts Response

Councilmember Goodloe moved to Approve award of a \$2500 community grant to Northwest Expressive Arts Response. **Motion Approved 6-0.**

- Councilmember Winn attended the Law & Justice Council meeting and elected chairperson for 2023
- Mayor Lillquist attended the Broadband Action Team meeting with the County and they are requesting testimonial letters in support of a Washington State Broadband Office grant application. Council consensus was for the Mayor to sign a letter of support from the City. She also thanked City staff for work performed over the Holidays.

13. Executive Session

14. Adjournment

Meeting adjourned at 8:37 pm

Mayor

ATTEST: _____
City Clerk



CITY OF ELLENSBURG

Date of Meeting

Time of Meeting

Place of Meeting

Minutes of City Council, Study Session

January 3, 2023

6:00 PM

Council Chambers 501 North Anderson Street

Ellensburg, WA 98926

And remotely via Zoom

Study Session

Meeting called to order at 6:00 pm

Councilmembers David Miller and Winn attended remotely

Councilmember Monica Miller absent (excused)

Others present in person: City Manager Behrends Cerniwey, City Attorney Weiner, City Clerk Leader, Community Development Director Ayling

Legal Issues regarding Banners and Flags in City Right-of-Way

Terry Weiner, City Attorney, presented information to Council. Council asked questions of staff. Council consensus was for staff to draft an ordinance for Council review.

Adjournment

Meeting adjourned at 6:47 pm

Mayor

ATTEST:

City Clerk



CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: 2023 City-County Library Services Agreement

Submitted by: Josephine Camarillo Library

Recommended Action or Motion: Authorize the Mayor to sign the 2023 City-County Library Services Agreement.

Background/Summary: The annual City-County Library Services Agreement for 2022 has been approved by the Kittitas County Commissioners. On November 7, 2022, the Kittitas County Regional Library Advisory Board, consisting of the Ellensburg, Kittitas, Roslyn and Cle Elum city Libraries, presented to the County Commissioners, their request for annual funding for library services. The Ellensburg Public Library requested \$115,000 from the County for the year 2023 to help with costs in serving county residents in unincorporated areas. The County has agreed to pay \$115,000 for contract services with the Ellensburg Public Library to provide library services. This is an increase of \$4,000 from 2022.

Previous Council Action: Council approved the 2022 City-County Services Agreement on January 18, 2022.

Analysis: Library usage from county residents comprises at least 33% of current Library cardholders. County card holders increased 2% from 2021 and typically during the annual summer reading program, 34% of youth participants are county residents.

Financial Impact: The \$115,000 in County funding will help cover additional costs to provide materials and services to county residents. The amount of \$115,000 was included in the 2023 budget.

Attachments:
[2023 City-County Library Services Agreement](#)

CITY-COUNTY LIBRARY SERVICES AGREEMENT CITY OF ELLENSBURG

THIS AGREEMENT is entered into on this 20th of December 2022, between the City of Ellensburg ("City") and Kittitas County ("County"), whereby the City, in return for stated consideration, agrees to provide library services to residents of the County.

WHEREAS, the Ellensburg City Council desires to make available to all County Citizens the materials of the Ellensburg Public Library, upon certain terms and conditions; and

WHEREAS, the County desires to contract for library services from the Ellensburg Public Library for all its residents, and is willing to provide payments from its current revenues to assist in obtaining and reducing the costs of such services for its residents; Now, Therefore,

The parties AGREE as follows:

1. Services. The usual public library services provided by the Ellensburg Public Library will be provided to all residents of the County who come to the library to use its facilities in accordance with its rules, regulations, operating policies and procedures. This includes the ability to borrow or check out library materials for persons who reside in the unincorporated areas of the County.
2. Compensation. Kittitas County shall pay directly to the City the sum of \$115,000.00 as a subsidy to the City for Library services provided annually to unincorporated County residents from January 1 through December 31, 2023. Payment shall be made on a quarterly basis on the last day of March, June, September and December. Payments shall be made at such times as to allow their receipt and deposit before the last business day of the month due.

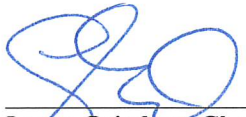
County residents who reside in an unincorporated area of the County may obtain a library card from the City, allowing them to borrow or check out library materials at the City of Ellensburg Public Library.

3. Records. The following statistics shall be compiled and maintained by the Ellensburg Public Library and reported to the Kittitas County Board of Commissioners annually:
 - (a) The number of individuals receiving library cards;
 - (b) Statistics on library materials circulation comparative to the previous year's circulation statistics; and
 - (c) Comparative statistics reflecting the services received by residents of unincorporated Kittitas County to the total services provided by the Library.

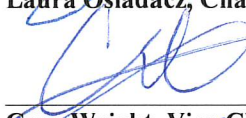
4. Amendments. Any amendment to this agreement shall be in writing and shall be only as specifically authorized by the Kittitas County Board of County Commissioners and the Ellensburg City Council.
5. Duration of Agreement. This agreement shall take effect January 1, 2023, and shall continue in effect for a period of one year until December 31, 2023; SUBJECT, HOWEVER, to the County's right to cancel or terminate the agreement, without penalty or obligation by the County for further payment, at any time for any reason during said period on a prorated basis and to recover as refund from the City of Ellensburg any prepayment made by the County for remaining unused portions of the County's quarterly payment, upon Thirty (30) Days written notice by the County to the City of Ellensburg, sent certified mail, return receipt requested.

DATED this 20th day of December 2022.

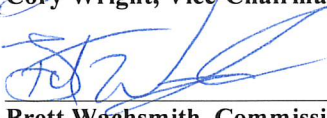
**BOARD OF COUNTY COMMISSIONERS
KITITAS COUNTY, WASHINGTON**



Laura Osiadacz, Chairman

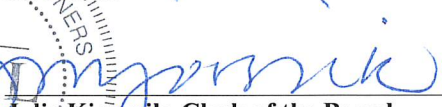


Cory Wright, Vice-Chairman



Brett Wachsmith, Commissioner

ATTEST:



Julie Kjosrvik, Clerk of the Board

Approved as to form:

Kittitas County Prosecuting Attorney

CITY OF ELLENSBURG

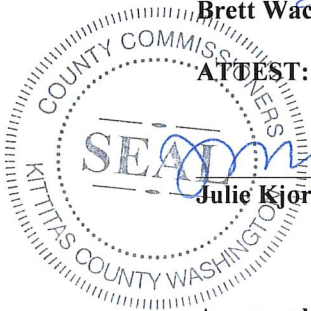
Mayor

ATTEST:

City Clerk

Approved as to form:

City Attorney





CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: 2023 Natural Gas Pipe Purchase

Submitted by: Darin Yusi Public Works & Utilities

Recommended Action or Motion: Authorize City Manager to approve the purchase of Natural Gas Pipe.

Background/Summary: The Gas Division annually budgets and publishes a bid for natural gas pipe. This pipe is purchased to restock inventory. This pipe went to bid in November (Bid Call 2022-22) and only one (1) bid was received. The bid did not meet the minimum specifications for six years of approved unprotected outdoor storage outlined in the bid packet. At the December 5, 2022 meeting, City Council rejected the bid and directed staff to request quotes directly from suppliers for the purchase of natural gas pipe.

Previous Council Action: Council approved Resolution 2022-40 to Reject All Bids for Natural Gas Pipe, Bid Call 2022-22 on December 5, 2022.

Analysis: Staff sought quotes directly with distributors and suppliers and received two (2) quotes in response: 2M Company at \$311,083.39 and Performance Pipe at \$275,902.39. The breakdown of the quantities and pricing is in the attached document.

Having adequate pipe inventory is essential to the operations and maintenance of the Natural Gas Utility and must be purchased. Staff recommends Council authorize the City Manager to approve the natural gas pipe purchase from Performance Pipe to restock inventory.

Financial Impact: The amount of \$275,902.39 is within the 2023 budget for the inventory of natural gas pipe.

Attachments:

[Quote Submittal Request](#)
[Performance Pipe's Proposal](#)

The pipe bid that went out was rejected at our City Council meeting last night (the 5th). I can now seek quotes for the procurement of that pipe. Please submit a quote at your earliest convenience for the following totals and types of pipe:

No.	Item	Unit	Qty.	Unit Price	Total
1	1/2" CTS SDR7 PE4710 Gas Pipe	1000' Coil	30		
2	2" IPS SDR11 PE4710 Gas Pipe	500' Coil	20		
3	4" IPS SDR11 PE4710 Gas Pipe	40' Stick	500		
4	6" IPS SDR11 PE4710 Gas Pipe	40' Stick	375		
TOTAL (\$)					
SALES TAX OF 8.4% (\$)					
TOTAL INCLUDING SALES TAX					

Darin Yusi
Gas Engineer



City of Ellensburg Gas Division
501 N Anderson St • Ellensburg, WA 98926

☎ (509) 607-3035
☎ (509) 962-7229
✉ yusi@ci.ellensburg.wa.us
🌐 ellensburgwa.gov





8300 Series - YELLOWSTRIPE

PE4710 / PE100 HDPE GAS PIPE

**City of
ELLENSBURG**

MINIMUM ORDER IS FULL PACKAGE QUANTITY

Effective: **December 7, 2022**

Firm: Until further notice

Freight: Allowed - Full Truckloads

Drops: 1st-\$125 2nd-\$150 3rd-\$250

SIZE	DR / WALL	LENGTH	WGHT	Pkg Qty	T/L Qty	FOB Plant \$/100	DELIVERED \$/ 100
1/2" CTS	7 (0.090)	1000 AC	0.070	11,000	286,000	\$ 24.78	\$ 27.17
1" IPS	11.0	500 AC	0.200	2,500	60,000	\$ 70.80	\$ 82.21
2" IPS	11.0	500	0.642	3,500	24,500	\$ 109.14	\$ 141.82
2" IPS	11.0	40	0.642	3,520	49,280	\$ 109.14	\$ 125.39
4" IPS	11.0	500	2.306	500	6,000	\$ 410.47	\$ 543.92
4" IPS	11.0	40	2.306	1,200	16,800	\$ 392.02	\$ 439.68
6" IPS	11.0	40	5.010	520	7,280	\$ 851.70	\$ 961.69

Size	Units	Quantity	Per Unit	Total Cost
1/2" CTS	1000' Coil	30	\$271.70	\$8,151.00
2" IPS	500' Coil	20	\$709.10	\$14,182.00
4" IPS	40' Stick	500	\$175.87	\$87,936.00
6" IPS	40' Stick	375	\$384.68	\$144,253.50
			Subtotal	\$254,522.50
			8.4% Tax	\$21,379.89
			Total	\$275,902.39



CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: 2023 First Choice Health Administrative Services Agreement, and the Accompanying Business Associates Agreement, PHI Designation Form, and Appendices A, B, C, D, E, F, and G.

Submitted by: Lisa Young Human Resources

Recommended Action or Motion: Staff recommends approval and authorization of the Mayor's signature on the 2023 First Choice Health Administrative Services Agreement, Addendums, and Appendices, and approval of the necessary budget adjustments.

Background/Summary: First Choice Health has reviewed their Administrative Services Agreement and Appendices for the 2023 coverage year and has determined that updates are necessary. These updates are often based on industry standards, as well as the renewal presented to us by our broker, Alliant.

Previous Council Action: Approval of past Agreements with First Choice Health and ongoing support for quality benefits for employees.

Analysis: First Choice has made several amendments to the Administrative Services Agreement as well as the Appendices. First Choice Health does not provide a summary of changes or a tracked document showing the changes; however, the Agreement and Appendices have been reviewed to the best of our ability by HR and Legal. Approving the Administrative Services Agreement, Addendums, and Appendices is necessary to continue providing First Choice medical and vision coverage to our employees.

Financial Impact: The administrative fees for First Choice Health will increase by 8.4% for 2023. Additional expenditure authority is needed for this increase. Adopted 2023 premium rate revenue, and anticipated ending fund balance, is sufficient to accommodate these expenditures.

Attachments:
[FCH-COE ASA and Appendices 2023](#)

ADMINISTRATIVE SERVICES AGREEMENT

This Agreement is made and entered into effective this **1st day of January 2023.**, ("Effective Date") between **City of Ellensburg** hereinafter referred to as the **"Plan Sponsor" or "Employer Group"** and **First Choice Health Network, Inc. dba First Choice Health**, hereinafter referred to as the **"FCH"**. **FCH, Plan Sponsor, and Employer Group are each individually referred to as a "Party" and collectively as "Parties."**

WHEREAS, Plan Sponsor is a public employer that sponsors one or more self-funded employee health and welfare plans (each a "Plan"); and

WHEREAS, Plan Sponsor desires to make available a program of health care benefits under the Plan; and

WHEREAS, Plan Sponsor wishes to contract with FCH as an independent third party administrator (TPA) to perform certain administrative and other services with respect to the Plan as enumerated herein; and

WHEREAS, FCH desires to contract with Plan Sponsor to perform such services with respect to the Plan; and

WHEREAS, Plan Sponsor desires to secure the cost savings and other benefits of First Choice Health Network, Inc.'s preferred provider network, referred to as "FCH PPO Network" or "FCHN", as well as Plan Sponsor's selected nationally-recognized wrap network, as set forth in Appendix D Fee Schedule, for the benefit of the Plan;

THEREFORE, in consideration of the mutual promises and covenants set forth herein, Plan Sponsor and FCH agree as follows:

1. DEFINITIONS

- 1.1. *"Agreement"* means collectively this document and any and all Schedules, Attachments, and Exhibits hereto, each of which are hereby incorporated by reference, each as may be amended from time to time in accordance with the terms of this Agreement.
- 1.2. *"Benefit Plan"* means the Employee Welfare Benefit Plan offered by Plan Sponsor for the payment of Covered Services provided to an eligible Plan Participant as described in the Plan Document.
- 1.3. *"Calendar Year"* means January 1 through December 31 of the same year.

- 1.4. *"Case Manager"* means a licensed health professional that is employed by FCH, or engaged by FCH in certain states based on licensure, to initiate a collaborative process that assesses, plans, implements, coordinates, monitors, and evaluates options and services to meet a Plan Participant's health needs through communication and available resources to promote quality, cost-effective outcomes.
- 1.5. *"Case Management"* means the process by which options and services are assessed, planned, implemented and coordinated, as described in the Plan Document.
- 1.6. *"Claim"* means a request by or on behalf of a Claimant for payment or reimbursement for Covered Services from the Plan.
- 1.7. *"Claimant"* means a Participant who receives Covered Services pursuant to the Benefit Plan and on whose behalf a Claim is submitted to the Plan.
- 1.8. *"Claims Funding Account"* means an account designated and utilized by FCH for payment or reimbursement of Claims which is funded solely by the Plan Sponsor.
- 1.9. *"COBRA"* means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, together with all regulations applicable thereto.
- 1.10. *"Covered Services"* means the care, treatment, services or supplies described in the Plan Document as eligible for payment or reimbursement from the Plan with the exception of prescription drugs.
- 1.11. *"Disease Management"* means a program for Plan Participants identified with chronic health condition(s) who are engaged to participate in a voluntary educational program to learn about ways to develop a healthier lifestyle. Disease Management does not replace professional medical advice, diagnosis, or treatment received by a Plan Participant from his or her personal physician.
- 1.12. *"FCH Preferred Provider Network" or "FCH PPO Network"* means the group of Providers that have entered into a written provider or facility agreement with FCH or an affiliate of FCH to provide Covered Services to Plan Participants pursuant to the terms of the applicable Benefit Plan and the provider or facility agreement, which includes negotiated discounts for plan sponsors and other entities that have entered into written agreements with FCH and agree to be bound to the terms of the provider or facility agreement.
- 1.13. *"Fee Schedule"* means the listing of fees or charges for services provided by FCH to Plan Sponsor under this Agreement. This Fee Schedule may be modified from time-to-time in writing by the mutual agreement of the Parties. The Fee Schedule is set forth in Appendix D.
- 1.14. *"Health Promotion Services"* means a constellation of services that include the following: health assessments (with or without Biometric Screening), wellness coaching, maternity management, 24X7 nurse line, 24X7 physician consultation and disease management.
- 1.15. *"HIPAA"* means the Health Insurance Portability and Accountability Act of 1996, as has been and may be amended from time to time, and all implementing regulations applicable thereto.
- 1.16. *"Medical Management Services"* means precertification, concurrent review, discharge coordination, utilization management, clinical appeals and other services as set forth in Appendix C.
- 1.17. *"Medical Director"* means the Chief Medical Officer of FCH who oversees the applicable clinical aspects of the Medical Management Program for Plan Participants.

- 1.18. *"Minimum Funding Balance"*, if applicable, means the minimum amount required to be maintained by Plan Sponsor in the Claims Funding Account at all times during the term of this Agreement in accordance with the Fee Schedule.
- 1.19. *Out-of-Network Negotiation Services* means the negotiation of rates for payment of charges submitted by Providers that are not part of the FCH Preferred Provider Network or the wrap network described in Appendix D.
- 1.20. *"Plan"* or *"Benefit Plan"* means each self-funded health and welfare benefit plan established by Plan Sponsor pursuant to a Plan Document for the payment of Covered Services provided to an eligible Plan Participant and which is the subject of this Agreement.
- 1.21. *"Plan Document"* means the instrument or instruments, including without limitation the Summary Plan Description (SPD), that set forth and govern the duties of the Plan Sponsor and the eligibility, enrollment and benefit provisions of the Plan, and which provide for the payment or reimbursement of Covered Services.
- 1.22. *"Plan Participant"* is any employee of Employer Group or COBRA qualified beneficiary and the dependent of any such person who is properly enrolled and eligible for benefits under the Plan.
- 1.23. *"Plan Sponsor"* means the entity described in the opening paragraph of this Agreement and any successor organization or affiliate of such Plan Sponsor that assumes the obligations of the Plan and this Agreement.
- 1.24. *"Plan Year"* means the typical twelve (12)-month period of time beginning with the effective date of the Plan as specified in the Plan Document.
- 1.25. *"Provider"* means a physician, allied health services professional, mid-level practitioner or any other provider of healthcare services or health care facility that is duly licensed and authorized to receive payment or reimbursement for Covered Services provided under the terms of the Plan.
- 1.26. *"Summary Plan Description"* means the document that describes the terms and conditions under which the Plan operates and which must be furnished by Plan Sponsor to Plan Participants.
- 1.27. *"Working Days"* means a regular business day which is not a recognized federal or banking holiday, and specifically excluding any Saturday or Sunday.

2. RELATIONSHIP OF THE PARTIES

- 2.1. Independent Contractors. At all times the relationship between Plan Sponsor and FCH shall be that of independent entities contracting with each other. Neither Party shall be deemed the agent of the other, nor shall any joint venture or partnership be deemed to result from this Agreement.
- 2.2. Fiduciary Responsibilities. Plan Sponsor has the sole authority and responsibility for the Plan and its operation, including but not limited to the administration and interpretation of all Plan Document provisions and authority to make all determinations thereunder. Plan Sponsor is considered the Plan Administrator and named fiduciary of the Plan. In addition, the Plan Sponsor has the sole and complete authority and responsibility to determine eligibility of persons to participate in the Plan. Any function not specifically delegated to and assumed by FCH in this Agreement as set forth in Appendix A "Plan Fiduciary Responsibilities," shall remain the sole responsibility of Plan Sponsor. For avoidance of doubt, all final determinations as to a Plan Participant's entitlement to Plan benefits are to be made by Plan Sponsor, unless specifically delegated to FCH per Appendix A. Notwithstanding any assistance FCH may provide to Plan

Sponsor, the Plan language remains the sole responsibility of the Plan Sponsor. FCH does not provide compliance or related services in connection with the Plan.

In the event of a legal, administrative or other action arising out of the administration, processing, or determination of a Claim for Plan benefits, FCH will undertake the defense of such action at Plan Sponsor's expense and settle such action when, in its reasonable judgment, it appears expedient to do so, unless instructed otherwise by Plan Sponsor or as delegated under Appendix A.

2.3. Limitations. The Parties acknowledge and agree that:

2.3.1 This is a contract for TPA services, medical management program services, and access to the FCH Preferred Provider Network, only as specifically set forth herein;

2.3.2 This Agreement shall not be deemed a contract of insurance under any laws or regulations of any state;

2.3.3 FCH does not assume any financial risk or obligation with respect to Claims and shall not be obligated to disburse more in Claims than Plan Sponsor agrees to reimburse FCH; and

2.3.4 FCH does not insure, guarantee or underwrite the liability of Plan Sponsor under the Plan. Plan Sponsor retains ultimate responsibility for all Claims made pursuant to the Plan and is liable for all expenses incident to the Plan.

2.4. It is expressly understood that Providers render services to Plan Participants as independent contractors within a provider-patient relationship. Neither FCH nor Plan Sponsor acts as the agent, principal, or partner of any such Provider.

2.5. The Parties agree that neither FCH nor Plan Sponsor, in carrying out their respective obligations under this Agreement, is practicing medicine or exercising control over the methods or professional judgments by which a Provider renders medical services to any Plan Participant.

3. **RESPONSIBILITIES OF PLAN SPONSOR**

3.1 Eligibility and Coverage. Plan Sponsor shall maintain current and accurate eligibility and coverage records, verify Participant eligibility and submit positive enrollment to FCH as specified in Appendix B.

This information shall be provided in a mutually acceptable format. The details shall include, at a minimum, for each Participant : name and address, telephone number, unique identification number, date of birth, type of coverage, gender, relationship to employee, changes in coverage, date coverage begins or ends, and any other information necessary to determine eligibility and coverage levels under the Plan.

Plan Sponsor assumes the responsibility for and will hold FCH harmless from the erroneous disbursement of benefits by FCH resulting from Plan Sponsor's error or neglect in providing eligibility and coverage information to FCH, including, but not limited to, failure to give timely and accurate notification of ineligibility or termination of a Plan Participant, including appropriate termination reason, or Claims paid for Plan Participants who are retroactively terminated after Claims have been paid.

3.2 Plan Documents. Plan Sponsor shall provide FCH with all relevant documents, including but not limited to the most current Plan Document and Summary Plan Description for the benefit plans to be administered, Summary of Benefits and Coverage(s) and any Plan amendments. Plan

Sponsor shall, to the extent practicable, notify FCH of any amendments, revisions or changes to the Plan at least thirty (30) Working Days prior to the effective date of such amendments. Plan Sponsor is responsible for the Plan Document(s) language. It is understood that FCH must administer the Plan Provisions in accordance with the Plan language, which is reviewed and approved by the Plan Sponsor.

3.3 Distribution of Plan Materials. Plan Sponsor shall be responsible for the distribution of all Plan Documents, Summary Plan Descriptions and Summary of Benefits and Coverage (SBCs) along with other notice(s) to Plan Participants. FCH will not be liable for untimely preparation or delivery of such materials if the delay in preparation or distribution resulted from Plan Sponsor's failure to timely provide such information.

3.4 Claim Disputes and Appeals. Plan Sponsor shall resolve all Plan ambiguities and disputes relating to Plan eligibility of a Plan Participant, Plan coverage, denial of Claims or decisions regarding appeal or denial of Claims, or any other Plan interoperability questions. Plan Sponsor will respond to any written request made by FCH in connection with such matters to ensure compliance with timelines. FCH services in connection with the resolution of Claim Disputes and Appeals are strictly advisory; final determinations and responsibility for such determinations rest solely with Plan Sponsor, unless specifically delegated to FCH under Appendix A.

Plan Sponsor shall ensure that the Plan's Claims procedures comply with Claims Procedure requirements. Plan Sponsor's decision as to any Claim (whether or not it involves a Plan ambiguity or other dispute) shall be final and binding unless modified or reversed by a court or regulatory agency having jurisdiction over such Claim matter.

3.5 Plan Funding. Plan Sponsor shall provide funds necessary for Claim payments by in accordance with a claims funding statement provided by FCH to Plan Sponsor on a weekly basis.

Plan Sponsor shall not demand or require that FCH, under any circumstances, issue Claim payment or drafts for Claims, excess loss premiums, or any other costs arising out of the subject matter of this Agreement, unless Plan Sponsor has so authorized and has previously deposited sufficient funds to cover such payment(s).

3.5 Payment. Plan Sponsor shall pay FCH in accordance with Section 5 of this Agreement, for services rendered under this Agreement including fees set forth in Appendix D.

3.6 FCH PPO Network and Wrap Network Agreements. In consideration of obtaining access to and the benefit of negotiated discounts from the FCH PPO Network and the Wrap Network identified in Appendix D, Plan Sponsor agrees to comply with the terms of the provider and facility agreements between FCH or an affiliate of FCH and Providers in the FCH PPO Network and with the terms of the provider and facility agreements of the Wrap Network.

3.7 Compliance with Law. Plan Sponsor shall provide and timely distribute all notices and information required to be given to Plan Participants; perform all obligations under this Agreement and take all other steps necessary to maintain and operate the Plan in compliance with applicable provisions of the Plan, HIPAA, the Internal Revenue Code, and all other applicable federal or state laws and regulations.

3.8 Taxes, Licenses, Etc. Plan Sponsor shall pay or reimburse any and all taxes, licenses and fees, if any, by any local, state, or federal authority in connection with the Plan. Plan Sponsor shall also be responsible for payment, as provided in Appendix D, of its pro-rata share of any fees and/or assessments levied upon FCH in connection with services provided to Plan Participants, including but not limited to vaccines provided to adults and children in accordance with applicable state laws.

- 3.9 Excess Loss Insurance. Plan Sponsor shall maintain excess loss insurance with an insurance carrier admitted to do business in the state Plan Sponsor is domiciled or headquartered, in such amount as mutually agreed to between the Plan Sponsor and FCH as set forth in the Fee Schedule. Plan Sponsor shall provide FCH with evidence of coverage upon request.
- 3.10 Fidelity Bond. Plan Sponsor shall maintain any fidelity bond or other insurance, as may be required by state or federal law for the protection of the Plan and Plan Participants. Plan Sponsor will name First Choice Health Network, Inc. as a “named insured”.

4. RESPONSIBILITIES OF FCH

- 4.1. Administrative Services and FCH PPO Access. FCH shall provide certain Plan administrative, Medical Management Services, and access to the FCH Preferred Provider Network for Plan Sponsor as set forth in Appendix B Administrative Scope and C Medical Management Scope.
- 4.2. Plan Document and Summary Plan Description. FCH shall assist Plan Sponsor in preparing a Plan Document, Summary Plan Descriptions, and Summary of Benefits and Coverage. Plan Sponsor is responsible for reviewing and approving this documentation and remains solely responsible for their content.
- 4.3. FCH Limited Fiduciary Responsibilities. FCH has a limited role with respect to Plan fiduciary responsibilities, specifically surrounding administration, processing and determination of Claims for Plan benefits. FCH does not assume any Plan fiduciary responsibilities except as specifically delegated by the Plan Sponsor to FCH as set forth in Appendix A.
- 4.4. Maintenance of Records - Inspection and Audit. FCH shall prepare and maintain a claim file on every Claim reported to it and shall maintain all records and files in accordance with Section 12 of this Agreement. FCH shall allow inspection and audit of all records maintained by it pursuant to this Agreement in accordance with Section 12 of this Agreement.
- 4.5. Medical Management Service. FCH shall provide Utilization Management, Case Management, Appeals, and other Medical Management Services for Plan Sponsor as set forth in Appendix C. FCH reserves the right to contract with a third party for other services as set forth in Appendix D.
- 4.6. Out-of-Network Negotiation Services. FCH shall make available out-of-network negotiation services. Such services are available for Claims submitted by non-contracted providers and/or non-standard, manually administered In-Network Negotiation Services (e.g., CAP/large claim Medicare Multiples and Single Case Agreements (SCAs)), if applicable and permitted under the terms of the FCH PPO Network provider or facility agreement.
- 4.7. Brokers and Agents. FCH shall provide non-proprietary information and documents as requested by Plan Sponsor to brokers and agents designated in writing by Plan Sponsor to FCH. FCH shall not provide information or documentation to other agents or brokers without such written request by the Plan Sponsor. It is expressly understood that to the extent necessary, Broker and Plan Sponsor have entered into a HIPAA Business Associate agreement and any other necessary agreement to protect Participant privacy and confidentiality. It is also understood that information provided to Brokers and Agents under this section must comply with the HIPAA “Minimally Necessary” standards.
- 4.8. Compliance with Law. FCH shall perform services under this Agreement in accordance with applicable federal or state laws and regulations including but not limited to the HIPAA Privacy Rules as set forth in the Addendum Business Associates Agreement attached hereto.

- 4.9. Fidelity Bond. FCH shall maintain any fidelity bond or other insurance as may be required by state or federal law for the protection of FCH, the Plan, and Plan Participants.
- 4.10. Non-Discretionary Duties; Additional Duties. FCH and Plan Sponsor agree that the duties to be performed by FCH are non-discretionary duties.

FCH and Plan Sponsor may agree to additional agreed upon duties in writing from time to time.

5. PAYMENT OF FEES

- 5.1. In consideration of the services rendered to Plan Sponsor by FCH under the terms of this Agreement, Plan Sponsor shall pay to FCH those Service Fees and other charges at such times and in such manner as set forth in the Fee Schedule attached hereto as Appendix D. Payments not made in accordance with the Fee Schedule shall bear such interest rate as set forth in Appendix D. In any action or arbitration brought to recover delinquent payments, the prevailing party shall recover reasonable costs and attorney's fees.

6. TERM

This Agreement shall commence on the Effective Date and continue for a period of twelve (12) months (the "Term"). At the end of the initial and each successive Term, this Agreement shall automatically renew for successive twelve month (12) periods, subject to the revised Fee Schedule and any other amendments to which the Parties may agree, unless either Party provides notice of non-renewal no later than 90 days prior to the expiration of the current Term.

At least 90 days prior to the end of the initial and each successive term, FCH shall provide Plan Sponsor with a revised Fee Schedule for the succeeding twelve (12) month period. Plan Sponsor shall notify TPA of its acceptance of the proposed Fee Schedule no later than the last working day of the Term. If Plan Sponsor does not accept the revised Fee Schedule, the Parties agree to work together in good faith to reach agreement with respect to the Fee Schedule for the succeeding Term. If Plan Sponsor fails to notify FCH of either acceptance or denial of the fee quote prior to the last working day of the Term, the quote shall be deemed to have been accepted by Plan Sponsor.

7. TERMINATION

- 7.1. Without Cause: Either Party may terminate this Agreement without cause at any time by providing at least ninety (90) days advance written notice to the other Party. Plan Sponsor agrees to make payments in accordance with the Fee Schedule throughout the 90-day notice period. If, for any reason, the Plan ceases to have Participants enrolled in any month that is included in the 90-day notice period, the fee for such month(s) shall equal the average monthly fee paid by Plan Sponsor over the preceding twelve (12) month period.
- 7.2. Failure to Make Payments: If Plan Sponsor fails to make any payment required by this Agreement, including but not limited to failing to fund the Claims Funding Account or failing to pay any fees due under the Fee Schedule set forth in Appendix D, this Agreement shall automatically terminate without notice at the end of the period for which payment was made. FCH's obligations to process and pay Claims, including the provision of runout services, shall immediately cease at the end of the period for which payment has been made. Payments of fees received by FCH after that date shall be deposited by FCH for security reasons only, and shall

not be deemed to have been accepted for reinstatement or as an accord and satisfaction, except upon the written agreement of FCH.

- 7.3. Termination for Cause: Either Party may terminate this Agreement for cause as follows: (a) immediately where the breaching Party fails to correct a breach of a material term or condition of this Agreement (other than as provided for under Section 7.5) within thirty (30) days of receiving written notice of the breach from the non-breaching Party; or (b) either Party is placed into conservatorship, receivership, or bankruptcy, or makes a general assignment for the benefit of creditors.
- 7.4. Termination Effect. Termination of this Agreement will not terminate the rights or obligations of either Party arising out of the period during which this Agreement was in effect.
- 7.5. Force Majeure; Suspension and Termination. If loss of services is caused by, or if either Party is unable to perform any of its obligations under this Agreement, or to enjoy any of its benefits because of natural disaster, action or decrees of Governmental bodies or communication failure not the fault of the affected party, the loss or failure shall not be deemed a breach. The Party who has been so affected shall immediately give notice to the other Party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Agreement shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of the notice, the Party whose performance has not been so affected may, as its sole remedy, terminate this Agreement by written notice to the other Party effective immediately. In the event of such termination, the Plan Sponsor shall remain liable to FCH for all payments due for periods that preceded the suspension or termination of FCH's responsibilities under this Agreement.

8. DISPOSITION OF CLAIMS UPON TERMINATION

- 8.1 Termination of Administrative Services: In the event of termination of this Agreement for any reason, all administrative services required of FCH, including Claims payment, will immediately terminate. TPA shall only perform administrative services required on Claims incurred prior to, but paid after the date of termination (runout services). Payment for such runout services shall be as provided for in the Fee Schedule set forth in Appendix D.
- 8.2 Disposition of Claims after Termination: All Claims in the possession of FCH which have been incurred after the termination date, and for which payment has not been issued shall be returned to the Provider. All other Claims incurred prior to the termination date and all other records and files of FCH relating to this Agreement shall be maintained in accordance with Section 12 of this Agreement.

9. AMENDMENT

- 9.1 At any time during the term of this Agreement, either Plan Sponsor or FCH may request an amendment of the Agreement. Any such amendment must be in writing and agreed to by both Parties.

10. LIABILITY

- 10.1 FCH does not have a license to provide insurance. Therefore, TPA cannot insure nor underwrite the liability of Plan Sponsor. Plan Sponsor retains ultimate responsibility for Claims made

pursuant to the Plan. Plan Sponsor is liable for all expenses incident to the Plan except expenses specifically assumed by FCH in this Agreement.

11. INDEMNIFICATION

- 11.1 Indemnification: To the extent consistent with applicable state law, Plan Sponsor and FCH (each an “Indemnifying Party”) agree to defend, indemnify, and hold the other Party and its officers, directors, shareholders, members, employees, and agents (the “Indemnified Parties”) harmless from and against any and all liabilities and losses, together with any costs and expenses, including but not limited to reasonable attorney’s fees and costs (collectively, “Damages”), arising from claims asserted by a third party as a result of the Indemnifying Party’s or its officers’, directors’, shareholders’, members’, employees’, or agents’ actual or alleged (i) negligent acts or omissions or willful misconduct, or (ii) breach or failure of performance under this Agreement. To the extent consistent with applicable state law, Damages shall not include any amount resulting from the Indemnified Parties’ (i) negligent acts or omissions or willful misconduct or (ii) breach or failure of performance under this Agreement. Notwithstanding any provision to the contrary, Plan Sponsor shall defend, indemnify, and hold harmless FCH for claims arising from the application of Plan Sponsor’s Plan Documents in the context of utilization review or utilization management, including but not limited to pre-authorization, and appeals. In addition, Plan Sponsor shall indemnify FCH and hold it harmless from and against any liability, expense, demand, or other obligation, resulting from or out of any premium charge, tax or similar assessment (federal or state) for which the Plan or Plan Sponsor is liable. The obligations of this paragraph will survive the termination of this Agreement.
- 11.2 Notice of Demand for Indemnification: Either Party shall notify the other Party promptly, and in no event later than 30 days after receipt of any claim, demand, notice of legal proceeding, or other information that gives rise or may give rise to the other Party’s duty to indemnify pursuant to this Agreement. The failure of the demanding Party to provide notice in accordance with this provision shall constitute grounds for waiver of such Party’s right to enforce Section 11 of this Agreement.

12. RECORDS AND RIGHT TO AUDIT

- 12.1 FCH will maintain, or cause to be maintained, for the duration of this Agreement and for six (6) years thereafter, adequate records of all Claims and other transactions between Plan Sponsor, FCH, and Plan Participants. All such records, including electronic records, are the property of Plan Sponsor, and Plan Sponsor has the right of continuing access to them during normal business hours at FCH’s offices with reasonable prior notice. If this Agreement terminates, FCH may deliver, or at Plan Sponsor’s request shall deliver, all such records to Plan Sponsor, subject to FCH’s right to retain copies of any records it deems appropriate. Plan Sponsor shall be required to pay FCH reasonable charges for transportation or duplication of such records.
- 12.2 Either Party or its properly designated agent has the right to access the other Party’s records with respect to the Plan for purposes of undertaking an audit to determine compliance with the terms and conditions of this Agreement. Each Party shall give the other notice of any such audit at least ten (10) working days in advance; however, audits cannot be performed November through January of each year to accommodate the renewal schedules. Each Party shall pay for any audit made at its request. Any special reports requested by the auditing Party shall be at the auditing Party’s expense.

- 12.3 Nothing in this Agreement, express or implied, shall require FCH to disclose proprietary information regarding its claims processing system or procedures, provide records or information in a format not used by or available to FCH, or to create information formats solely for the use of the auditor(s). Electronic data shall be supplied in a mutually acceptable format only, as part of the FCH obligation under this Agreement. FCH will supply electronic data in alternate formats upon written request for the same, including specifications, for an additional fee, which shall be negotiated based upon the specific request submitted. Nothing in this Agreement shall be construed to require FCH to violate any term of any of its software licensing agreements in order to produce alternate electronic formats.

13. CONFIDENTIAL AND PROPRIETARY INFORMATION

- 13.1 Confidential and Proprietary Information of Each Party. Plan Sponsor and FCH agree to take all appropriate steps during the term of this Agreement and at all times thereafter to protect and safeguard the confidential information and proprietary information of the other Party as they would their own. Neither Party will utilize or disclose any of the other's confidential or proprietary information, without prior written approval.

For purposes of this Agreement, confidential information shall include, but is not limited to, all information, data, reports, or records containing or relating to procedures for claims review, accounting, data processing, claims records and patient records, or designated in writing as confidential. Proprietary information shall include, but not be limited to, all information, data, reports, or records containing or relating to lists of clients, sales, marketing, advertising, or other documents designated in writing as proprietary.

14. DISPUTE RESOLUTION

- 14.1 The Parties agree to confer in good faith to resolve any disputes that may arise concerning the applicability of this Agreement or the Parties' respective rights and obligations under this Agreement. In the event that such efforts fail, the Parties agree to resolve such dispute(s) through arbitration. Either Party may submit the dispute to arbitration before a single mutually agreeable arbitrator, in accordance with the laws of the State of Washington. Except as otherwise may be agreed to by the Parties, the arbitration will be administered by JAMS (formerly Judicial Arbitration and Mediation Services) pursuant to its Comprehensive Arbitration Rules and Procedures. If the Parties are unable to agree upon an arbitrator within five (5) business days of a Party's request for arbitration, the arbitrator shall be designated by the Seattle office of JAMS. In the event JAMS no longer operates in Seattle, the arbitrator shall be selected by the presiding judge of the King County Superior Court. The cost of such arbitration, including attorney's fees, shall be paid by the Party that does not substantially prevail. The decision of the arbitrator shall be final and binding upon the Parties and may be filed with any court of competent jurisdiction and enforced as a judgment of that court.
- 14.2 It is agreed by the Parties that any arbitration under this Agreement must be commenced within two (2) years of the date of the occurrence of any alleged breach, infraction or dispute, or within two (2) years of the termination of this Agreement, whichever occurs first.

15. MISCELLANEOUS

- 15.1 Headings. The headings of articles and sections contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

- 15.2 No Waiver. Failure by Plan Sponsor or FCH to insist upon compliance with any term or provision of this Agreement at any time or under any set of circumstances will not operate to waive or modify that provision or render it unenforceable at any other time whether the circumstances are or are not the same.
- 15.3 Assignment. Neither Party shall assign this Agreement or any portion thereof to any person, organization or legal entity without first having obtained the prior written consent of the other Party to this Agreement. Neither Party shall unreasonably withhold such consent.
- 15.4 Use of Names and Trademarks. Plan Sponsor and FCH each reserve the right to control the use of its name, symbols, trademarks, or other marks currently existing or later established. Either Party may use the other Party's names, symbols, trademarks or other marks only with the prior written approval of the other Party.
- 15.5 Governing Law. This Agreement shall be interpreted, enforced, and governed in accordance with the laws of the State of Washington, notwithstanding any conflict of law doctrine to the contrary. Venue for any action or proceeding shall lie in King County, Washington. The Parties consent to personal jurisdiction.
- 15.6 Notices. Any and all notices or other communication given pursuant to this Agreement shall be in writing and shall be deemed to have been given when delivered personally, by courier with delivery receipt, sent by facsimile (with confirmation of receipt), or when mailed by United States mail, postage prepaid, return receipt requested. Notice shall be delivered or mailed to the Parties at the addresses set forth below or to such other address as either Party may specify by notice to the other Party as set forth in this provision:
- | | |
|-------------------|--|
| For Plan Sponsor: | City of Ellensburg
Attn: 501 N. Anderson St.
Ellensburg, WA 98926-3147 |
| For FCH: | First Choice Health Network, Inc.
President and Chief Executive Officer
600 University St., Suite 1400
Seattle, WA. 98101 |
- 15.7 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall not in any way be affected or impaired thereby.
- 15.8 Disclosure. It is recognized and understood by the Plan Sponsor that the FCH is subject to all laws and regulations applicable to contract administrators. It is further recognized and understood by the Plan Sponsor that the FCH is not acting as an insurer and is not providing stop-loss insurance.
- 15.9 Entire Agreement. This Agreement and any appendices, attachments or exhibits contained herein represent the entire agreement of the Parties hereto and supersede all prior agreements, representations and understandings, whether written or oral, between the Parties related to the subject matter hereof.

16. ATTACHMENTS TO THE ADMINISTRATIVE SERVICE AGREEMENT

16.1 The following Appendices attach to and become part of the body of this Agreement and they are herein incorporated by reference. Capitalized terms in the Appendices shall have the same meaning as in this Agreement unless otherwise specifically defined in the applicable Appendix.

- ☒ Appendix A: Plan Fiduciary Responsibilities
- ☒ Appendix B: Administrative Services Scope
- ☒ Appendix C: Medical Management Services Scope
- ☒ Appendix D: Fee Schedule / Performance Guarantees
- ☒ Appendix E: Custom Networks
- ☒ Appendix F: COBRA Administration
- ☒ Appendix G: Electronic Data Interchange (EDI)
- ☒ Addendum Business Associate Agreement including PHI Designation Form

The Parties below have signed as duly authorized officers and have hereby executed this Agreement. If this Agreement is not signed and returned to the TPA within sixty (60) days of its delivery to the Plan Sponsor or its agent, the TPA will assume the Plan Sponsor's concurrence and the Plan Sponsor will be bound by its terms.

IN WITNESS THEREOF, the Parties hereto sign their names as duly authorized officers and have executed this Agreement.

City of Ellensburg

By: _____

Name: _____

Title: _____

Date: _____

First Choice Health Network, Inc.

By: _____

Name: Jaja Okigwe

Title: President and Chief Executive Officer

Date: _____

ADDENDUM
BUSINESS ASSOCIATE AGREEMENT
First Choice Health / City of Ellensburg

This Business Associate Agreement supplements and is made a part of the Administrative Services Agreement ("Agreement") entered into between City of Ellensburg ("Plan Sponsor") and First Choice Health Network, Inc. dba First Choice Health ("FCH") dated January 1, 2023.

This Business Associate Agreement is entered into between Plan Sponsor on behalf of its Medical Plan ("CE") and FCH ("BA") effective January 1, 2023.

Recitals

WHEREAS, CE and BA have entered into an agreement pursuant to which BA will provide certain services to or on behalf of CE, and BA may create, receive, maintain, transmit, or have access to Protected Health Information in order to provide those services ("Services Agreement");

WHEREAS, the Department of Health and Human Services ("HHS") has promulgated regulations at 45 Code of Federal Regulations ("C.F.R.") Parts 160 and 164 implementing the privacy requirements ("Privacy Rule") and regulations at 45 C.F.R. Parts 160, 162 and 164 implementing the security requirements ("Security Rule") set forth in the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA") as amended by regulations implementing Subtitle D of the Health Information Technology for Economic and Clinical Health Act which is Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5);

WHEREAS, the Privacy Rule and Security Rule require CE to enter into a written contract with BA in order to assure certain protections for the privacy and security of Protected Health Information, and the Privacy Rule and Security Rule prohibit the disclosure or use of Protected Health Information to or by BA if such a contract is not in place;

WHEREAS, both Parties mutually agree to satisfy the foregoing regulatory requirements and all federal, state and local confidentiality, privacy, and security laws through this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual promises contained herein, the receipt and sufficiency of which are hereby acknowledged, CE and BA agree as follows:

1. Definitions.

Terms used, but not otherwise defined in this Agreement shall have the same meaning as those terms in 45 C.F.R. Part 160, Part 162, and Part 164, then in effect or as amended, which are collectively referred to as the "HIPAA Rules".

1.1 **"Breach"** shall have the same meaning as the term "Breach" in 45 C.F.R. § 164.402.

1.2 **"Data Aggregation"** shall have the meaning given such term in 45 C.F.R. § 164.501.

1.3 **"Designated Record Set"** shall have the meaning given to such term in 45 C.F.R. § 164.501.

1.4 **"Disclose"** and **"Disclosure"** mean, with respect to Protected Health Information, the release, transfer, provision of, access to, or divulging in any other manner of Protected Health Information outside BA's internal operations or to persons or entities other than members of its workforce.

1.5 **"Electronic Protected Health Information" or "EPHI"** shall have the meaning found in the Security Rule, 45 C.F.R. § 160.103.

1.6 **"HITECH Act"** shall mean the Health Information Technology for Economic and Clinical Health Act, found in Title XIII of the American Recovery and Reinvestment Act of 2009, Public Law 111-005, and the regulations promulgated thereunder by the Secretary.

1.7 **"Individual"** shall have the same meaning found in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

- 1.8 **“Protected Health Information” or “PHI”** shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to the information created, received, maintained, or transmitted by BA from or on behalf of CE pursuant to this Agreement.
- 1.9 **“Required by Law”** shall have the same meaning found in 45 C.F.R. § 164.103.
- 1.10 **“Secretary”** shall mean the Secretary of the Department of Health and Human Services or his or her designee.
- 1.11 **“Unsecured PHI”** shall have the same meaning as the term “unsecured protected health information” in 45 C.F.R. § 164.402.
- 1.12 **“Use” or “Uses”** shall mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination, or analysis of such information within BA’s internal operations.

2. Authorized Uses and Disclosures by Business Associate.

2.1 *General Use and Disclosure*

Except as otherwise limited in this Agreement, BA may Use or Disclose PHI on behalf of CE as necessary to provide services as set forth in the Services Agreement, if such Use or Disclosure of PHI would not violate the Privacy Rule if done by CE.

2.2 *Business Activities of Business Associate*

2.2.1 Unless otherwise limited herein, BA may Use PHI:

- (a) As necessary for the proper management and administration of BA or to carry out the legal responsibilities of BA;
- (b) To provide Data Aggregation services as permitted by 42 CFR § 164.504(e)(2)(i)(B);
- (c) To De-identify any and all PHI created, received, maintained, or transmitted by BA on behalf of CE provided that the De-identification conforms to the requirements of the HIPAA Rules. Such resulting De-identified information is not PHI and is not subject to the terms of this Agreement; and
- (d) As Required by Law.

2.2.2 Unless otherwise limited herein, BA may Disclose PHI for the proper management and administration of BA or to carry out the legal responsibilities of BA provided that:

- (a) The Disclosure as Required by Law; or
- (b) BA obtains reasonable assurances from the person to whom the PHI is Disclosed that it will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was Disclosed to the person, and the person notifies BA of any instances of which it is aware in which the confidentiality of the PHI has been breached.

3. Business Associate Obligations.

3.1 *Use of PHI*

BA shall not Use or further Disclose PHI other than as permitted or required by the Services Agreement, this Agreement, or as Required by Law. In Using, Disclosing, or requesting PHI from CE, BA agrees to limit PHI to the minimum necessary to accomplish the intended purpose of such Use, Disclosure, or request. “Minimum necessary” shall be interpreted in accordance with the HITECH Act and the HIPAA Rules, and implementing regulation or guidance on the definition.

3.2 *Appropriate Safeguards; Compliance with Security Rule*

BA shall use appropriate administrative, technical, and physical safeguards to prevent Use or Disclosure of PHI other than as provided for by this Agreement. BA shall comply with the Security Rule and shall

implement administrative, physical, and technical safeguards (including written policies and procedures) that will reasonably and appropriately protect the confidentiality, integrity, and availability of the EPHI it creates, receives, maintains, or transmits on behalf of CE.

3.3 *Disclosure to Subcontractors*

BA agrees to ensure that any subcontractor that creates, receives, maintains, or transmits PHI on behalf of BA agrees to comply with the applicable HIPAA Rules and the same restrictions and conditions that apply through this Agreement to BA with respect to such PHI by entering into a Business Associate Agreement with the subcontractor consistent with 45 C.F.R. 164.502(e).

3.4 *Delegation of Covered Entity's Duties*

To the extent BA is to carry out one or more of CE's obligations under the Privacy Rule, BA shall comply with the requirements of the Privacy Rule that apply to CE in the performance of such obligations.

3.5 *Disclosure Accounting*

BA agrees to document all Disclosures of PHI and information related to such Disclosures as would be required for CE to respond to a request by an Individual for an accounting of Disclosures in accordance with 45 C.F.R. § 164.528 ("Disclosure Information") and to retain such documentation for six (6) years from the date of Disclosure.

Within thirty (30) calendar days after receipt of a written notice from CE of a request by an Individual for an accounting of Disclosures of PHI, BA shall provide to CE the Disclosure Information to enable CE to meet the Disclosure accounting obligations under 45 C.F.R. § 164.528. In the event a request for an accounting regarding PHI is delivered directly to BA or its subcontractors, BA shall within ten (10) calendar days after receipt forward such request to CE. Within twenty (20) calendar days after forwarding the request to CE, BA shall provide its Disclosure Information to CE. It shall be CE's responsibility to prepare and deliver any accounting of disclosures to the Individual. BA will include, in any Disclosure Information, the information listed in 45 C.F.R. § 164.528(b).

3.6 *Access to PHI*

Within fifteen (15) calendar days following CE's request, BA shall make available to CE or, at the written direction of CE, to an Individual, for inspection and copying PHI about the Individual that is in a Designated Record Set maintained by the BA, so that CE may meet its access obligations under 45 C.F.R. § 164.524. If CE requests an electronic copy of PHI that is maintained by BA electronically in a Designated Record Set, BA will provide an electronic copy in the form and format specified by CE in accordance with 45 C.F.R. § 164.524(c)(2). Any denial of access to the PHI requested shall be the responsibility of the CE.

3.7 *Amendment of PHI*

Upon receipt of a request from CE, BA shall promptly amend or make available to CE for amendment, an Individual's PHI maintained by BA in a Designated Record Set to enable CE to meet its obligations under 45 C.F.R. § 164.526. Any denial of a request by an Individual for amendment of PHI maintained by BA pursuant to the Agreement shall be the responsibility of CE.

3.8 *Government Access to Books and Records*

BA shall make its internal practices, books, and records relating to the Use and Disclosure of PHI received from, or created or received by BA on behalf of CE, available to the Secretary for purposes of determining CE's compliance with the HIPAA Rules. Unless prohibited by law or court or order, BA shall provide to CE, (i) prompt written notice of BA's receipt of any such request from the Secretary, and (ii) a copy of any documentation, books, and records provided by BA to the Secretary pursuant to the Secretary's request.

3.9 *Reporting and Mitigation of Unauthorized Use and Disclosure of PHI or Breach of Unsecured PHI*

3.9.1 Reporting of Unauthorized Use and Disclosure of PHI. BA shall provide a written report to CE of any Uses or Disclosures of PHI not authorized by the Services Agreement or this Agreement of which it becomes aware not more than thirty (30) calendar days after the unauthorized Use or Disclosure is discovered.

3.9.2 Reporting of Breach of Unsecured PHI. BA shall notify CE within thirty (30) calendar days following the discovery of a suspected or actual Breach of Unsecured PHI. A suspected or actual Breach shall be treated as discovered by BA as of the first day on which the Breach is known, or, by exercising

reasonable diligence would have been known, to the BA. If a delay is requested by a law enforcement official in accordance with 45 C.F.R. § 164.412, BA may delay notifying CE for the applicable period of time.

3.9.3 Content of Notice. The notice of unauthorized Use or Disclosure, or of Breach of Unsecured PHI, shall include:

- (a) To the extent possible, the identification of each Individual whose Unsecured PHI has been, or is reasonably believed by BA to have been improperly accessed, acquired, Used or Disclosed;
- (b) Information related to the unauthorized person or persons who impermissibly Used the PHI or to whom the improper Disclosure was made, and whether the PHI was actually acquired or viewed;
- (c) The nature of the Breach or other non-permitted Use or Disclosure, including a brief description of what happened, the date of the non-permitted Use or Disclosure or Breach and the date of discovery;
- (d) A description of the types of Unsecured PHI that were involved in the non-permitted Use or Disclosure or Breach, including the nature of services, types of identifiers, and the likelihood of re-identification, including whether full name, social security number, credit card number, date of birth, home address, account number, diagnosis, medication, treatment plan, or other information were involved;
- (e) The corrective or investigative action BA took or will take to prevent further non-permitted Uses or Disclosures, to protect against future Breaches, and the extent to which the risk to the PHI has been mitigated;
- (f) Any details necessary for CE to conduct a risk assessment to determine the probability that the PHI believed to have been improperly accessed, acquired, Used or Disclosed has been compromised and the steps the affected Individuals should take to protect themselves; and
- (g) Such other information, including a written report, as CE may reasonably request.

3.9.4 Costs of Breach Notification and Mitigation. BA shall, at its own cost and expense, mitigate to the extent practicable, any harmful effects known to BA of any Use or Disclosure of PHI in violation of the requirements of this Agreement. To the extent that CE determines that the Breach notification requirements of the HIPAA Rules are triggered by a Breach of Unsecured PHI, as described in Section 4.3 below, BA shall reimburse CE for all reasonable and necessary costs related to such notifications.

3.9.5 Security Incidents. BA will report to CE any attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of Electronic Protected Health Information provided by CE or interference with BA's system operations in BA's information system of which BA becomes aware. The Parties acknowledge that probes and reconnaissance scans are commonplace in the industry and, as such, the Parties acknowledge and agree that, to the extent such probes and reconnaissance scans constitute Security Incidents, this Section 3.9.5 constitutes notice by BA to CE of the ongoing existence and occurrence of such Security Incidents for which no additional notice to CE shall be required, as long as such probes and reconnaissance scans do not result in unauthorized access, Use, or Disclosure of PHI. Probes and reconnaissance scans include, without limitation, pings and other broadcast attacks on BA's firewall, port scans, and unsuccessful log-on attempts that do not result in unauthorized access, Use or Disclosure of PHI.

3.9.6 State Law Requirements. In the event BA has an independent notification obligation related to impermissible Use or Disclosure of PHI in connection with this Agreement or the Services Agreement, BA shall promptly notify CE of such obligation and, at least five (5) business days before giving any such notice, BA shall notify CE of its intent to provide the required notifications, including any related information required by applicable state law.

- 3.10 *Retention of PHI*
BA shall retain all PHI throughout the term of this Agreement and shall continue to maintain such information not otherwise returned or destroyed pursuant to Section 5.4 of this Agreement for a period of six (6) years after the termination of this Agreement.
- 3.11 *Restrictions on Disclosures*
BA will comply with written notice from CE to provide for confidential communications of PHI, or to restrict the Use or Disclosure of PHI, pursuant to 45 C.F.R. § 164.522, including any request by an Individual to restrict the Disclosure of the Individual's PHI to a health plan if the Disclosure is (1) for the purpose of carrying out payment or health care operations, is not for purposes of carrying out treatment, and it not otherwise Required by Law, and (2) the PHI pertains solely to a health care item or service for which the Individual, or person other than the health plan on behalf of the Individual, has paid the CE in full.
- 3.12 *Prohibition on Sale of PHI*
Except as otherwise expressly permitted by the HIPAA Rules, BA shall not directly or indirectly receive remuneration, including financial or non-financial remuneration, in exchange for an Individual's PHI unless CE or BA obtains a valid authorization that meets the requirements of 45 C.F.R § 164.508 and states that the disclosure will result in remuneration to the BA.
- 3.13 *Standard Transactions.*
BA shall comply with the HIPAA Rules' Standards for Electronic Transactions when conducting any Standard Transactions on behalf of CE.

4. Covered Entity Obligations.

- 4.1 With regard to the Use and/or Disclosure of Protected Health Information by BA, CE agrees to:
- 4.1.1 *Notice of Privacy Practices*
Provide BA in a timely manner a written or electronic copy of the notice of privacy practices (the "Notice") that CE provides to Individuals in accordance with 45 C.F.R. § 164.520, including any limitation(s) in such Notices to the extent that such limitation may affect BA's Use or Disclosure of PHI.
- 4.1.2 *Restrictions*
Notify BA in writing of any restrictions to the Use or Disclosure of PHI that CE has agreed to in accordance with 45 C.F.R. § 164.522 to the extent that such restriction may affect BA's Use or Disclosure of PHI. CE will promptly notify BA in writing of the termination of any such restriction requirement and inform BA whether any of the PHI will remain subject to the terms of the restriction agreement.
- 4.1.3 *Authorizations*
Inform BA, in writing and in a timely manner, of any changes in, or revocation of an authorization provided to a CE by an Individual to Use or Disclose PHI to the extent that such changes may affect BA's Use or Disclosure of PHI.
- 4.1.4 *Confidential Communications*
Notify BA in writing and in a timely manner, of any confidential communications requests related to an Individual's PHI that CE has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such request may affect BA's Use or Disclosure of PHI. CE will promptly notify BA in writing of the termination of any such confidential communications requirement.
- 4.2 CE shall not request BA to Use or Disclose PHI in any manner that would not be permissible under the Privacy Rule if done by a CE.
- 4.3 *Determination of Breach and Notification Obligations*
CE will be solely responsible to determine whether a non-permitted Use or Disclosure constitutes a Breach and will be responsible to provide, to the extent and within the time required by the HIPAA Rules, notice to the affected Individuals, the media, and the Secretary of any Breach of Unsecured PHI. If CE determines

the non-permitted Use or Disclosure is a Breach that triggers the HIPAA Rules' breach notification requirements, then BA will reimburse CE for all reasonable and necessary costs related to the notifications of a Breach of Unsecured PHI created, received, maintained or transmitted by BA.

5. Term and Termination.

5.1 *Term and Effective Date*

This Agreement shall be effective on the effective date of the Services Agreement and shall continue in effect until all obligations of the Parties have been met, unless terminated as provided herein or by the mutual agreement of the Parties.

5.2 *Termination for Material Breach*

Upon CE's determination, in its sole discretion, that BA has violated a material term of this Agreement, CE will provide BA with written notice of the violation and either (i) an opportunity to cure the breach or end the violation within thirty (30) calendar days after BA's receipt of the notice or such other period determined reasonable and appropriate by CE, or (ii) terminate this Agreement if BA does not cure the breach or end the violation within such period, or (3) immediately terminate this Agreement if eliminating the violation or cure of the breach is not possible.

5.3 *Termination of Agreement*

This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of the Services Agreement.

5.4 *Effect of Termination*

5.4.1 Upon termination of this Agreement, BA shall return all PHI received from, or created or received by BA on behalf of CE that is then maintained in any form by BA or its subcontractors, or if expressly requested to do so by CE, BA shall destroy such PHI and provide CE documentation evidencing such destruction. BA shall retain no copies of such PHI except as follows. If BA determines that return or destruction of PHI is not feasible, BA shall provide notice to CE of the conditions that make return or destruction infeasible, and shall extend the protections of this Agreement to such PHI and limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as BA maintains such PHI.

5.4.2 In the event this Agreement is terminated for any reason, the Services Agreement will also terminate as of the effective date of termination of this Agreement.

5.5 *Survival*

The obligations of BA under this Section 5 shall survive the termination of this Agreement.

6. Miscellaneous.

6.1 ***Indemnification.*** Each Party shall indemnify, defend and hold harmless the other Party (including without limitation the other Party's employees, officers, directors, agents, successors and assigns) from and against any and all claims, causes of action, liabilities, damages, costs or expenses (including without limitation attorneys' fees, court costs, costs of administrative or other proceedings, and costs of investigation) arising out of or related to any breach of any of the terms and provisions of this Agreement by the indemnifying Party or any party acting by or through the indemnifying Party (including without limitation its employees, agents, representatives or Subcontractors). The obligations of the Parties under this Section 6.1 shall survive the termination of this Agreement.

6.2 *Compliance with Law*

BA and CE agree to comply with all federal, state, and local laws applicable to the privacy and security of health information, including but not limited to the HIPAA Rules and the HITECH Act. Upon the compliance date or other effective date of any law or final regulation or amendment to final regulation adopted by the Secretary that affects the obligations of either Party to this Agreement, this Agreement will automatically amend such that the obligations of each Party under this Agreement remain in compliance with such law or regulation. The Parties agree to take such action as is necessary to document any such

amendment to this Agreement as is necessary for compliance with the requirements of the HIPAA Rules and the HITECH Act, and any other applicable law or regulation.

6.3 *No Third Party Beneficiaries*

Nothing in this Agreement shall confer any rights, remedies, obligations, or liabilities upon any person or other third party other than the Parties to this Agreement.

6.4 *Disputes*

If any controversy, dispute, or claim arises between the Parties with respect to this Agreement, the Parties shall make good faith efforts to resolve such matters informally and in accordance with the dispute resolution process specified in the Services Agreement.

6.5 *Interpretation*

Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits CE and BA to comply with applicable HIPAA Rules and the HITECH Act. In the event of any inconsistency or conflict between this Agreement and any other agreement between the Parties, the terms and conditions of this Agreement shall have priority.

6.6 *Notice*

Any notice to be given hereunder shall be given in writing and in accordance with the applicable terms of the Services Agreement.

6.7 *Governing Law*

This Agreement shall be interpreted, enforced, and governed in accordance with the laws of the State of Washington, notwithstanding any conflict of law doctrine to the contrary.

6.8 *Amendments; Waiver*

This Agreement may not be modified or amended, nor shall any provision hereof be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events. A failure or delay in enforcing compliance with any term or condition of this Agreement does not constitute a waiver of such term or condition unless it is expressly waived in writing.

6.9 *Survival*

BA's obligations to protect the privacy and safeguard the security of PHI as set forth in this Agreement shall survive the termination of this Agreement.

6.10 *Severability*

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

6.11 *Counterparts; Electronic Copies*

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Electronic copies of this fully executed Agreement shall be deemed to be originals.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the effective date of the Services Agreement.

City of Ellensburg

First Choice Health Network, Inc.

Name: _____

Name: Jacqueline J Brainard

Signature: _____

Signature: _____

Title: _____

Title: Vice President, Operations & Compliance Officer

Date: _____

Date: _____

PHI Designation Form
Business Associates Agreement
First Choice Health / City of Ellensburg

Date Effective: January 1, 2023

Plan Sponsor is responsible for notifying FCH of any changes to this list of individuals with access to Protected Health Information (PHI). This would include timely notification of terminations of employment, change in responsibilities or vendor replacements.

Please identify below those individuals within Plan Sponsor and business associates with whom FCH is authorized

NAME	TITLE	PHONE	EMAIL
Cedar Gate Technologies (formerly Deerwalk)	FCH reporting platform	N/A	N/A
Benefit Recovery Group (BRG)	FCH subrogation platform	N/A	N/A
Alliant	Consultant	N/A	N/A
CVS Caremark	Pharmacy Benefit Manager	N/A	N/A
Health Equity	Consumer Accounts	866-382-3510	employerservices@healthequity.com
Trisha Weed	HR Specialist	509-962-7220	weedt@ci.ellensburg.wa.us
Lisa young	HR Director	509-962-7222	youngl@ci.ellensburg.wa.us
BMI Audit Services	Auditor	800-826-7041	N/A

From time to time, FCH may be required to notify the Plan's Privacy Officer of potential breaches or issues surrounding HIPAA Privacy & Security incidents. Please include the contact information of the Plan's Privacy Officer for notification of potential breach notification and/or changes in Privacy practices.

Name: Lisa Young
Email Contact: youngl@ci.ellensburg.wa.us
Phone Number: (509) 962-7222

City of Ellensburg

Name: _____

Signature: _____

Title: _____

Date: _____

First Choice Health Network, Inc.

Name: Jacqueline J Brainard

Signature: _____

Title: Vice President, Operations & Compliance Officer

Date: _____

APPENDIX A
Plan Fiduciary Responsibilities
First Choice Health / City of Ellensburg

This Appendix A describes certain Plan Fiduciary responsibilities and the Party designated as the named fiduciary in fulfilling those responsibilities. Capitalized terms in this Appendix A have the same meaning as in the Agreement.

Plan Fiduciary Responsibilities	Plan Sponsor	FCH	Comments
1. Perform primary oversight role for Plan.	X		
2. Claim Appeal Discretion & Decision-making (Standard and Urgent Care Appeals, Alternative Plans of Care)	☒ Medical ☒ COBRA ☒ Eligibility ☒ Pharmacy	☐ Medical ☐ COBRA ☐ Eligibility ☐ Pharmacy	<i>See also Appendix D for any applicable fees, if FCH is performing.</i>
3. Initiate salary reductions from employees' payroll for Plan contributions.	X		<i>Must be performed as soon as practicable and deposited within 90 days from date on which contributions are withheld or received.</i>
4. Hire all service providers that are required to support the Plan, including but not limited to PBM, brokers, actuaries, and ancillary providers.	X		<i>This includes searching, comparing, due diligence and evaluation of quality of services. It also includes verification of license(s) and maintaining appropriate contracts and Business Associates Agreements.</i>
5. Pay applicable fees (brokers, carriers, etc.) out of Plan assets.	X		<i>FCH can facilitate payments to these other vendors.</i>
6. Monitor the service provider(s).	X		<i>Includes reviewing performance; reading reports provided by service providers; checking fees charged; asking about policies and practices; maintaining Plan records; reviewing participant complaints.</i>
7. Perform 5500 Reporting.	X		<i>FCH will provide information to support reporting.</i>
8. Perform IRS Reporting responsibilities.	X		
9. Perform eligibility discretion for employees and their dependents.	X		<i>FCH does not perform eligibility functions.</i>
10. Establish or maintain reasonable Claim procedures that allow Plan Participants to apply for or receive the Plan's benefits.	X		<i>Questions concerning Plan benefits, coverage and eligibility including casual inquiries are not considered Claims for benefits.</i>
11. Supplying and approving Plan language including other Plan documentation, such as SPDs, amendments, applicable notice(s) and Summary of Material Modification (SMM).	X		<i>FCH facilitates drafting documents. Eligibility language and wraparound documentation for Cafeteria Plans needs to be provided for inclusion. Notwithstanding any assistance FCH may provide, Plan Sponsor has sole responsibility for the Plan language. Plan Sponsor should seek legal counsel to ensure compliance with various State and Federal laws and regulations.</i>
12. Claim Handling (Urgent Care, Pre-Service & Post-Service)		X	
13. Legal fees and costs associated with upholding the Claim appeal decision.	X		<i>Plan shall reimburse FCH for costs associated with defending appealed Claim decisions, including reasonable attorneys' fees..</i>
14. Subrogation Recovery Decisions.	X		<i>Benefit Recovery Group (BRG) will identify/coordinate subrogation recovery on behalf of the Plan. The Plan is responsible for final subrogation settlement or recovery decisions.</i>
15. Claim Settlement(s) including subrogation recovery	X		<i>Plan shall pay costs associated with any settlements that are attributable to Plan benefit liability including without limitation associated damages or losses.</i>

IN WITNESS WHEREOF, the Parties have duly executed this Appendix A affirming their agreement as to its designation of fiduciary responsibilities and related provisions as of the effective date of the Administrative Services Agreement.

Effective Date: January 1, 2023

City of Ellensburg

First Choice Health Network, Inc.

Name: _____

Name: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX B
Administrative Services Scope
First Choice Health / City of Ellensburg

Appendix B provides a descriptive scope of those services mentioned or referenced in the Administrative Services Agreement and/or other Appendices. Capitalized terms in this Appendix B have the same meaning as in the Agreement.

Claim Processing & Customer Support	FCH	Plan Sponsor	Comments
1. Perform core Claim adjudication against Plan provisions.	X		
2. Provide Plan provisions and special Claim processing requirements..		X	
3. Implement Plan Sponsor Plan provisions.	X		a) Requests for system changes to the benefit set-up or provider reimbursement arrangements made by the Plan Sponsor after the Plan effective date requires signed, written notification from the Plan Administrator. b) Additional fees for programming, analysis and/or system testing may be incurred. Fees will be based on time and materials, plus 15%. FCH will provide a "Statement of Work (SOW)" to Plan Sponsor and must receive written approval before incurring additional expenses. c) FCH will implement changes that can be made as soon as possible, but not later than 30 days after receipt of such notification. If the requested changes cannot be implemented and/or present extreme administrative complexities, FCH will present pricing impact to Plan Sponsor for consideration.
4. Process Claim payment adjustments and pursue recovery of overpayments.	X		
5. Identify, track, and pursue Coordination of Benefits (COB) recoveries on behalf of the Plan.	X		Plan Sponsor agrees to provide accurate and timely Coordination of Benefits (COB) details, of which it becomes aware.
6. Identify, track, and pursue Subrogation recoveries on behalf of the Plan.		X	Plan Sponsor agrees to provide accurate and timely Subrogation details; of which it becomes aware. Benefit Recovery Group performs subrogation services on behalf of the client.
7. Check runs shall occur on a <u>weekly</u> basis.	X		FCH will draw funds from Plan Sponsor's bank account based on the weekly funding amount for deposit into the Claims Funding Account.
8. Provide an Explanation of Benefits (EOB) to the Plan participants.	X		
9. Claims Run-Out (Run-In from prior TPA)		X	Plan Sponsor will acquire run-out Claim payment details from prior TPA/Carrier.
10. Run-Out Claim Services	X		FCH will administer all Claims incurred prior to termination of this Agreement for an agreed-upon month period. See Appendix D.
11. Maintain a web-based tool for participant access.	X		FCH provides/maintains the myFirstChoice member portal via www.myfirstchoice.fchn.com .
12. Provider customer support via designated toll-free number.	X		FCH to provide designated toll-free number, providing customer-supported contact decision tree during core business hours (8:00 am to 5:00 PM Pacific).

APPENDIX B
Administrative Services Scope
First Choice Health / City of Ellensburg

3. Perform bank reconciliation.	X		
4. Reimburse FCH for bank fees.		X	
HIPAA Privacy 45 CFR Subpart E §164	FCH	Plan Sponsor	Comments
1. Distribute the Privacy Practice Notice to Plan Participants.		X	
2. Identify those acting as a Plan Administrator and Business Associates to receive "Protected Health Information" (PHI).		X	
Pharmacy Benefit Management Coordination	FCH	Plan Sponsor	Comments
1. Designate pharmacy benefit manager (PBM) including formulary management and preauthorization. <i>Vendor Selected: CVS Caremark</i>		X	Plan Sponsor has contracted directly with Pharmacy Benefit Management (PBM) for services.
2. Selection of pharmacy pricing models.		X	
3. Standard pharmacy reporting is included in the cost of services.	X		Standard healthcare analytical reports including pharmacy will be provided to Plan Sponsor as long as Plan Sponsor-designated PBM provides the Claim data files required to FCH.
4. Report customization.		X	Customization may result in an additional charge(s) to be mutually-agreed upon by the Plan Sponsor in writing before the additional services are provided.
5. Pharmacy benefit ID.	X		PBM logos and details are included on Medical ID cards.
6. Pharmacy Claims payment(s).		X	PBM will perform Claim processing.
7. Pharmacy stop-loss reporting.	X		Pharmacy Claims are included in the stop-loss reporting. Subrogated pharmacy Claims are not included.
8. Electronically transmit the Plan's enrollment to the PBM.	X		FCH is responsible for transmitting enrollment data. Plan Sponsor is responsible for ensuring that PBM meets the appropriate deadlines.
9. Pharmacy appeals.		X	
10. Pharmacy Claim funding.		X	Plan Sponsor is responsible for funding payment of all Plan pharmacy Claims and administrative fees. FCH will request payment of the pharmacy Claims and fees bi-weekly on a pass-through basis from Plan Sponsor, if required by PBM.
Plan Benefits & Materials	FCH	Plan Sponsor	Comments
1. Provide, review and approve Plan Documents including detailed benefit summaries for all Benefit Plans contracted for administration.		X	FCH agrees to provide one (1) electronic copy of the Plan Document reviewed and approved by the Plan Sponsor. The latest Plan Document will be deemed in effect for use in Plan administration and reference thereof ninety days (90) after the effective date of the Plan, or as of the date of execution of the Plan Sponsor Acceptance page, whichever is sooner.
2. Distribute Plan Documents and other Plan Participant notices.		X	Plan Sponsor will prepare and distribute required notices to Plan Participants in accordance with applicable federal or state law, including but not limited to, HIPAA required

			notice of privacy practices, Summary Plan Description and Summary of Benefits and Coverage (SBCs). Other notices provided by FCH will be detailed in this Agreement.
3. Perform legal review of all applicable employee and Participant communication materials.		X	
4. Provide a Summary of Material Modification (SMM) for any and all amendments, revisions or changes to the Benefit Plan.		X	Plan Sponsor shall notify FCH of any amendments, revisions or changes to the Plan at least thirty (30) working days prior to the effective date of such amendments. If a thirty (30) working days' notice is not practicable, the Plan Sponsor will work cooperatively with FCH to implement Plan changes in a timely manner.
Provider Network Management	FCH	Plan Sponsor	Comments
1. Access to network(s) include the FCH PPO and a nationally-recognized wrap network designated in Appendix D.		X	Plan Sponsor agrees the Plan allowed amount will be determined in accordance with FCH or wrap fee schedules for FCH and wrap network PPO providers. Plan Sponsor will accept FCH PPO and wrap networks in their entirety.
2. Provide URL access to Plan Sponsor to Provider on-line directories to Participants during the initial enrollment on an as requested basis.		X	Plan Sponsor may utilize the on-line Provider directory to download and/or print directories. Hard Copy directories may be provided for an additional charge.
3. Provider contracts and fee schedules are utilized for FCH PPO Network Providers and Wrap PPO Network providers. Client will establish the Usual, Customary and Reasonable (UCR) Percentile and a Medicare Multiple for codes that do not have a UCR value for non-contracted providers.	X		Provider Claims will be adjudicated by FCH in accordance with FCH PPO Network or Wrap PPO fee schedules for contracted Providers. Contracted or In-Network Providers include the FCH PPO Network (Providers in the states of include but are not limited to Washington, Oregon, Alaska, Idaho, Montana, Wyoming, North Dakota and South Dakota) and the Wrap Network described in Appendix D for all other states.
4. Provide Remittance Advice(s)	X		FCH will provide hardcopy or electronic provider remittance advice(s) including ACH on behalf of the Plan.
Stop-loss Reporting	FCH	Plan Sponsor	Comments
1. Maintain stop-loss insurance and is responsible for all premium payments.		X	FCH may be contracted to support consolidated billing for stop-loss premiums.
2. Send required specific and aggregate Claims reporting to the stop-loss carrier using the agreed upon notification and timeframe(s) agreed to by the stop-loss carrier.	X		
Miscellaneous & Other Services	FCH	Plan Sponsor	Comments
1. Provide a dedicated Account Manager to support renewal activity and other on-going service-related needs.	X		FCH will support and facilitate open enrollment meetings as requested by Plan Sponsor.

Effective Date: January, 1 2023

City of Ellensburg

First Choice Health Network, Inc.

Name: _____

Name: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX C
Medical Management Services Scope
First Choice Health / City of Ellensburg

Note: Appendix C provides a descriptive scope of those services mentioned or referenced in the Administrative Services Agreement and/or other Appendices. Capitalized terms in this Appendix C have the same meaning as in the Agreement.

Medical Management - Utilization Management	FCH	CIN	Plan Sponsor	Comments
1. Provide utilization review and/or utilization management (UM) requirements, including pre-certification lists.			X	Client finalizes and approves the Plan documentation and final precertification lists for inpatient, outpatient and behavioral health, which is included in the Plan's SPD.
2. Pre-certify inpatient and outpatient medical and behavioral health admissions in accordance with Plan Document language.	X			
3. Inpatient concurrent review.	X			
4. Collegial Provider calls (Peer to Peer calls)	X			FCH Medical Director will make calls to attending physicians to gather information to review and possibly resolve any issues when appropriate.
5. Support stop-loss notifications.	X			Identify clinical cases for notifying Plan Sponsor, such as ICU inpatient cases, NICU babies, transplant, and other high dollar cases.
6. Provider reconsiderations	X			FCH may reconsider Provider requisitions for clinical non-certifications, as may be requested.
7. Retrospective claim review.	X			FCH will review medical claims for medical necessity, coding, and reimbursement.
8. Clinical Reporting.	X			FCH will provide UM activity details to Plan Sponsor.
Medical Management – Case Management	FCH	CIN	Plan Sponsor	Comments
1. Provide Case Management (CM) requirements.			X	Client warrants that Plan Documentation is sufficient to authorize the performance of CM service. Client finalizes/approves the precertification lists for inpatient, outpatient, and behavioral health.
2. Conduct outreach to Members in Coordination with FCH.			X	Interviews include Members who are patients, family members and healthcare professionals.
3. Case manage appropriately selected members.	X			Note: A case manager does not perform direct clinical or nursing care. The Case Manager does not serve in the role of a healthcare practitioner.
4. Perform Case Management activities.	X			Case Management services include assessment, planning, implementation, coordination, monitoring and evaluation.
5. Professional Communication & Coordination of Benefits.	X			Communicate with Providers and other medical coverage provider(s).
6. Negotiate Letters of Agreement (LOA).	X			If possible, for out-of-network Providers, attempt to negotiate letters of agreement to optimize savings.
7. Complete month-end clinical updates and generate monthly invoices.	X			Applicable Case Management rates are to be paid by Plan Sponsor in accordance with Appendix D.

APPENDIX C
Medical Management Services Scope
First Choice Health / Client Name

Behavioral Health Coordinated Care	FCH	Plan Sponsor	Comments
1. Behavioral Health Coordination for Utilization and Case Management Services.	X		Provide management of inpatient and outpatient mental health and chemical dependency services, including a) Precertification (UM); b) Discharge coordination (CM); and c) Provider referrals (CM).
Appeals	FCH	Plan Sponsor	Comments
1. Plan Fiduciary has authority to make final decisions on appeals.		X	
2. Administer benefit appeals (non-clinical), including those subject to the No Surprises Act (NSA).	X		Appeals are processed in accordance with the Plan document provisions.
3. Administer the Independent Dispute Resolution under the NSA.	X		
4. Administer clinical appeals.	X		Clinical appeals are processed in accordance with the Plan's Summary Plan Description (SPD).
5. Administer appeals surrounding eligibility decisions.		X	Eligibility appeals are not required.
Case Management Programs	FCH	Plan Sponsor	Comments
1. FCH to provide the following CM programs: - Chronic kidney disease - Transplants - Clinical trials - CarePath - Emergency Department (ED) Utilization - Maternity management - Complex care management			

Effective Date: January 1, 2023

City of Ellensburg

First Choice Health Network, Inc.

Name: _____

Name: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX D
Fee Schedule/Performance Guarantees
First Choice Health / City of Ellensburg

1. For services provided by FCH pursuant to this Agreement, the Plan Sponsor will pay FCH the fees set forth in this Appendix D. Capitalized terms in this Appendix D have the same meaning as in the Agreement.

TPA & Network Services (Appendix B)	January 1, 2023 – December 31, 2023
General Administration of Medical/Vision Plan: TPA services include customer service support, claim benefit administration, stop-loss reporting and claim processing.	\$36.26 per employee per month (PEPM) (Subject to Performance Guarantees below)
FCHN PPO Access Fee	Included
National Wrap Network (First Health)	20% of savings
Out-of-Network Claim Negotiation Services	20% of savings
In-Network Single Case Negotiation Services, including large case non-standard CAP Arrangements and Single Case Agreements (SCAs or LOAs), if permitted under the Provider agreements	20% of savings
Subrogation Recovery Services	20% of savings
COBRA Administration	\$1.95 PEPM
Plan Fiduciary Service for Claim Handling (Urgent, Pre-Service and Post-Service) (See Appendix J)	Not Selected
Dental Plan Administration	Not Selected
Vision Administration	Included in Admin Fee
Consumer-Directed Program Offerings (HealthEquity)	
✓ Health Savings Account (HSA)	Not Selected
✓ Flexible Spending Account (FSA)	\$3.95 PPPM
✓ Limited Flexible Spending Account (LFSA)	Not Selected
✓ Dependent Care Assistance Program (DCAP)	\$3.95 PPPM
✓ Health Reimbursement Arrangement (HRA)	Not Selected
Employee Assistance Program (EAP)	January 1, 2023 – December 31, 2023
Employee Assistance Program (EAP)	Not Selected
Physician Assistance Program (PAP)	Not Selected
Telehealth	January 1, 2023 – December 31, 2023
98point6	Not Selected
Patient Navigation (Powered by Rightway Health)	Not Selected
Medical Management	January 1, 2023 – December 31, 2023
Inpatient & Outpatient Utilization Management	Included
Disease Management - 8 Conditions (Preferred Vendor)	Not Selected
Case Management	\$300 per hour physician; \$195 per hour RN
Independent Review Organization (IRO)	Pass Through
24/7 Nurse Line (Preferred Vendor)	Not Selected
Maternity Program (Preferred Vendor)	Not Selected
Web Portal: On-line Health Assessment (Preferred Vendor)	Not Selected

Additional Services	January 1, 2023 – December 31, 2023
PPO Directories – FCH PPO Network	On-line access included Paper: Cost plus 20%
Identification (ID) Cards include pharmacy details	Initial enrollment included. If required to issue a subsequent full replacement of ID cards: at cost.
Check Issuance (MICR-Encoded)	Cost
Administrative Services Agreement (Contract)	Included
Government Assessed Fees	Pass Through
Independent Dispute Resolution (IDR)	Pass Through
Ongoing Packet Collating/Copying	Cost + 15%
Postage & Delivery Costs	Cost + 15%
Online Access - eligibility available	Included
Online Access - claims status available	Included
Online Access - enrollment /changes	Included
Interactive Voice Response System (IVR)	Included
State and Federal Taxes and Fees (including, but not limited to NY and MA Surcharge Reporting, Vaccine Assessments)	Administrative Support Included Tax and Fees - Pass Through
Open Enrollment - Representative	Included
Dedicated Call Flow (DID & Toll-free Number)	Included
Development of detailed eligibility and claim file exchange to support data warehousing • Eligibility • Institutional Claim File (Medical) • Professional Claim File (Medical) • Pharmacy Claim File (for clients using FCH MedImpact contract)	\$2,000 per file
Maintenance of detailed eligibility and claim file exchange	\$0.05 PEPM (annual minimum of \$1,000)
Custom development of data exchange with vendor partner • Any associated vendor set-up fees will be the responsibility of the plan sponsor	\$150 per hour
Standard Healthcare Reporting Package	Included
Custom Reports: TPA and Medical Management	\$150 per hour development and testing
Custom HPS Reports	\$200 per hour development \$200 per hour (with a one hour minimum) per report to run and distribute reports
New Plan Implementation Fee	Fee based on development and testing per plan. Cost provided via work order.
3rd-Party Stop-Loss Vendor Interface	Included
Language Translation Services required under the ACA (written)	Cost
Language Translation Services required under the ACA (oral)	Included
Other (please specify):	
Additional Charges for non-Preferred Arrangements	See Appendix

- FCH will submit an administrative invoice to the Client ten (10) days prior to the first of the month in which payment is due. The monthly administrative fee is due and payable no later than the tenth day of each month following the effective date of the Agreement. Payments not received by the last day of each month during the term of this Agreement will be subject to a fee of 12% per annum.

3. All services not specifically referenced in this Agreement as the responsibility of FCH will be provided at FCH's discretion, at the expense of the Plan Sponsor. FCH will not incur any expense or obligation without prior written approval of Plan Sponsor.
4. Plan Sponsor will reimburse FCH for programming or reports required due to changes in the Plan, as mutually-agreed upon prior to FCH incurring expense.
5. In the event of termination of this Agreement, FCH will perform administrative services on Claims incurred prior to, but paid after, the date of termination (runout services) for a twelve (12) month period. Fees for administration of runout services will be equal to three (3) full months of administration fees, based on an average of the number of Participants during the last calendar year. In addition, the Plan Sponsor will be liable to FCH for fees, which are due and unpaid as of the date of termination.
6. FCH reserves the right to re-evaluate administrative fees if the membership varies by more than 10% from initial or renewal proposal.
7. FCH will produce an electronic copy of each restated Summary Plan Document at no additional charge. The language shall be reviewed and approved by the Plan Sponsor. FCH does not provide a legal opinion or advice that the Plan provisions are in compliance with state and federal laws and regulations.
8. FCH will provide the Plan Sponsor with all proposed renewal fees at least ninety (90) days in advance of the first day of each subsequent Term.
9. FCH agrees to guarantee certain performance for each Plan Year. FCH agrees to place a total of \$3.00 per employee per month (pepm) of the medical Administrative Service Fee described above at risk. The six (6) performance measurements, and the associated financial penalty, are as set forth below:

Measurement	Proposed Guarantee	Annual Maximum Penalty PEPM
Claim Administration		
• Processing accuracy	95%	\$0.60
• Financial Accuracy	98%	\$0.60
• Turnaround Times (Timeliness)	90% of claims in 15 business days	\$0.60
Telephone Response Time		
• Abandonment rate	≤5%	\$0.60
Administrative		
• Eligibility	Accept annual open enrollment eligibility details loaded into the system within three (3) business days of receipt of EDI files.	\$0.30
• ID card delivery	ID cards initiated for open enrollment within two (2) business days of acceptance of enrollment above.	\$0.30
Maximum Fees Placed At Risk		\$3.00 pepm

- a. The Plan's year-to-date performance standards are estimated monthly and posted to the Plan Sponsor's client portal by the 20th of the month following the end of the month.
- b. Financial penalties are based on actual results for all of FCH's clients for twelve (12) months coinciding with the Plan year and paid annually within 90 days of the end of the Plan year, if applicable.
- c. Performance standards are based on FCH's entire book of business and are not client specific.
- d. Performance guarantees are not applicable to initial enrollment provided in a format that requires manual entry of member information, such as a spreadsheet.

Effective Date: January 1, 2023

City of Ellensburg

On Behalf of City of Ellensburg's Medical Plan

Signature: _____

Printed Name: _____

Title: _____

Date: _____

APPENDIX E
Custom Networks
First Choice Health / City of Ellensburg

First Choice Health will administer custom networks, including clinically-integrated networks, domestic pricing and statistical claim processing as defined and agreed upon below.

I. Custom Network and Domestic Pricing

The following facilities, clinics and professional providers will be programmed to adjudicate according to the benefit tier levels as defined within the Summary Plan Description and the allowable amount will be based on the domestic pricing as indicated or provided separately under contract.

Choice Health and Wrap Network				
First Choice Health Network	Various	Professional & Facility	1/1/2022	
Nationally-recognized Wrap Network	Various	Professional & Facility	1/1/2022	
Out-of-Network Providers				

II. Domestic Pricing-Does not apply to City of Ellensburg

III. Statistical Claim Processing-Does not apply to City of Ellensburg

IV. Wrap Networks (as noted above)

As a condition of obtaining access to the wrap network(s) noted in Section I. above, client agrees to the following provisions:

First Choice Health Network, Inc. has access to its preferred provider network, which may be referred to as “FCHN”. In addition, First Choice Health Network, Inc. has entered into a contract with First Health Group Corp., which may be referred to as “First Health”, was effective January 1, 2022, which provides for access to its provider networks. Collectively, FCHN and First Health may be referred to as “Wrap Networks”. As a condition of utilizing the Wrap Networks, following are the requirements for participation.

4.1 Client through its open enrollment materials, should ensure that members are aware that access to participating providers may change from time to time, without notice, and the Member is obligated to confirm participation in the network in advance of services obtained.

The Wrap Networks may exercise their right to terminate by providing not less than thirty (30) days written notice of termination of the services.

4.1.1 Record Maintenance and Retention. Client shall: (a) maintain information and records relating to services provided under this Agreement in a current, detailed, organized and comprehensive manner and in accordance with industry standards, all applicable federal and state laws, and accreditation standards; (b) ensure that all Member records and Confidential Information shall be treated as confidential and in accordance with applicable state and federal laws and regulations; and (c) shall maintain such information and records for the longer of seven (7) years after the last date

Participating Provider services were provided to a Member, or the period required by applicable law. This section shall survive the termination of this Agreement, regardless of the cause of the termination.

4.1.2 Coordination of Benefits. Where the Plan is primary, pursuant to applicable coordination of benefits law, First Choice Health shall be required to adjudicate the claim amounts due applying the participating contract rate to Covered Services, net of copayment, coinsurance and deductible amounts specified in the applicable Plan. For amounts owed to Participating Provider from other sources, the amount reimbursed shall be equal to one hundred percent of the contracted rate required to reimburse Participating Providers, which exceed the portion of Covered Services, applicable to copayment, coinsurance and deductible amounts specified in the applicable Plan, unless the primary source is a “payer of last resort”.

4.1.3 Out-of-Network Referral. Where it is required by state or federal law, and in the event that the Plan or a Participating Provider, as the case may be, (in accordance with Plan documentation) determines that it is medically necessary to refer a Member to a non-Participating Provider, the Plan shall ensure that the Member incurs no greater out of pocket liability than had the Member received services through a Participating Provider. Notwithstanding the foregoing, it is acknowledged that a Member who willfully and voluntarily chooses to access a non-Participating Provider for health care services available through the panel of Participating Providers may be subject to financial penalties as established by the Plan.

4.1.4 General Representations. Client represents that: (a) it is, and will remain throughout the term of this Agreement, a corporation duly incorporated, validly existing and in good standing in its state of incorporation, and duly authorized to conduct business and in good standing in each jurisdiction where such authorization is required to conduct its business or perform the services required under this Agreement; Client shall comply with (a) all applicable federal, state and local laws, regulations and rules related to this Agreement, including, but not limited to HIPAA and other privacy laws, and any and all licensing and filing requirements pertaining to its Plans; (b) claims administration, utilization management and any other administrative services under this Agreement; (c) this Appendix has been executed by its duly authorized representatives; and (d) executing this Agreement and performing its obligations hereunder shall not cause Plan to violate any term or covenant of any other agreement or arrangement now existing or hereinafter executed.

4.1.5 Confidential Information. For the purposes of this Agreement, the term “Confidential Information” shall mean any and all information, oral or written furnished by either Party to the other whether prepared by either Party, its advisors or otherwise, relating to such Party or the administration of this Agreement or the Program, or relating to the discussion of adding products and services to the Parties’ business relationship, including but not limited to the development of a pricing structure, non-public utilization management policies and procedures, and all financial information, rate schedules, and financial terms. With respect to Company, “Confidential Information” shall include Provider Agreements, Contract Rates, benefit plan data, repricing of claims and other pricing information, and membership data. Confidential Information does not include information: (a) publicly available by means other than wrongful disclosure or lawfully obtained from third parties without any confidentiality obligations; (b) already properly within the rightful possession of the other party (as demonstrated by written records) prior to the Effective Date; (c) independently developed by the other party; or (d) provided to the other party with the intention that it be published, disseminated, released or distributed by such other Party. It is understood by the Parties, that the transparency requirements under the No Surprises Act of the Consolidated Appropriations Act and the Transparency in Coverage Rules, require “publicly posting” of machine-readable files beginning July 1, 2022 for non-grandfathered groups that are new and renewing on or after January 1, 2022, that will include provider discounts on a public website, as a requirement for Entity’s customers.

4.1.6 Continuity of Care. Unless otherwise required by applicable law, The Plan will immediately cease reimbursing Participating Providers at the Contract Rates for claims for services incurred after the

termination effective date except for those Members admitted to or receiving inpatient services from a Participating Provider prior to the termination effective date. For such Members, The Plan may reimburse Participating Providers at the Contract Rates for the duration of the inpatient stay. It is understood that the No Surprises Act under the Consolidated Appropriations Act of 2021 require that for certain members with complex care conditions, including maternity, require that participating providers that terminate the network, may need to honor the rates that were in place as of the last day they were contracted, for up to ninety (90) days after notification of the termination.

Client approves Appendix E above for administration of its medical plan benefits.

Effective date of changes noted above: January 1, 2023

City of Ellensburg

On Behalf of City of Ellensburg’s Medical Plan

Signature: _____

Printed Name: _____

Title: _____

Date: _____

APPENDIX F
COBRA Administration
First Choice Health / City of Ellensburg

Note: Appendix F provides a descriptive scope of the COBRA services mentioned or referenced in the Administrative Services Agreement Recitals and Appendix D Fee Schedule. Capitalized terms in this Appendix F have the same meaning as in the Agreement.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) is the governing law and coordinates with other applicable federal laws and regulations including the Accountable Care Act (ACA). Pursuant to the Agreement, Plan Sponsor delegates to FCH only those responsibilities with respect to the COBRA administration, as specifically outlined in the Agreement and Appendix A. Plan Sponsor retains sole authority and responsibility for the Plan and its operation, including but not limited to the authority and responsibility for administering, construing and interpreting the provisions of the Plan Document, making all determinations as to a Participant's entitlement for COBRA benefits under the Plan. Plan Sponsor is considered the Plan Administrator and named fiduciary of the Plan for purposes of COBRA.

Coverage to be administered by FCH	Plan Sponsor	FCH	Comments
A. Medical Coverage Service Selected: ☒ Yes ☐ No Vendor: First Choice Health			
B. Dental Coverage Service Selected: ☐ Yes ☒ No Vendor:			
C. Vision Coverage Service Selected: ☐ Yes ☒ No Vendor:			
D. Consumer-Directed Coverage Service Selected: ☐ Yes ☒ No Vendor:			
E. Other Coverage Service Selected: ☐ Yes ☐ No Vendor:			
F. Other Coverage Service Selected: ☐ Yes ☐ No Vendor:			
Plan Sponsor Responsibilities	Plan Sponsor	FCH	Comments
1. Fiduciary Responsibilities (COBRA)	X		
2. Plan Documentation	X		Provide all Plan Documents, amendments, revisions, or Plan changes no later than 30 day prior to the effective date. Ensure that COBRA rates are provided more than 30 days in advance of open enrollment.
3. Enrollment Details. Provide accurate and complete enrollment data within 30 days of enrollment in the Plan for all Plan Participants.	X		Provide enrollment data details including, but not limited to, effective and termination dates, Participant names, dates of birth, unique employee identification numbers, addresses, social security numbers (SSNs) and other applicable coverage information. Appropriate termination reasons are

			also required for dropping or terminating coverage. If Plan Participant is terminated for gross misconduct, Plan Sponsor will timely notify FCH and not allow Plan Participant rights normally extended under COBRA.
4. Delegate ministerial duties. (Non-Fiduciary)	X		Delegate certain non-fiduciary, ministerial duties of such administration to FCH.
5. COBRA Qualifying Event Notification (Notify FCH timely of qualifying events).	X		Qualifying events occur as follows: 1) Within 30 days of a Plan Participant's death, termination from employment, reduction of employment hours, or entitlement to Medicare. 2) When Plan Sponsor is notified by a Plan Participant (i) of a divorce or legal separation or (ii) that a child is no longer eligible as a covered dependent under the Plan. <i>Notice must be given by the Plan to the Participant no later than 60 days after the last day of the month in which the event happens.</i> 3) Within 30 days of the Plan Sponsor's filing for a Chapter 11 bankruptcy.
6. COBRA Covered Terminations	X		Timely notice to FCH when a COBRA Participant terminates coverage prior to the expiration of the continuation of coverage period allowed by the Plan and applicable COBRA provisions.
7. Qualified Beneficiary (2nd Qualifying Event)	X		Timely notice to FCH of any qualified beneficiary's election to continue coverage, upon the occurrence of a second qualifying event, if Plan Sponsor receives notification directly.
8. Social Security Disability Determination	X		Forward copies of any Social Security Disability Determination letters received from COBRA Plan Participants within ten (10) working days of receipt.
9. COBRA Election Forms	X		Plan Sponsor will note the date received and forward COBRA Election Forms received to FCH for processing within three (3) working days of receipt.
10. Failure of Timely Notification.	X		Plan is responsible for compliance with federal laws and regulations, which include administrative guidance. Late notification of a termination requires that the Plan extend coverage until the individual is notified and has been given a reasonable amount of time to elect COBRA coverage.
11. COBRA Rates by coverage/tiers.	X		Plan Sponsor shall notify FCH in writing of any changes in COBRA coverage rates at least thirty (30) working days prior to the effective date of such change. In addition, Plan Sponsor determines if additional 2% for COBRA Administration should be charged and notifies FCH regarding same.
12. COBRA Payment Received by Plan.	X		If COBRA payments are received by the Plan Sponsor, the Plan Sponsor will record the amount of the payment, the name of the COBRA Plan Participant for whom the payment is to apply, the date the payment was received, and the time period for which the payment applies. Plan Sponsor will then immediately forward the COBRA Plan Participant information to FCH.
First Choice Health Responsibilities	Plan Sponsor	FCH	Comments
1. COBRA Administration		X	Administer COBRA to qualified beneficiaries based on eligibility details supplied by the Plan Sponsor in

			accordance with the SPD. This includes, but is not limited to, sending the following appropriate notice(s) to COBRA-eligible participants and beneficiaries as appropriate: a) Initial Notice b) Election Notice c) Open Enrollment Offering d) Exhaust Notice e) Invoice f) COBRA termination letter (other than exhaust notice)
2. Accept Positive Enrollment from Plan Sponsor		X	In general, eligibility is performed by the Plan Sponsor in accordance with the Plan(s) eligibility-related provisions. Positive enrollment data sent via EDI or entered by Plan Sponsor through the FCH client portal is maintained by FCH and becomes the "source of truth" forming the basis for COBRA administration.
3. COBRA Initial Notice		X	Send initial notice to all new Participants and their Spouse/Domestic Partners, identifying the COBRA Administrator as FCH and other COBRA rights.
4. COBRA Election Notice/Coverage Rates		X	Send election notice including rates to all qualified beneficiaries who notify Plan Sponsor of a qualifying event.
5. Administer COBRA		X	Process COBRA in accordance with federal laws and Plan documentation, including processing Social Security Disability Determinations.
6. COBRA Ineligibility Notice		X	Plan Sponsor will determine if there was gross misconduct and notify FCH to send notice. This notice must be provided timely to ensure that the COBRA Election Notice is not sent upon termination automatically.
7. Send Open Enrollment Packets		X	Plan Sponsor provides the fulfillment materials and rates in writing so that FCH can provide notice within 30 days of the change. Otherwise, the rates will be extended for an additional month. FCH's responsibility shall be limited to mailing to COBRA, Plan Participants copies of all Plan amendments or changes and copies of any summary of material modification or other notices provided to FCH by Plan Sponsor. Notify COBRA Plan Participants of any open enrollment to be held for Plan Participants under Plan Sponsor's Plan. Such notice will be provided by first class mail and will be sent within five (5) Working Days after FCH's receipt of such notice from Plan Sponsor.
8. Collect COBRA Payments		X	Collect COBRA payments on behalf of Plan. In the event FCH receives a payment past the date upon which it was due (including any grace period provided by law or by the Plan) FCH will return the payment to the sender with a notice that it cannot be accepted because it was received after the date due. FCH will return the payment, with such notice, within ten (10) Working Days after receipt of the payment.
9. Termination Notices to Plan Sponsor		X	Report to Plan Sponsor in writing of any COBRA Plan Participant who defaults on payment, or other default, including the date of default and the date COBRA coverage should terminate as a result of the default. Notify Plan Sponsor of the date COBRA coverage will expire, in the absence of default, for each Plan Participant. Such notice will be provided to Plan Sponsor on the monthly administrative invoice.

10. Termination Notice to Plan Participants		X	Notify each affected COBRA Plan Participant, in writing, of any default in payment or other default causing loss of coverage, including the date of default and the date COBRA coverage terminates. Such notice will be sent by first class mail within ten (10) Working Days following default or receipt of default information from Plan Sponsor.
11. Maintain COBRA Enrollment/Payment		X	Maintain COBRA enrollment, coverage and payment records for each Plan Participant under Plan Sponsor's Plan.
12. Process/Approve COBRA Enrollment		X	Administer COBRA enrollment for Plan Participants under the Plan, including but not limited to, distributing open enrollment forms, answering inquiries, creating and distribution of identification cards. Maintain all information that identifies a COBRA Plan Participant in compliance with HIPAA and all other applicable federal and state laws and regulations.
13. Issue COBRA Notices		X	Provide all notices required in carrying out its responsibilities under this Agreement in compliance with COBRA and other applicable federal laws and regulations.

TERMINATION OF AGREEMENT

This Appendix F is effective as noted below and is made a part of the Administrative Services Agreement. It will be automatically renewed upon the same terms and conditions as the Administrative Services Agreement, and will terminate upon termination of the Administrative Services Agreement between Plan Sponsor and FCH.

EXCLUSIONS

No party hereto will be required to perform or omit any act that would constitute a violation of any law or regulation, which would unreasonably expose a party to civil liability, or which violates any code of ethical conduct.

This Appendix F will not be construed in any manner to require FCH, in carrying out its COBRA services pursuant to the Agreement, to collect insufficient funds or stop-payment checks or other negotiable instruments received for payments, which are subsequently not paid by the maker. FCH will not be liable for any losses to Plan Sponsor or the Plan as a result of such checks or negotiable instruments.

Effective Date: January 1, 2023

City of Ellensburg

First Choice Health Network, Inc.

Name: _____

Name: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX G
Electronic Data Interchange Services
First Choice Health / City of Ellensburg

Note: Appendix G provides a descriptive scope of those services mentioned or referenced in the Administrative Services Agreement and Appendix D Fee Schedule. In general, the Enrollment data maintained by Capitalized terms in this Appendix G have the same meaning as in the Agreement. FCH is the “source of truth” for all downstream vendors. This represents all known transactions at the time of the renewal. Mid-year changes in vendors by Plan Sponsor will require a “Statement of Work” (SOW) which will identify additional fees required to support the integration.

Electronic Data Interchange (EDI) Services (See also Appendix D Fee Schedule.)	Inbound Files	Outbound Files	Comments
1. Inbound & Outbound EDI Exchange	X	X	FCH supports the creation and maintenance of electronic inbound and/or outbound data interchange files that are compatible with existing X12 and/or proprietary file layouts. FCH agrees to test all file layouts in a non-production environment, until both parties are mutually satisfied with the results.
2. Trading Partner Agreements 1. Trading Partner Agreement (TPA) 2. Non-Disclosure Agreement (NDA) 3. Business Associate Agreements (BAA) 4. Client Authorization (PHI Designation Form)	N/A	X	FCH requires completion of the applicable trading partner agreements, Non-Disclosure Agreement (NDA) and HIPAA Business Associates agreements (BAA). FCH also requires authorization from the Plan Sponsor to proceed with trading EDI files with Plan Sponsor’s designated vendors, which can include protected health information (PHI) of the Plan’s Participants. See PHI Designation Form associated with Addendum Business Associates Agreement.
3. Security Protocols	X	X	FCH takes the security and integrity of the Participants’ data exchanges seriously. FCH continually strives to achieve the industry best practices surrounding security and data exchange policies. At times, FCH requires updates to its security protocols. Plan Sponsor’s direct-contracted vendors will be asked from time to time to update their systems accordingly. Plan Sponsor should ensure that its direct vendor contracts support this requirement as well.
4. Vendor Relationships	X	X	Vendor relationships should be established and identified within ninety (90) days of “go-live” to ensure successful implementation. Plan Sponsor should ensure that vendors selected can also operate within this timeframe. Please note that some vendors have larger windows required for implementation.
5. Account Management	X	X	FCH will provide a dedicated Account Executive to facilitate coordination of the appropriate parties for on-going service-related needs. Plan Sponsor will ensure that the appropriate personnel are engaged in the process along with the vendor contracts, as appropriate.
Standard Inbound Extracts (Included in the Administrative Fees per Appendix D)	Inbound Files	Outbound Files	Comments (Check All that Apply)
A. Inbound Eligibility Files (<i>no charge if utilizing one of our standard layouts</i>) Service Selected: ☒ Yes ☐ No Vendor: FCH Client Portal	X		FCH supports a standard proprietary eligibility format or the standard X12 834 transaction format in accordance with HIPAA. FCH will work directly with Plan Sponsor or its payroll vendors to support this activity. Termination by omission files are NOT accepted or supported due to limitations impacting data integrity including termination dates.
B. Inbound Pharmacy Claim Details (<i>no additional charge if PBM utilizes one of our standard layouts</i>) (Healthcare Analytic Reporting) Service Selected: ☒ Yes ☐ No Vendor: CVS Caremark	X		For Plan Sponsors contracting directly with a separate PBM, there will be no charge if the PBM vendor can provide data in one of FCH Standard Layouts. Plan Sponsor also needs to ensure that the vendor’s underlying systems are processing in accordance with the Summary Plan Description (SPD). FCH also supports reconciliation with invoices.

C. Outbound Pharmacy Eligibility to PBM (no charge if utilizing one of our standard layouts) Service Selected: ☒ Yes ☐ No Vendor: CVS Caremark		X	For Plan Sponsors contracting directly with a PBM that is currently in place, there will be no charge if the vendor can accept data in the FCH Standard layout.
D. Inbound Pharmacy Claim Details (Integrated Pharmacy) (no charge if utilizing one of our standard layouts) Service Selected: ☒ Yes ☐ No Vendor: CVS Caremark	X		For Plan Sponsors contracting directly with a PBM that is not currently in place, there will be no charge if the vendor can accept data in the FCH Standard layout.
E. Outbound Medical Accumulators (Integrated Pharmacy) (no charge if utilizing one of our standard layouts) Service Selected: ☒ Yes ☐ No Vendor: CVS Caremark		X	For Plan Sponsors contracting directly with a PBM that is not currently in place, there will be no charge if the vendor can accept data in the FCH Standard layout.
F. Inbound Accumulators to support Run-In (Loading into Diamond) Service Selected: ☐ Yes ☒ No Vendor: _____	N/A		This is for Plan Sponsors that wish FCH to process run-in claims administrative services. Plan Sponsor must be able to require prior administrators to provide the appropriate level of details. Otherwise, additional fees may be required.
G. Consumer-Directed Health Accounts (Outbound Eligibility) Service Selected: ☒ Yes ☐ No Vendor: HealthEquity		X	Plan Sponsors utilizing a non-preferred vendor will be charged if standard proprietary format is not utilized.
H. Consumer-Directed Health Accounts (Outbound Claim Details) Service Selected: ☐ Yes ☒ No Vendor: _____		X	Plan Sponsors utilizing a non-preferred vendor will be charged if standard proprietary format is not utilized.
I. Consumer Navigation Vendor (Outbound Eligibility) Service Selected: ☐ Yes ☒ No Vendor: _____		N/A	Plan Sponsors utilizing a non-preferred vendor will be charged if standard proprietary format is not utilized.
J. Outbound Claims to Consumer Navigation Vendor Service Selected: ☐ Yes ☒ No Vendor: _____		N/A	Plan Sponsors utilizing a non-preferred vendor will be charged if standard proprietary format is not utilized.
K. Outbound Eligibility/Claim Extracts to Population Health Management Service Selected: ☐ Yes ☒ No Vendor: _____		N/A	Plan Sponsors utilizing a non-preferred vendor will be charged if standard proprietary format is not utilized.
L. Outbound Eligibility Extracts to Telehealth Vendor Service Selected: ☐ Yes ☒ No Vendor: _____		N/A	Plan Sponsors utilizing a non-preferred vendor will be charged if standard proprietary format is not utilized.
M. Outbound Eligibility/Claim Extracts to Telehealth Vendor Service Selected: ☐ Yes ☒ No Vendor: _____		N/A	Plan Sponsors utilizing a non-preferred vendor will be charged if standard proprietary format is not utilized.
Non-Standard Inbound Extracts (Not Included in the Administrative Fees noted on Appendix D)	Inbound Files	Outbound Files	Comments (Check All that Apply)
N. Wellness Vendors – Eligibility & Claim Files Service Selected: ☐ Yes ☒ No Vendor: _____		N/A	FCH supports standard outbound eligibility & claim detail files in support of wellness vendors. If your selected vendor is not able to accept our standard layouts, there will be a Statement of Work issued so you can make an informed decision. A fee of \$150/hour will be charged accordingly.

O. Healthcare Data Analytics Vendors (Actuarial or Population Health) – Eligibility & Claim Files Service Selected: ☐ Yes ☒ No Vendor:		N/A	FCH supports standard outbound eligibility & claim detail files in support of data analytics and population health management vendors. If your selected vendor is not able to accept our standard layouts, there will be a Statement of Work issued so you can make an informed decision. A fee/hour will be charged accordingly.
P. On-Site Clinics – Eligibility Data Service Selected: ☐ Yes ☒ No Vendor: _____		N/A	FCH supports standard outbound eligibility & claim detail files in support of wellness vendors. If your selected vendor is not able to accept our standard layouts, there will be a Statement of Work issued so you can make an informed decision. A fee/hour will be charged accordingly.
Clients utilizing Non-Preferred Vendor Partners	Inbound Files	Outbound Files	Comments
Q. Plan Sponsors selecting non-Preferred vendors who cannot support standard layouts.	X	X	Plan Sponsor is responsible for vendor processes that ensure accuracy. FCH will take no responsibility for how the underlying vendor processes or assimilates the data into their processes. Plan Sponsors should ensure that vendor-selected partners are able to exchange data files in the timeframes required to ensure the group can be implemented or renewed on schedule. This includes the ability to test appropriately.
Miscellaneous	FCH	Plan Sponsor	Comments
Account Management Facilitation	X		FCH will provide a dedicated Account Executive to facilitate coordination of the appropriate parties for on-going service-related needs. Plan Sponsor will ensure that the appropriate personnel representing the vendor are engaged in the process as appropriate.

Effective Date: January 1, 2023

City of Ellensburg

First Choice Health Network, Inc.

Name: _____ Name: _____

Signature: _____ Signature: _____

Title: _____ Title: _____

Date: _____ Date: _____

RESIGNATION

I, Cassandra Town, the undersigned, resign as Commissioner, of The Ellensburg Arts Commission, effective December 31, 2022.



Cassandra Town

Dated: 1/9/2023



CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: Removal of Library Board Member

Submitted by: Josephine Camarillo Library

Recommended Action or Motion: Approve the Library Board's recommendation to remove Julie Cloninger from the Library Board due to three or more unexcused absences at regular meetings within the past calendar year.

Background/Summary: Julie Cloninger was appointed to the Library Board in 2020 with her term ending December 31, 2024. Cloninger has not attended regularly scheduled meetings since April 2022, counting for three or more absences. She has been contacted via email at least twice with no response. A letter was mailed but was returned and her phone has been disconnected.

On December 13, 2022, the Library Board voted unanimously to replace Cloninger's board seat.

Previous Council Action: None

Analysis: The Library Board requires all members to attend regularly scheduled meetings unless an excused absence request is received. The work of the board is important for oversight of the Library/Hal Holmes Community Center.

The Ellensburg City Council Rules of Procedure provide in Rule 10.5 that a board may recommend to City Council that a member be removed for reasons stated in Rule 10.4, which includes in subsection (b) "...more than three consecutive absences . . ." This rule is also reflected in ECC 1.12.060, which provides that a commission, board or committee may, by majority vote, recommend to city council that an appointed member be removed upon such grounds as may be deemed appropriate by the board, commission or committee. Examples of grounds for removal include, but are not limited to, inefficiency, neglect of duty, an unlawful act, or if the member has three or more unexcused absences at regular meetings in

a calendar year. Based on Ms. Cloninger's absence from the Library Board's meetings over several months in 2022, the Library Board is requesting her removal so she can be replaced.

Financial Impact:

None



CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: City of Ellensburg and WA Department of Enterprise Services Interagency Agreement

Submitted by: Buddy Stanavich Public Works & Utilities

Recommended Action or Motion: Authorize the City Manager's signature on the Interagency Agreement between the City of Ellensburg and the Washington State Department of Enterprise Services.

Background/Summary: The Energy Savings Performance Contracting (ESPC) Program is available to Washington State agencies, colleges, universities, school districts and municipalities. This program allows the City to enter into an agreement(s) with an Energy Services Company (ESCO) that has been pre-qualified to participate in the Statewide Energy Performance Contracting Program for Municipalities and is managed by the Department of Enterprise Services' (DES) Energy Program. ESPC is an alternative contracting process that allows municipalities to fund capital equipment improvement projects through energy savings and work directly with an ESCO to design and build those projects.

Previous Council Action: No previous action.

Analysis: Utilizing this program for various projects that save energy and water could be beneficial to the City. Compensation for the Energy Services Company (ESCO) is derived from the successful completion of projects under separate Energy Services Authorizations that will be subject to this Agreement.

The ESCO guarantees the energy savings based on the detailed investment grade audit of the existing equipment and operating conditions, performance of installed equipment, maximum allowable project cost, and the ESCO provides ongoing measurement and verification (M&V). Any costs associated with the guarantee of savings are included in the ESCO's overhead and profit. Within the Energy Services Proposal (ESP), the ESCO will make a recommendation to the

City and DES as to the appropriate duration of M&V for each project.

After the project is constructed and the notice of commencement of energy savings has been issued, the M&V period begins. The guarantee of energy savings by the ESCO shall remain in effect for the term of the M&V Agreement. Open book pricing for construction will be required, such that the ESCO shall disclose its costs for the project. Substantiation shall include documentation details such that DES has the information necessary to review the ESCO invoices for reasonableness, accuracy, and completeness, which may include but is not limited to copies of invoices from the ESCO's subcontractors and vendors and, details of labor and materials costs for the ESCO self-performed work. Also, the ESCO will maintain cost accounting records on work performed and shall preserve them for a period of six (6) years after the date of final acceptance.

Future projects under this Interagency Agreement would require Council approval.

Financial Impact:

Future projects would require approval by Council. Costs would be incurred for developing and submitting a written Detailed Investment Grade Energy Audit Report and Energy Services Proposal (ESP) in accordance with the Scope of Work that will be created for the separate Energy Services Authorization. This agreement does not entitle an ESCO to any specific compensation.

Attachments:

[Interagency Agreement for ESPC Ellensburg](#)
[DES Energy Program - ESPC Process Description](#)

State of Washington ENERGY PROGRAM Department of Enterprise Services P.O. Box 41476 Olympia, WA 98504-1476	INTERAGENCY AGREEMENT	
	IAA No.:	K8031
CITY OF ELLENSBURG 501 N. Anderson St. Ellensburg, WA 98926	Date:	January 5, 2023

INTERAGENCY AGREEMENT
BETWEEN
CITY OF ELLENSBURG
AND
WASHINGTON STATE DEPARTMENT OF ENTERPRISE SERVICES

Pursuant to RCW chapter 39.34 and RCW chapter 39.35C, this *Interagency Agreement (Agreement)* is made and entered into by and between the State of Washington acting by and through the Energy Program of the Department of Enterprise Services, a Washington State governmental agency (“Enterprise Services”) and City of Ellensburg, a Washington State governmental agency (“Client Agency”) and is dated and effective as of the date of the last signature.

RECITALS

- A. Enterprise Services, through its Energy Program (“Energy Program”), helps owners of public facilities reduce energy and operational costs. The Energy Program is a national leader in developing and managing energy savings performance contracts that help reduce energy and operational costs in publicly-owned facilities.
- B. Upgrading to energy efficient infrastructure helps reduce long-term operations and maintenance costs. This allows owners to be better financial stewards while achieving their mission, so that Washington is a better place to live, learn, and work.
- C. Acting as the owner’s advocate, the Energy Program delivers professional expertise and contract management services. By leveraging capital investments, owners can achieve efficiencies, improve facilities, and reduce carbon emissions in their publicly-owned facilities. Energy Program also creates value to owners by managing risk through guaranteed total project costs, equipment performance, and energy savings.
- D. Client Agency, an owner of a public facility, desires to contract with Energy Program to access and obtain certain Energy Program Services.
- E. The purpose of this Agreement is to establish a vehicle for Energy Program to provide future energy/utility conservation project management services to Client Agency and to authorize the development of the energy services proposal in a cost-effective, efficient manner.

A G R E E M E N T

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

1. **TERM.** The term of this *Agreement* commences on the date of the last signature and ends **December 31, 2027**.

2. **STATEMENT OF WORK.**

A. **ENERGY PROGRAM.** Energy Program agrees to provide the following Services:

- i. Upon request by Client Agency for energy services for a specific Energy/Utility Conservation Project(s), the Parties shall execute an amendment to this *Agreement* to specify the project and associated project management fees as set forth by Attachment B. Enterprise Services shall furnish necessary personnel and services as specified and set forth in Attachment A, *Project Management Services Scope of Work*.
- ii. Assist in Dispute Resolution. Dispute resolution is an ongoing process throughout the project. However, this assistance does not include formal dispute resolution, arbitration or legal advice or representation in any legal action, and does not include legal fees and costs related to any dispute. Formal dispute resolution begins when a written claim is received demanding arbitration or other legal process is received. All formal dispute fees and costs will be borne separately by Client Agency. The Attorney General cannot and will not represent or advise a non-state agency.

B. **CLIENT AGENCY.** Client Agency agrees to the following:

- i. Will conform to the protocols of this *Agreement*, including Enterprise Services' *General Conditions for Washington State Energy Savings Performance Contracting ("General Conditions")*, and as supplemented.
- ii. Will conform to the requirements of the *General Conditions* for timely processing and approval of agreed upon changes to construction contracts involving cost, and for payment.
- iii. Will conform to the following guidelines for communications between Client Agency, Enterprise Services and ESCOs (Energy Services Company) through the design, construction and post-construction phases as outlined below:
 - a) Communications between Client Agency, Energy Program Project Manager ("PM") and ESCO shall go through the PM. The PM may authorize exceptions for specific projects or situations. The PM may authorize the ESCO to communicate directly with Client Agency personnel to expedite the design and to avoid communication delays. This action does not authorize additional work, change in scope, or exclude copying all communications between ESCO and Client Agency to the PM.
 - b) All drawings, specifications, reports, and project correspondence must contain the State Project Number and suffix.
 - The State Project Number consists of the fiscal year and a numerical sequence number, for example 2018-024, followed by an alphabetical suffix.

- Professional services agreements have suffixes A through F, for example 2018-024 A.
 - Construction contracts have suffixes G through Z, for example 2018-024 G.
- iv. All identification and monitoring of documentation required by the funding source shall remain the responsibility of Client Agency.

3. COMPENSATION AND REQUIREMENTS.

- A. **COMPENSATION.** Compensation under this *Agreement* shall be by amendment to this *Agreement* for each authorized project. Each amendment shall include a payment schedule for the specific project.
- i. **Project Management Services Scope of Work (Attachment A):** For project management services provided by Energy Program, Client Agency shall pay Enterprise Services a Project Management Fee for services based on the total project value (including Washington state sales tax) per the Project Management Fee Schedule set forth in Attachment B.
 - ii. **Termination Fee:** If Client Agency, after authorizing an investment grade audit and energy services proposal, decides not to proceed with an energy/utility conservation project that meets Client Agency's cost effective criteria, then the Client Agency will be charged a termination fee as set forth in Project Management Fee Schedule. The termination fee shall be based on the estimated total project value outlined in the energy services proposal prepared by the ESCO as set forth in Attachment B.
 - iii. **Measurement & Verification Services ("M&V") Scope of Work (Attachment C):** If M&V are requested by Client Agency beyond the first three years following the notice of commencement of energy cost savings, Client Agency shall pay Enterprise Services \$2,000.00 annually for each year that such M&V are provided.
- B. **PAYMENT FOR ESCO SERVICES.** In the event that Client Agency enters into a contract with an Energy Program pre-qualified ESCO, pursuant to an *Enterprise Services Main Energy Services Agreement for ESCO Services*, Client Agency shall make payment for such contracted services directly to the ESCO, after Energy Program has reviewed and sent such invoices to Client Agency for payment.
- C. **FURTHER ASSURANCES.** Client Agency shall provide the ESCO with any additional necessary or desired contract language to comply with Client Agency's obligations pertaining to its use of federal, state, or other grants, funding restrictions, or unique contract/entity requirements. The ESCO and their subcontractors are required to comply with all applicable federal regulations and reporting procedures.
- D. **MANAGING COMPLIANCE WITH STATE AND FEDERAL LAW.** In all ESCO project agreements and contracts pertaining to this *Agreement*, Energy Program will require ESCO's compliance with applicable federal and state laws and state policies including, but not limited to, the following:
- 1. RCW Title 39 and 43
 - 2. ADA Requirements
 - 3. Buy America
 - 4. Davis-Bacon
 - 5. Prevailing Wage
 - 6. DBE Participation
 - 7. Apprentice Participation

Upon request by Client Agency, Energy Program will collect and provide the weekly-certified payroll to Client Agency. Client Agency, however, shall remain responsible for any documentation required by Client Agency's funding source. All federal verification, investigation, survey, reporting and enforcement requirements when there is a possible violation shall remain the responsibility of the federal grant recipient (Client Agency) unless negotiated by Energy Program and added by amendment to this *Agreement*. In the event that Energy Program becomes aware of a possible violation, it will notify Client Agency.

4. INVOICES AND BILLING.

- A. **BILLING PROCEDURE.** Enterprise Services shall submit invoices to Client Agency upon substantial completion and notice of commencement of energy cost savings of each authorized project, unless an amendment specifies special billing conditions and timeline. Substantial completion of the project will include the delivery and acceptance of the notice of commencement of energy cost savings issued by the energy services company. Each invoice will clearly indicate that it is for the services rendered in performance under this *Agreement* and shall reflect this *Agreement* and Amendment number. Energy Program will invoice for any provided services within sixty (60) days of the expiration or termination of this *Agreement*.
- B. **PAYMENT PROCEDURE.** Client Agency shall pay all invoices received from Enterprise Services within thirty (30) days of receipt of properly executed invoice vouchers.
- C. **BILLING DETAIL.** Each invoice submitted to Client Agency by Enterprise Services shall include information as is necessary for Client Agency to determine the exact nature of all expenditures. At a minimum, the invoice shall reference this *Agreement* and include the following:
- The date(s) such services were provided
 - Brief description of the services provided
 - Total invoice amount
- D. **BILLING ADDRESS.** Invoices shall be delivered to Client Agency electronically to:
- Email: stanavichm@ci.ellensburg.wa.us

5. **AGREEMENT MANAGEMENT.** The parties hereby designate the following *Agreement* administrators as the respective single points of contact for purposes of this *Agreement*, each of whom shall be the principal contact for business activities under this *Agreement*. The parties may change administrators by written notice as set forth below. Any notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

Enterprise Services

Attn: Eric Williams
Energy Project Manager
Energy Program
Washington Dept. of Enterprise Services
PO Box 41476
Olympia, WA 98504-1476
Tel: (360) 870-1154
Email: eric.williams@des.wa.gov

Client Agency

Attn: Buddy Stanavich
Power & Gas Manager
City of Ellensburg
501 N. Anderson St.
Ellensburg, WA 98926
Tel: (509) 962-7225
Email: stanavichm@ci.ellensburg.wa.us

Notices shall be deemed effective upon the earlier of receipt, if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

The Client Agency representative shall be responsible for working with Energy Program, approving billings and expenses submitted by Energy Program, and accepting any reports from Energy Program or ESCO.

The Energy Program representative shall be the contact person for all communications regarding the conduct of work under this *Agreement*.

6. RECORDS.

- A. **AGREEMENT AVAILABILITY.** Prior to its entry into force, this *Agreement* shall be posted on the parties' websites or other electronically retrievable public source as required by RCW 39.34.040.
- B. **RECORDS RETENTION.** Each party shall maintain records and other evidence that sufficiently and properly reflect all direct and indirect costs expended by either party in the performance and payment of the services. These records shall be subject to inspection, review, or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and officials authorized by law. Such records shall be retained for a period of six (6) years following expiration or termination of this *Agreement* or final payment for any service placed against this *Agreement*, whichever is later; Provided, however, that if any litigation, claim, or audit is commenced prior to the expiration of this period, such period shall extend until all such litigation, claims, or audits have been resolved.
- C. **OWNERSHIP.** Records and other information, in any medium, furnished by one party to this *Agreement* to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose or make available this material to any third party without first providing notice to the other party and allowing ten (10) business days in which to file, at its sole expense, a motion seeking a protective order, or other legal action. Each party will utilize reasonable security procedures and protections to assure that records and information provided by the other party are not erroneously disclosed to third parties.
- D. **PUBLIC RECORDS.** This *Agreement* and all related records are subject to public disclosure as required by RCW 42.56, the Public Records Act (PRA). Neither party shall release any record that would, in the judgment of the party, be subject to an exemption from disclosure under the PRA, without first providing notice to the other party and allowing ten (10) business days in which to file, at its sole expense, a motion seeking a protective order, or other legal action.

- 7. **RESPONSIBILITY OF THE PARTIES.** Each party to this *Agreement* assumes responsibility for claims and/or damages to persons and/or property resulting from any act or omission on the part of itself, its employees, or its agents. Neither party assumes any responsibility to the other party for any third party claims.
- 8. **DISPUTE RESOLUTION.** The parties shall use their best, good faith efforts cooperatively and collaboratively to resolve any dispute that may arise in connection with this *Agreement* as efficiently as practicable, and at the lowest possible level with authority to resolve such dispute. The parties shall make a good faith effort to continue without delay to carry out their respective responsibilities under this *Agreement* while attempting to resolve any such dispute. If, however, a dispute persists regarding this *Agreement* and cannot be resolved, it may be escalated within each organization. In such situation, upon notice by either party, each party, within five (5) business days shall produce its description of the dispute in writing and deliver it to the other party. The receiving party then shall have three (3) business days to review and respond in writing. In the event that the parties cannot

then agree on a resolution of the dispute, the parties shall schedule a conference between the respective senior managers of each organization to attempt to resolve the dispute. In the event the parties cannot agree on a mutual resolution within fifteen (15) business days, the parties shall abide by the Governor's dispute resolution process (RCW 43.17.330), if applicable, or collectively shall appoint a third party to evaluate and resolve the dispute and such dispute resolution shall be final and binding on the parties.

9. **TERMINATION FOR CONVENIENCE.** Except as otherwise provided in this *Agreement*, either party may terminate this *Agreement* upon thirty (30) calendar days prior written notification. Upon such termination, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this *Agreement* prior to the effective date of such termination.

10. **GENERAL PROVISIONS.**

- A. **COMPLIANCE WITH LAW.** The Parties shall comply with all applicable law.
- B. **INTEGRATED AGREEMENT.** This *Agreement* constitutes the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior negotiations, representations, and understandings between them. There are no representations or understandings of any kind not set forth herein.
- C. **AMENDMENT OR MODIFICATION.** Except as set forth herein, this *Agreement* may not be amended or modified except in writing and signed by a duly authorized representative of each party.
- D. **AUTHORITY.** Each party to this *Agreement*, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this *Agreement* and that its execution, delivery, and performance of this *Agreement* has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
- E. **NO AGENCY.** The parties agree that no agency, partnership, or joint venture of any kind shall be or is intended to be created by or under this *Agreement*. Neither party is an agent of the other party nor authorized to obligate it.
- F. **GOVERNING LAW.** The validity, construction, performance, and enforcement of this *Agreement* shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its choice of law rules.
- G. **JURISDICTION & VENUE.** In the event that any action is brought to enforce any provision of this *Agreement*, the parties agree to exclusive jurisdiction in Thurston County Superior Court for the State of Washington and agree that in any such action venue shall lie exclusively at Olympia, Washington.
- H. **EXHIBITS.** All exhibits referred to herein are deemed to be incorporated in this *Agreement* in their entirety.
- I. **CAPTIONS & HEADINGS.** The captions and headings in this *Agreement* are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this *Agreement* nor the meaning of any provisions hereof.
- J. **ELECTRONIC SIGNATURES.** A signed copy of this *Agreement* or any other ancillary agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this *Agreement* or such other ancillary agreement for all purposes.

- K. COUNTERPARTS. This *Agreement* may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this *Agreement* at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this *Agreement*.

EXECUTED AND EFFECTIVE as of the date of the last signature.

CITY OF ELLENSBURG

STATE OF WASHINGTON

DEPARTMENT OF ENTERPRISE SERVICES

By: _____

By: _____

Name: _____

Name: Kirsten G. Wilson, PE

Title: _____

Title: Energy Program Manager

Date: _____

Date: _____

ATTACHMENT A

PROJECT MANAGEMENT SERVICES SCOPE OF WORK

Energy/Utility Conservation Projects

Statewide Energy Performance Contracting Program

Energy Program will provide the following project management services for each specific project for the Client Agency. Each individual project shall be authorized by an amendment to this *Agreement*.

1. Assist the Client Agency in the selection of an Energy Service Company (ESCO) consistent with the requirements of RCW 39.35A for local governments; or 39.35C for state agencies and school districts.
2. Assist in identifying potential energy/utility conservation measures and estimated cost savings.
3. Assist in negotiating scope of work and fee for an ESCO audit of the facility(s).
4. Assist in identifying appropriate project funding sources and assist with obtaining project funding.
5. Assist in negotiating the technical, financial and legal issues associated with ESCO's Energy Services Proposal.
6. Review and recommend approval of ESCO energy/utility audits and Energy Services Proposals.
7. Provide assistance during the design, construction and commissioning processes.
8. Review ESCO invoice voucher(s) received for reasonableness and forward to Client Agency for review and payment.
9. Assist with final project acceptance.
10. Assist in resolution of disputes with the ESCO that arise during this *Agreement*, not to include formal disputes.
11. Review up to the first three years of the ESCO's annual Measurement and Verification (M&V) reports for completeness and accuracy. Review any ESCO guarantee compared to reported results and resolve differences, if needed. Review and forward ESCO invoice vouchers for payment by the Client Agency.

ATTACHMENT B

PROJECT MANAGEMENT FEE SCHEDULE

2021-23 Interagency Reimbursement Costs
for Project Management Fees to Administer Energy/Utility Conservation Projects

<u>TOTAL PROJECT VALUE</u>	<u>PROJECT MANAGEMENT FEE</u>	<u>TERMINATION FEE</u>
5,000,001..... 6,000,000.....	\$68,800.....	25,700
4,000,001... .. 5,000,000.....	67,700.....	25,400
3,000,001..... 4,000,000.....	66,700.....	25,000
2,000,001..... 3,000,000.....	62,500.....	23,400
1,500,001..... 2,000,000.....	58,300.....	21,800
1,000,001..... 1,500,000.....	51,600.....	19,300
900,001. 1,000,000.....	43,800.....	16,400
800,001..... .. 900,000.....	41,300.....	15,400
700,001..... .. 800,000.....	38,300.....	14,400
600,001..... .. 700,000.....	36,500.....	13,700
500,001..... .. 600,000.....	33,800.....	12,600
400,001..... .. 500,000.....	30,200.....	11,300
300,001..... .. 400,000.....	25,800.....	9,700
200,001..... .. 300,000.....	20,700.....	7,700
100,001..... .. 200,000.....	14,400.....	5,400
50,001..... .. 100,000.....	7,800.....	3,500
20,001..... .. 50,000.....	4,200.....	2,000

The project management fee on projects over \$6,000,000 is 1.15% of the project cost. The maximum Energy Program termination fee is \$25,700.

1. These fees cover project management services for energy/utility conservation projects managed by Enterprise Services' Energy Program.
2. Termination fees cover the selection and project management costs associated with managing an ESCO's investment grade audit and energy services proposal. No termination fee will be charged unless Client Agency decided not to proceed to construction based on an energy services proposal that identifies projects that met Client Agency's cost effectiveness criteria.
3. If the project meets Client Agency's cost effectiveness criteria and Client Agency decides not to move forward with a project, then Client Agency will be invoiced per the above listed Termination Fee or \$25,700 whichever is less. If Client Agency decides to proceed with the project then the *Agreement* will be amended to include the Project Management Fee listed above.
4. If the audit fails to produce a project that meets Client Agency's established cost effectiveness criteria, then there is no cost to Client Agency and no further obligation by Client Agency.

ATTACHMENT C

MEASUREMENT & VERIFICATION SERVICES SCOPE OF WORK

Energy/Utility Conservation Projects

Statewide Energy Performance Contracting Program

If requested, Energy Program will provide the following measurement and verification services for each year beyond the first three years following the Notice of Commencement of Energy Cost Savings by the ESCO for the specific Client Agency project:

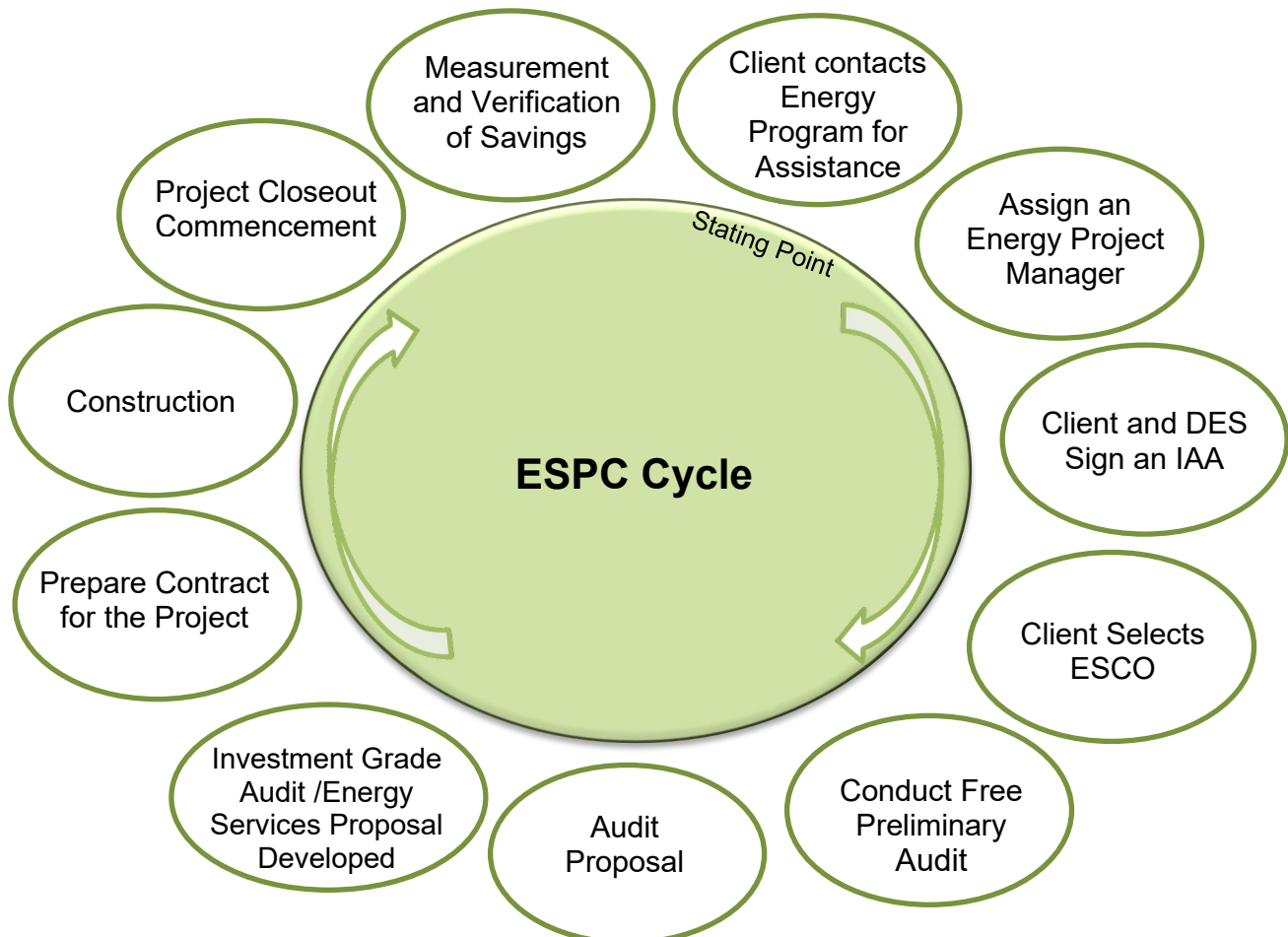
1. Review the ESCO's annual Measurement and Verification report for completeness and accuracy. Review any ESCO guarantee compared to reported results and resolve differences, if needed. Review and forward any ESCO invoice vouchers for payment by the Client Agency.
2. Where necessary, review Client Agency facility operations including any changes in operating hours, changes in square footage, additional energy consuming equipment and negotiate changes in baseline energy use with the ESCO and Client Agency that may impact achieved energy savings.
3. Attend a meeting or meetings with Client Agency and ESCO to review and discuss the annual Measurement and Verification report.

Energy Savings Performance Contracting method is the most cost-effective process for implementing energy upgrades and retrofits. By leveraging utility savings, grants and capital dollars, projects can usually be funded within existing budgets. The ESPC program also guarantees the total project cost, performance and energy savings before construction starts.

Every two years, the Energy Program publishes a Request for Proposals (RFQ) to solicit interested Energy Savings Performance Contracting firms to participate in our program. Once a customer agency contracts with the Energy Program, an energy engineer is assigned to help them through the process. They can then select an Energy Service Company (ESCO) from the master list. DES and the ESCO will complete a free preliminary energy audit of the customer's facility to evaluate possible energy efficiency projects.

Typical projects include: interior and exterior lighting, building control systems, high efficiency HVAC systems, boiler replacements, repair/replacement of heating distribution systems, wastewater treatment plant improvement, renewable energy, and more.

OVERVIEW



The DES Energy Program Project Manager is involved in all aspects of the project from initial meetings to reviewing the M&V report, and all program steps identified below.

Program Steps

- 1) **Client signs an Interagency Agreement (IAA) with DES Energy Program.** This starts out as a no cost agreement generated by DES and used to establish the working relationship between the Client and the DES Energy Program. (1 to 2 weeks)
- 2) **The Public Entity (Client) selects an Energy Service Company (ESCO).** DES has a list of pre-qualified ESCOs from which the Client makes a selection. (1 to 3 weeks)
- 3) **The ESCO performs a preliminary audit.** The ESCO, DES and Client meet to determine the scope of the preliminary audit. The preliminary audit is used to identify which buildings have potential cost effective energy efficiency measures. The outcome of the audit is a proposal to perform an Investment Grade Audit (IGA) and Energy Services Proposal (ESP). (3 to 6 weeks)
- 4) **Client provides Funding Approval for IGA/ESP.** The funding is used to establish the IGA/ESP. If the IGA/ESP does not present projects that meet the cost effectiveness criteria established by the Client, then there is no cost to the Client for the IGA/ESP. (1 to 4 weeks)
- 5) **The ESCO signs an agreement to perform the IGA/ESP.** DES prepares the agreement for ESCO signature. (2 to 3 weeks)
- 6) **The ESCO performs the IGA/ESP.** Monitoring of equipment, established engineering analysis, accurate cost estimating and investigation of utility incentives are all included in the performance of the IGA/ESP. The final delivery is the ESP that provides the guaranteed maximum project cost, guaranteed energy savings, and guaranteed equipment performance. (2 to 5 months)
- 7) **Client signs a Funding Approval for the construction.** Funding from the Client can come from several sources including, capital funding, bond funding, or State Treasurer's Lease Purchase program (state agencies) or LOCAL program (non-state public entities). Utility incentives are maximized to help reduce overall project costs. (3 to 7 weeks)
- 8) **The ESCO signs the contract to start the project.** DES incorporates the ESP into the contract documents. (2 to 3 weeks)
- 9) **The ESCO installs and implements the projects efficiency measures.** DES provides the oversight for the installation of the projects efficiency measures and works closely with the Client for on-sight coordination of construction activities. (3 to 6 months)
- 10) **Project closeout.** Once the project is complete and utility inspections have been done, a close-out meeting can be scheduled. (Closeout documents, intents and affidavits - 2 – 3 weeks).
- 11) **The Client pays ESCO and DES for the construction/implementation.** Progress payments are made to the ESCO during construction to avoid construction period financing. DES is paid at commencement of energy savings.
- 12) **Measurement and verification (M&V).** M&V is performed by the ESCO and reviewed by DES Energy Program project manager to ensure that the guaranteed savings are achieved. (13 to 15 months)

VOUCHER APPROVAL

I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED, OR THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIM IS A JUST, DUE AND UNPAID OBLIGATION AGAINST THE CITY OF ELLENSBURG, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIM.


AUDITING OFFICER

1/9/23
DATE

CLAIMS VOUCHERS AUDITED AND CERTIFIED BY THE AUDITING OFFICER HAVE BEEN RECORDED ON THE ATTACHED LISTING, WHICH HAS BEEN MADE AVAILABLE TO THE COUNCIL AS OF THIS **17th DAY OF JANUARY 2023**. THE COUNCIL, BY A VOTE, HAS APPROVED FOR PAYMENT THE VOUCHERS INCLUDED IN THE ABOVE LIST AND FURTHER DESCRIBED AS FOLLOWS:

Claims Fund				Total Amounts
Check #'s	160316	TO	160445	\$ 284,724.35
EFT #'s	5975	TO	5998	\$ 505,230.47

Payroll Fund				Total Amounts
Check #'s	95892	TO	95896	\$ 8,258.89
Direct Deposits	71230	TO	71435	\$ 418,924.77

COUNCIL MEMBER

COUNCIL MEMBER

COUNCIL MEMBER

COUNCIL MEMBER

ATTEST: _____
CITY CLERK



CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: Board and Commission Appointments

Submitted by: Cynthia LaChappelle-Mathis City Manager Department

Recommended Action or Motion: Consider and approve reappointment requests to the Library Board and Lodging Tax Advisory Committee and confirm the reappointments for the Ellensburg Business Development Authority dba CenterFuse.

Background/Summary: There are nine current members applying for reappointment to various positions on city boards and commissions. Three members each of the Library Board and Lodging Tax Advisory Committee have requested reappointment. The applications for reappointment were forwarded to the staff members assigned to each board of commission to process for consideration of appointment.

In addition, the Ellensburg Business Development Authority dba CenterFuse has approved the reappointment of three board members; under its Charter, the reappointments are subject to confirmation by City Council.

The following members whose terms expired December 31, 2022, are not seeking reappointment: Robert Mersinger, Public Transit Advisory Committee and Steve Luten, Environmental Commission.

Previous Council Action: N/A

Analysis: As directed by Council, the applicants requesting reappointment have completed the preliminary process of attending an interview. The applications for reappointment are attached to this agenda report.

Appointment recommendation memorandums are attached from the Ellensburg Business Development Authority, Library Board and Lodging Tax Advisory Committee.

Financial Impact: N/A

Attachments:

B and C Agenda Report Chart 1-17-23
Library Board Reappointment
Library Board Reappointment Requests
LTAC Reappointment
LTAC Reappointment Requests
EBDA Board Reappointments

Boards and Commissions	Affordable Housing Commission	Arts Commission	Civil Service Commission	Diversity, Equity & Inclusion Commission	Ellensburg Business Development Authority Board	Environmental Commission	Landmarks and Design Commission	Library Board	Lodging Tax Advisory Committee	Parks and Recreation Commission	Planning Commission	Public Transit Advisory Committee	Senior Citizens Advisory Commission	Utility Advisory Committee
MEMBERS	7	7	3	7	9	7	7	7	7	7	7	7	7	7
Residency Requirements	Y	N	Y	Y	N	Y	Y	Y	N	Y	Y	N	N	Y
Current Members within City Limits	6	2	3	6	5	6	6	5	2	6	6	7	3	7
Current Members Outside City Limits	1	3	0	1	4	0	0	2	2	1	0	0	2	0
Current Members Outside but in UGA	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VACANCIES	2	0	1	0	3	1	1	3	6	1	0	1	2	0
APPLICANTS														
Lacie Dawson									Re-app					
Marie Smith									Re-app					
Steve Townsend									Re-app					
R. Grant Clark					Re-app									
James Jankowski					Re-app									
Jared Vallejo					Re-app									
Maurice Blackson								Re-app						
Loretta Gray								Re-app						
Mary James								Re-app						



TO: City Council
FROM: Ellensburg Public Library Board
DATE: January 17, 2023 – Council Meeting Date

RE: Recommendation of Reappointment

The Ellensburg Public Library Board had three members with expiring terms that wished to be renewed. Interviews were conducted on December 21, 2022. Interview panel consisted of Library Director Josephine Camarillo and Library Board Past President Mary Holmgren. Council liaison Sarah Beauchamp was unable to participate.

The Board recommends renewing Loretta Gray, Marty Blackson and Mary James for a second term.

RECEIVED

NOV 4 2022

CITY MANAGER'S OFFICE
ELLENSBURG, WA

October 24, 2022

Office of the City Manager
501 N Anderson St
Ellensburg, WA 98926

Re: Request for Reappointment to the Library Board

My term on the Library Board expires December 31, 2022. Please consider reappointing me to another five-year term.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Blackson".

Maurice Blackson

October 24, 2022

Office of the City Manager
501 N Anderson

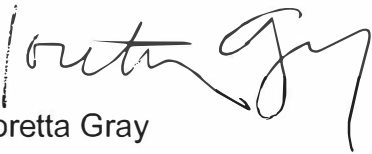
St
Ellensburg, WA 98926

Re: Request for Reappointment to the Library Board

My term on the Library Board expires December 31, 2022. Please consider reappointing me to another five-year term.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Loretta Gray", with a stylized flourish at the end.

Loretta Gray

RECEIVED

NOV 7 2022

CITY MANAGER'S OFFICE
ELLENSBURG, WA

October 24, 2022

Office of the City Manager
501 N Anderson St
Ellensburg, WA 98926

Re: Request for Reappointment to the Library Board

My term on the Library Board expires December 31, 2022. Please consider reappointing me to another five-year term.

Thank you for your consideration.

Sincerely,

Mary C. James

Mary James

I am interested in seeing growth in Library Services and facilities as we more fully emerge from the COVID-19 ~~era~~ era of life. I hope to be more active in Library activities during my next term should I be chosen to continue my service.

With best regards,

Mary James
Nov. 6, 2022



TO: City Council
FROM: Lodging Tax Advisory Committee
DATE: January 17, 2023
RE: Recommendation of Appointment

Lacie Dawson, Marie Smith and Steve Townsend submitted letters of reappointment to the Lodging Tax Advisory Committee. On January 4, 2023, the LTAC subcommittee consisting of Councilmember Adam Winn and Cyndi LaChappelle-Mathis, staff, conducted reappointment interviews.

The Lodging Tax Advisory Committee currently has six vacancies – three recipients, two hoteliers and one collector. Based on the interviews as well their continued support, willingness to serve and expertise, the subcommittee is recommending that the City Council reappoint Lacie Dawson, Marie Smith and Steve Townsend to three of the vacant Lodging Tax Advisory Committee positions.

Cynthia LaChappelle-Mathis

From: noreply@civicplus.com
Sent: Thursday, November 10, 2022 7:37 AM
To: Cynthia LaChappelle-Mathis
Subject: [Ext] Online Form Submittal: Application for Reappointment

CAUTION - EXTERNAL EMAIL: The email below is from an external source. Please exercise caution before opening attachments, clicking links, fulfilling requests, or following guidance.

Application for Reappointment

Application for Reappointment

For volunteering to serve on a Board or Commission

Name of Board or Commission	Lodging Tax Advisory Committee
Current Term Expires	December 31 of current year
First Name of Member	Lacie
Last Name of Member	Dawson
Address 1	901 E 7th Ave Ste 1
Address 2	<i>Field not completed.</i>
City	Ellensburg
State	Washington
Zip	98926
Phone Number	5099627639
Email Address	lace.dawson@co.kittitas.wa.us
I am requesting to be considered for reappointment for another <u>2</u> year term.	4
Why are you seeking reappointment?	I have enjoyed my time on the lodging tax committee. I would like to continue to serve our community in this capacity. Thanks so much for your consideration.

Type your name as your
electronic signature

Lacie Dawson

Date

11/10/2022

Email not displaying correctly? [View it in your browser.](#)

RECEIVED

NOV 4 2022

CITY MANAGER'S OFFICE
ELLENSBURG, WA

October 26, 2022

Office of the City Manager
501 N Anderson St
Ellensburg, WA 98926

Re: Request for Reappointment to the Lodging Tax Advisory Committee

My term on the Lodging Tax Advisory Committee expires December 31, 2022. Please consider reappointing me to another ~~two~~-year term.

Thank you for your consideration.

Sincerely,



Marie Smith

RECEIVED

NOV 23 2022

CITY MANAGER'S OFFICE
ELLENSBURG, WA

October 26, 2022

Office of the City Manager
501 N Anderson St
Ellensburg, WA 98926

Re: Request for Reappointment to the Lodging Tax Advisory Committee

My term on the Lodging Tax Advisory Committee expires December 31, 2022. Please consider reappointing me to another two-year term.

Thank you for your consideration.

Sincerely,



Steve Townsend

Cynthia LaChappelle-Mathis

From: Margaret Reich <director@ellensburgcenterfuse.com>
Sent: Thursday, January 12, 2023 7:06 AM
To: Cynthia LaChappelle-Mathis
Subject: Re: [Ext] Re: Reappointment Recommendations
Attachments: Board Reappointment Application Clark.pdf; Board Reappointment Application Jankowski.pdf; Board Reappointment Form - Jared Vallejo.pdf

CAUTION - EXTERNAL EMAIL: The email below is from an external source. Please exercise caution before opening attachments, clicking links, fulfilling requests, or following guidance.

Three vacancies were filled with three reappointments.

As per the EBDA charter:

Section 5.03. Filling Vacant Board Positions. Vacancies on the Board shall be filled from applicants responding to a public solicitation for applicants. **The EBDA Board shall review the applications and nominate an applicant to fill the vacancy. The EBDA Board nominee shall be appointed to fill the vacancy on the Board, subject to the confirmation vote of the City Council.**

Margaret Reich, M.P.A.

CenterFuse

207 N. Pearl Street, #2

Ellensburg, WA 98926

(509) 955-3880

Our [website](#)

How to get started in Ellensburg

Board Reappointment Form

CenterFuse is guided by a nine-member volunteer board. Each board member serves a three-year term. At the end of the third year, a board member may use this form to reapply to the board.

Board members comply with the CenterFuse charter and bylaws.

Ellensburg!



Today's date *

MM DD YYYY

10 / 31 / 2022

First Name *

Grant

Last Name *

Clark

Street (mailing) address *

2209 E. Quartz Mtn Dr

City *

Ellensburg

State *

WA

ZIP/Postal Code *

98926

Are you a current CenterFuse board member in good standing (e.g., not had two consecutive unexcused absences from regular board meetings)? *

☒ Yes☐ No

What is your current occupation? *

Retired

What organizations are you affiliated with? *

Rodeo City Kiwanis, Kittitas Co Historical Museum, Grasslands Water Assoc.

Has serving as a CenterFuse board member met your expectations? If so, how. If not, why. *

Yes, over the last couple of years this organization has gained significant momentum under Margaret's leadership. We now function as the premier business development organization.

What skills and/or attributes have aided you in service as a board member? *

As a retired banker I provide financial knowledge and risk management experience.

CenterFuse has four priorities: Building organizational capacity; Recruiting/expanding businesses; igniting the local economy; and increasing awareness of CenterFuse. Which of these interest you most? Which are you least interested in? *

Building organizational capacity, Increasing awareness of CenterFuse

Board meetings are usually held once a month; on occasion a special meeting is held. Does your schedule permit you to attend board meetings either virtually or in person? *

☒ Yes

☐ No

☐ Other: _____

This content is neither created nor endorsed by Google.

Google Forms

Board Reappointment Form

CenterFuse is guided by a nine-member volunteer board. Each board member serves a three-year term. At the end of the third year, a board member may use this form to reapply to the board.

Board members comply with the CenterFuse charter and bylaws.

Ellensburg!



Today's date *

MM DD YYYY

10 / 28 / 2022

First Name *

James

Last Name *

Jankowski

Street (mailing) address *

312 S. Delta St.

City *

Ellensburg

State *

WA

ZIP/Postal Code *

98926

Are you a current CenterFuse board member in good standing (e.g., not had two consecutive unexcused absences from regular board meetings)? *

☒ Yes☐ No

What is your current occupation? *

Director, Project Management Office

What organizations are you affiliated with? *

Central Washington University

Has serving as a CenterFuse board member met your expectations? If so, how. If not, why. *

Yes. I think we continue to complete work that adds value to the economic environment of Ellensburg and Kittitas County. I look forward to continuing that.

What skills and/or attributes have aided you in service as a board member? *

My organizational skills and ability to translate strategic vision into actionable tasks

CenterFuse has four priorities: Building organizational capacity; Recruiting/expanding businesses; igniting the local economy; and increasing awareness of CenterFuse. Which of these interest you most? Which are you least interested in? *

I'm most interested in recruiting and expanding businesses. I'm least interested in increasing awareness of CenterFuse

Board meetings are usually held once a month; on occasion a special meeting is held. Does your schedule permit you to attend board meetings either virtually or in person? *

☒ Yes

☐ No

☐ Other:

This content is neither created nor endorsed by Google.

Google Forms

Board Reappointment Form

CenterFuse is guided by a nine-member volunteer board. Each board member serves a three-year term. At the end of the third year, a board member may use this form to reapply to the board.

Board members comply with the CenterFuse charter and bylaws.

Ellensburg!



Today's date *

MM DD YYYY

12 / 13 / 2022

First Name *

Jared

Last Name *

Vallejo

Street (mailing) address *

2990 Hanson Road

City *

Ellensburg

State *

Wa

ZIP/Postal Code *

98926

Are you a current CenterFuse board member in good standing (e.g., not had two consecutive unexcused absences from regular board meetings)? *

☒ Yes

☐ No

What is your current occupation? *

Director of Marketing

What organizations are you affiliated with? *

Anderson Hay, Andy

Has serving as a CenterFuse board member met your expectations? If so, how. If not, why. *

Yes.

What skills and/or attributes have aided you in service as a board member? *

Marketing and Theatre

CenterFuse has four priorities: Building organizational capacity; Recruiting/expanding businesses; igniting the local economy; and increasing awareness of CenterFuse. Which of these interest you most? Which are you least interested in? *

Most. Expanding business. Least. Awareness.

Board meetings are usually held once a month; on occasion a special meeting is held. Does your schedule permit you to attend board meetings either virtually or in person? *

☒ Yes

☐ No

☐ Other:

This content is neither created nor endorsed by Google.

Google Forms



CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: Resolution 2023-03 to Declare the Ellensburg Racquet and Recreation Center Property as Surplus to the City's Needs

Submitted by: Terry Weiner City Attorney Department

Recommended Action or Motion: Adopt Resolution 2023-03, declaring the Ellensburg Racquet and Recreation Center property as surplus.

Background/Summary: The City has operated the Ellensburg Racquet and Recreation Center (ERRC) at 6061 Vantage Highway since 2000, after it was donated to the City. The facility offered a number of activities, including tennis, pickle-ball, racquetball, indoor soccer, gymnastics (through rental to a third party), weight room, and facility rentals. Unfortunately, the ERRC suffered a total fire loss due to suspected arson on December 2, 2022.

Previous Council Action: None

Analysis: The ERRC was donated to the City in 1999 and has since been used extensively by a variety of user groups. The destruction of the ERRC leaves Ellensburg and the Kittitas County community without access to any local indoor racquet sports or soccer facility. Some temporary pickle-ball courts have been arranged for use at Ellensburg School District facilities, but a permanent replacement indoor sports facility is obviously needed.

Although the loss of the ERRC is heartbreaking for many members of the community, it also presents an opportunity for the City to build a replacement recreation center using the insurance proceeds that covered the ERRC and other funding sources currently being explored. However, the location of the ERRC several miles outside of Ellensburg was not ideal for both users and staff. City staff anticipate presenting a plan to the City Council in the near future to construct a fieldhouse-type facility at Rotary Park which could house both field (turf) and racquet sports along with a variety of other potential activities. The first step towards this goal is to declare the

ERRC property as surplus to City needs to it can be sold after demolition is completed in the next few months.

Financial Impact:

No immediate financial impact results from adoption of the resolution. Per the resolution, the proceeds from sale of the property will be earmarked for construction of the new facility.

Attachments:

[Resolution 2023-03 ERRC Surplus](#)

RESOLUTION NO. 2023-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELLENSBURG declaring the City-owned real property known as the “Ellensburg Racquet and Recreation Center” as surplus to City of Ellensburg needs.

WHEREAS, the Ellensburg Racquet and Recreation Center (“ERRC”) is approximately 2.46 acres in size, located at 6061 Vantage Highway, identified by the Kittitas County Assessor’s Office as Parcel No. 514934, and legally described as follows: CD. 10606-1; SEC. 33, TWP. 18, RGE. 19; PTN. SE1/4 SE1/4; and

WHEREAS, the ERRC was acquired by the City of Ellensburg (“City”) by donation from the previous owners in 1999, is located in unincorporated Kittitas County and zoned Agricultural-20; and

WHEREAS, the ERRC suffered a total fire loss on December 2, 2022 and it is in the best of interest of the City and community to rebuild another indoor recreational facility to replace the ERRC at a different location and within the City limits;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Ellensburg, Washington, as follows:

Section 1. The real property commonly known as the Ellensburg Racquet and Recreation Center is hereby declared surplus to the City of Ellensburg’s needs and is no longer required for providing municipal services.

Section 2. Following demolition of the ERRC and an appraisal of the property’s value, disposition of the property shall be by sealed bid, auction, negotiated sale or any other method authorized under Chapter 2.06 of the Ellensburg City Code, to be determined and administered by the City Manager in the City’s best interests.

Section 3. Proceeds from the sale of the ERRC property shall be designated for use to develop and build a new indoor recreation center within the City of Ellensburg.

ADOPTED by the City Council of the City of Ellensburg this 17th day of January, 2023.

Mayor

Attest:

City Clerk



CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: Resolution 2023-04 for 2019 Countywide Hazard Mitigation Plan

Submitted by: Jamey Ayling Community Development

Recommended Action or Motion: Motion to approve Resolution 2023-04 to adopt 2019 Countywide Hazard Mitigation Plan including the Ellensburg Annex.

Background/Summary: On September 16, 2019, the United States Department of Homeland Security's Federal Emergency Management Agency (FEMA) Region 10, approved the Kittitas County Multi-Jurisdictional Hazard Mitigation Plan as a multi-jurisdictional local plan outlined in Code of Federal Regulations Title 44 Part 201. The approval allows the County and those jurisdictions with-in the county which also adopt the mitigation plan the eligibility to apply for the Robert T. Stafford Disaster Relief and Emergency Assistance Act's Hazard Mitigation Assistance (HMA) grants projects until September 15, 2024 through the State of Washington.

FEMA individually evaluates all application requests for funding according to the specific eligibility requirements of the applicable program. Though a specific mitigation activity or project identified in the plan may meet eligibility requirements, it may not receive approval from FEMA funding under any of the aforementioned programs.

Previous Council Action: N/A

Analysis: FEMA encourages all communities within Kittitas County to follow the Hazard Mitigation Plans schedule for monitoring and updating, and to develop further mitigation actions. To continue eligibility, jurisdictions must review, revise as appropriate, and resubmit the plan within five years of the original approval date.

The Ellensburg Annex of the hazard mitigation plan was

updated in 2019 however, the City did not adopt the plan by resolution. Staff have made minor updates to the 2019 plan for population figures, points of contact, section 4.7 Future Needs based on current information and drafted Resolution 2023-04 for adoption.

The adopted Countywide Hazard Mitigation Plan volumes 1 and 2 can be found in the links below:

[2019 Kittitas CountyHMP Volume 1 Planning-Area-Wide Elements](#)

[2019 KittitasCountyHMP Volume 2 Planning Partner Annexes](#)

Financial Impact: None

Attachments:

[Resolution 2023-04 Hazard Mitigation Plan
Ellensburg Annex 01-17-2023 Updated Version](#)

RESOLUTION NO. 2023-04

A RESOLUTION of the City Council of the City of Ellensburg adopting the updated Ellensburg Annex of the Kittitas County Hazard Mitigation Plan as approved by the Federal Emergency Management Agency

WHEREAS, the Federal Disaster Mitigation Act (DMA) of 2000 (Public Law 106-390) requires state and local governments to develop hazard mitigation plans as a condition for federal disaster grant assistance; and

WHEREAS, Kittitas County completed a Hazard Mitigation Plan in May 2012, and this plan was adopted by the Board of County Commissioners on May 15, 2012 under Resolution No. 2012-064; and

WHEREAS, the Kittitas County Public Works Department led the effort to coordinate with all of the local jurisdictions within Kittitas County to update the 2012 plan, and was notified of updated plan approval by the Federal Emergency Management Agency (FEMA); and

WHEREAS, adoption of the Hazard Mitigation Plan will enable all planning partners to continue using federal grant funding to reduce risks through mitigation; and

WHEREAS, adoption of the Hazard Mitigation Plan meets the Floodplain Management Planning requirements of FEMA's Community Rating System (CRS) allowing Kittitas County to continue participation in the CRS and enhance its CRS classification in the future; and

WHEREAS, FEMA requires adoption of the Hazard Mitigation Plan Annex by each of the participating jurisdictions; and

WHEREAS, the Board of County Commissioner's adopted the 2019 Kittitas County Hazard Mitigation Plan on September 3, 2019;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Ellensburg, Washington, as follows:

Section 1. Updated Resolution of Intent. The City Council of Ellensburg declares its intent to adopt the Ellensburg Annex to the 2019 Kittitas County Hazard Mitigation Plan, attached hereto and incorporated herein.

Section 2. Further Authority; Ratification. All City officials, their agents, and representatives are hereby authorized and directed to undertake all action necessary or desirable from time to time to carry out the terms of, and complete the actions contemplated by, this Resolution. All acts taken pursuant to the authority of this Resolution but prior to its effective date are hereby ratified.

Section 3. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the City Council of the City of Ellensburg this 17th day of January 2023.

Mayor

ATTEST: _____
City Clerk

**Kittitas County
Hazard Mitigation Plan;
Volume 2—Planning Partner Annexes**

TABLE OF CONTENTS

Chapter 1. City of Ellensburg Annex	2
4.1. Hazard Mitigation Plan Point of Contact.....	2
4.2. Jurisdiction Profile.....	2
4.3. Jurisdiction-Specific Natural Hazard Event History.....	4
4.4. Hazard Risk Ranking	4
4.5. Capability Assessment.....	4
4.6. Hazard Mitigation Action Plan and Evaluation of Recommended Initiatives.....	5
4.7. Future Needs to Better Understand Risk/Vulnerability	5
4.8. Additional Comments	5
4.9. Hazard Area Extent and Location.....	6

Chapter 4

City of Ellensburg Annex

4.1 Hazard Mitigation Plan Point of Contact

Primary Point of Contact

Jamey Ayling, Community Development Director

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Ellensburg, WA 98926

Telephone: 509-962-7232

Email: aylingj@ci.ellensburg.wa.us

Alternate Point of Contact

Ryan Lyyski, Public Works & Utilities Director

501 N. Anderson

Ellensburg, WA 98926

Telephone: 509-962-7230

Email: lyyskir@ci.ellensburg.wa.us

4.2 JURISDICTION PROFILE

The following is a summary of key information about the jurisdiction and its history:

- **Date of Incorporation** — 1883
- **Current Population** — 18,666 as of 2020 Census. The American Community Survey estimated a population of 19596 in 2021.
- **Population Growth** — The population growth rate for the City of Ellensburg has remained low but consistent throughout the past few decades, with clear correlation to changes in student population at Central Washington University (CWU). The highest percent increase occurred between the 1990 and 2000 Census, at 19.8%. The decade between the 2000 and the 2010 Census, saw the City population increase by 2,760, an 18 percent increase and an average annual growth rate of 1.8 percent. During the seven years after the 2010 census, the City population increased by 2,152, a 10.3 percent increase and an average annual growth rate of 1.47%.
- **Location and Description** — The City of Ellensburg is in central Kittitas County at the intersection of Interstate 90, Interstate 82, and US Highway 97 and is near the center of Washington State. The elevation is approximately 1,500 feet with topography sloping gradually from northeast to southwest and the Yakima River. The City is located in a fertile plateau valley adjacent to the Yakima River, with ridges and mountains associated with the Cascade mountain range surrounding it. The surrounding area is primarily composed of irrigated agricultural land or semi-arid desert lands that are not irrigated. Six perennial creeks that convey runoff and snow melt water from the mountain range watersheds to the north run through the developed City from the northeast to the southwest where they flow into the Yakima River which then flows into the Columbia River some 130 miles to the south. In addition, three large irrigation canals traverse the City from the northwest to the southeast and provide irrigation water to the surrounding agricultural lands.

Interstate 90, Interstate 82 and US Highway 97, which all intersect at Ellensburg, provide direct access to the Puget Sound area in the west, Canada to the north, and the greater US to the south and east. BNSF Railway has a main line that runs through the City.

Central Washington University is located in Ellensburg and as of 2018 has a student population of approximately 11,500, in addition to the associated staff.

The City has two national historic districts—the Downtown National Historic District and the First Railroad Historic District—which consist of commercial and residential structures from the late 1800s and help make the City a regional historic preservation destination.

- **Brief History**—Ellensburg is located on the western slopes of the Columbia Plateau, site of some dramatic geological events that have occurred over time. Basaltic lava flows took place some 15 million years ago, with a series of giant glacial flood events after the ice age. The largest documented flood in geologic history occurred when a very large water body in the Montana region suddenly breached, causing huge volumes of water to rapidly sweep across the basaltic plateau as it made its way westward to sea level at the Pacific Ocean. More recently, in 1980 Mt. St. Helens, one of a string of active volcanoes in the Cascade Mountain Range, erupted and caused significant property damage and loss of life in the immediate vicinity of the mountain; Ellensburg was impacted with significant ash from that eruption, causing property damage, health issues, and general disruption to the normal activities of the community. Those events have shaped the landscape of central and eastern Washington where Ellensburg is located.

The first inhabitants of the Ellensburg area were the *Psch-wan-wap-pams* (stony ground people) also known as the Kittitas band of the Yakama or Upper Yakama Tribe. The Ellensburg area was one of the few areas in Washington where both camas and kouse (a root used make to bread) grew, which made it an important gathering place for regional tribes. Eventually fur trading and missionary activity entered the valley in the 1860s and by the end of that decade a trading post known as “Robber’s Roost” was established.

The late 1800s saw the community prosper as the Northern Pacific Railroad established a rail siding facility in Ellensburg in 1886 that helped create markets for cattle, dairy products, timber, wool and hay. There was speculation that as part of the region’s effort to petition Congress to admit Washington into the union in 1889, Ellensburg would be named the new state capitol due to its central location. A disastrous fire on July 4, 1889, fanned by the winds that regularly flow down from the Cascade Mountain Range to the west, ended that speculation and destroyed most of the downtown business district and many homes. The community rebuilt itself, using brick and stone masonry rather than wood, within a year.

Although Ellensburg lost the state capitol decision to Olympia, the new State Legislature established the Washington State Normal School (a teacher’s college now known as Central Washington University) in Ellensburg. The school opened in 1891 with 86 students and today CWU has an enrollment exceeding 11,000 students, occupies approximately 380 acres, is the county’s largest employer with more than 1,300 employees, and is estimated to contribute some \$190 million annually to the local economy.

The timing of the fire and the rapid reconstruction of the destroyed downtown produced a unified and attractive appearance dominated by late Victorian architectural styles that have subsequently been filled in with a few early twentieth-century neoclassic and art deco-styled buildings. That historical style has defined the community and continues to serve as one of its biggest assets. Ellensburg has grown from its re-birth and has established itself as a vital, rooted, and unique community in which the residents consider it as being a quiet, clean, comfortable, safe, and family-oriented city.

- **Climate**—Ellensburg has strong summers and winters. Temperatures vary considerably within the seasons. There are four distinct seasons and a strong and regular breeze from the west throughout much of the year. Average mean temperatures range in the high 50s F with summertime temperatures averaging near 80° F and winter lows often getting below freezing. The mountains to the west and north effectively block much of the rain from the “wet” side of the state, producing a dry climate with less than 10 inches of rain a year. The combination of

large snow pack in the mountains, strong westerly winds and occasional unseasonal warm rain events, however, results in regular flood events from February through May for the streams that run from the mountains through the city to the Yakima River.

- **Governing Body Format**—The City of Ellensburg utilizes the council-manager form of government with a city manager hired by the city council. The city council elects a mayor and mayor pro tem from the council to serve two-year terms. The City also uses an appointed planning commission to provide land use policy recommendations to City Council and to hear conditional use permit applications. The City also retains the services of a Hearing Examiner to hear quasi-judicial land use permit application matters and provide recommendations to City Council. A number of citizen boards and commissions have been established to provide recommendation and guidance to council on a variety of issues, including the downtown, the environment, energy, historic preservation, parks and recreation, library, arts and affordable housing.
- **Development Trends**—Beginning in the late 1990s and continuing up to the economic downturn in the late 2000s, the City experienced greater than usual growth, primarily in residential structures, although the population growth did not match that rate of residential growth. That is primarily due to the housing boom in the early to mid-2000s and the reality that Ellensburg is a college town and it became easier for some families to purchase a second, speculative residence in which to house their child while attending CWU and to utilize the rent payment from roommates to pay the mortgage. The economic downturn of the late 2000s, stifled the growth spurt for a period of time, but Ellensburg is again seeing slow and steady growth.

4.3 Jurisdiction-Specific Natural Hazard Event History

TABLE 4-1 lists all past occurrences of natural hazards in the county. A Repetitive Loss (RL) property is any insurable building for which two or more claims of more than \$1,000 were paid by the National Flood Insurance Program (NFIP) within any rolling ten-year period, since 1978. Repetitive loss records in the City of Ellensburg are as follows:

- Number of FEMA Identified Repetitive Flood Loss Properties: 0
- Number of Repetitive Flood Loss Properties that have been mitigated: 0

4.4 Hazard Risk Ranking

TABLE 4-2 presents the ranking of the hazards of concern.

4.5 Capability Assessment

The assessment of the jurisdiction's legal and regulatory capabilities is presented in **TABLE 4-3**. The assessment of the jurisdiction's administrative and technical capabilities is presented in **TABLE 4-4**. The assessment of the jurisdiction's fiscal capabilities is presented in **TABLE 4-5**. Classifications under various community mitigation programs are presented in **TABLE 4-6**.

4.6 Hazard Mitigation Action Plan and Evaluation of Recommended Initiatives

TABLE 4-7 lists the initiatives that make up the jurisdiction's hazard mitigation plan. **TABLE 4-8** identifies the priority for each initiative. **TABLE 4-9** summarizes the mitigation initiatives by hazard of concern and the six mitigation types.

4.7 Future Needs to Better Understand Risk/Vulnerability

The biggest future need to better understand risk/vulnerability would be a re-mapping of the floodplain by FEMA. Ellensburg annually experiences sheet-flow floods, and the floods are not uniformly in flood locations identified on the 1981 FIRM maps. People suffer property damage but are not within a FIRM floodplain and are not eligible for federal flood insurance. People want to develop their properties that are not identified in the floodplain but that consistently flood, and it becomes a regulatory issue for which there is no solid documented basis to regulate the property for flooding. FEMA is in the process of digitizing the existing 1981 FIRMs, and is currently working with Kittitas County to remap tributaries that run through the City using LiDAR technology. The City of Ellensburg will evaluate additional methodology to update mapping for tributaries that run through the City to reflect actual flooding experience scenarios.

4.8 Additional Comments

Due to its climate and topography, Ellensburg is prone to unpredictable flood events when there is significant snow pack in the foothills surrounding the City during early and late winter and a heavy rain event occurs combined with warm temperatures and strong winds (strong winds are the norm for this area). The creek that experiences the flood event varies and is dependent on the temperature and the degree of compactness of the snowpack within the creek watersheds. The result is significant overbank flow in the six creeks that run northeast to southwest through the developed city toward the Yakima River, which becomes sheet-flow flooding over large areas of the community. This regular pattern of flooding does not pose major risks to life, but it does cause significant annual damage to public and private property. Although the City's risk rating for the flood hazard is 36 the regularity of annual flooding and associated property damage makes this hazard risk much higher.

In addition, because most of the City's historic downtown structures are masonry buildings constructed in the late 1880s, they are not likely to perform well in earthquake events. The 2001 Nisqually Earthquake, while causing significant damage to the Puget Sound region, in particular the older historic structures, did not cause significant damage in Ellensburg. However, a more local earthquake event, or a much stronger event in the Puget Sound region would likely cause significant property loss and the potential for significant personal injury in the historic downtown area if the two-story brick buildings were to collapse. Retrofitting those historic structures would be an expensive task that is beyond the City's ability to address and beyond the individual property owner's ability to finance.

Large earthquake events in the Puget Sound region also will likely result in significant logistical problems for the Ellensburg community. I-90 is the major east/west interstate that connects the more rural eastern Washington to the more populated western Washington. Large-scale earthquake damage in the Puget Sound region will likely cause serious disruption to food service delivery from the regional warehouses located in Puget Sound, as well as damage to telecommunications. And if the event is serious enough there is likely to be an exodus of displaced Puget Sound residents seeking shelter elsewhere and if the interstate is open Ellensburg is the first larger city over the mountain passes from Puget Sound and is likely to be impacted by displaced Puget Sound people seeking a safe place.

4.9 Hazard Area Extent and Location

Hazard area extent and location maps for the City of Ellensburg are included at the end of this chapter. These maps are based on the best available data at the time of the preparation of this plan, and are considered to be adequate for planning purposes.

Table 4-1. Natural Hazard Events

Type of Event	Date	Preliminary Damage Assessment
Severe Flooding	05/24/17	N/A
Severe Flooding	03/12/17	N/A
Severe Flooding	02/18/16	N/A
Severe Flooding	02/22/12	N/A
Severe Flooding	5/15/11	N/A
Severe Flooding	03/31/11	N/A
Severe Flooding	3/25/11	N/A
Severe Flooding	01/17/11	N/A
Severe Flooding	01/30/09	N/A
Severe Flooding	01/07/09	N/A
Earthquake (Nisqually)	03/01/01	N/A
Severe Winter Storm	01/17/97	N/A
Severe Winter Storm/Flooding	02/09/96	N/A
Storms/High Winds/Floods	01/03/96	N/A
Flooding, Severe Storm	11/26/90	N/A
Severe Flooding	8/21/90	N/A
Severe Winter Weather	01/18/86	N/A
Severe Storm	12/24/80	N/A
Volcanic Eruption, Mt. St. Helens	05/21/80	N/A
Severe Storms, Flooding	12/10/77	N/A
Severe Storms, Flooding	12/13/75	N/A
Heavy Rains & Flooding	12/29/64	N/A

Table 4-2. Hazard Risk Ranking

Rank	Hazard Type	Risk Rating Score (Probability x Impact)
1	Earthquake	36
2	Flood	36
3	Severe Weather	36
4	Dam Failure	30
5	Volcano	24
6	Landslide	6
7	Drought	3
8	Wildfire	3
9	Avalanche	0
10	Seiche	0

Table 4-3. Legal and Regulatory Capability

	Local Authority	State or Federal Prohibitions	Other Jurisdictional Authority	State Mandated	Comments
Codes, Ordinances & Requirements					
Building Code	Y	N	N	Y	2015 International Building Codes
Zoning Code	Y	N	N	Y	Title 15 ECC
Subdivisions	Y	N	N	N	Title 15 ECC
Post Disaster Recovery	Y	N	N	Y	Stormwater Utility Adopted
Real Estate Disclosure	N	N	N	N	
Growth Management	Y	N	N	N	Comprehensive Plan, SEPA and Critical Areas
Site Plan Review	Y	N	N	N	GMA compliant 2013 ECC Update
Special Purpose (flood management, critical areas)	Y	N	N	N	Site plans are reviewed for compliance with codes and development regulations
Building Code	Y	N	N	Y	2015 International Building Codes
Planning Documents					
General or Comprehensive Plan	Y	N	N	Y	GMA compliant with 2017 Update
Floodplain or Basin Plan	N	N	N	N	
Stormwater Plan	Y	Y	N	Y	Adopted stormwater utility in 2009 and adopted the Eastern Washington Stormwater Development Guidance Manual 2004, updated 2018 and the current stormwater development standards with the City of Ellensburg
Capital Improvement Plan	Y	N	N	N	Specific 6-Year and more general 12 and 18-year plans included in Comp Plan
Habitat Conservation Plan	N	N	N	Y	Regulated through Critical Area Ordinance in ECC Division VI
Economic Development Plan	Y	N	N	N	An element in the City Comp Plan, in conjunction with Ellensburg Business Development Authority Strategic Plan
Emergency Response Plan	Y	N	N	N	Contracted for through Fire District
Shoreline Management Plan	N	N	N	Y	Adopted by reference the Kittitas County SMP. City SMP adopted 2016
Post Disaster Recovery Plan	Y	N	N	N	Contracted for through Fire District

Table 4-4. Administrative and Technical Capability

Staff/Personnel Resources	Available?	Department/Agency/Position
Planners or engineers with knowledge of land development and land management practices	Y	Community Development Planners Public Works and Energy Services-Engineers
Engineers or professionals trained in building or infrastructure construction practices	Y	Building Department Building Inspectors Public Works and Energy Services-Engineers
Planners or engineers with an understanding of natural hazards	Y	Public Works Flood Hazards
Staff with training in benefit/cost analysis	Y	Various departments with basic capability
Floodplain manager	Y	Community Development Director
Surveyors	Y	Hire as needed
Personnel skilled or trained in GIS applications	Y	IT Department GIS division
Scientist familiar with natural hazards in local area	Y	Hire as needed
Emergency manager	Y	Contracted with Fire District
Grant writers	Y	On-call contract grant writers

Table 4-5. Fiscal Capability

Financial Resources	Accessible or Eligible to Use?
Community Development Block Grants	Y
Capital Improvements Project Funding	Y
Authority to Levy Taxes for Specific Purposes	Y
User Fees for Water, Sewer, Gas or Electric Service	Y
Incur Debt through General Obligation Bonds	Y
Incur Debt through Special Tax Bonds	Y
Incur Debt through Private Activity Bonds	N
Withhold Public Expenditures in Hazard-Prone Areas	N
State Sponsored Grant Programs	Y
Development Impact Fees for Homebuyers or Developers	Y
Other	

Table 4-6. Community Classifications

	Participating?	Classification	Date Classified
Community Rating System	No	—	—
Building Code Effectiveness Grading Schedule	Yes	4/4	—
Public Protection	Yes	4/9	—
Storm Ready	No	—	—
Firewise	No	—	—

Table 4-7. Hazard Mitigation Action Plan Matrix

Applies to new or existing assets	Hazards Mitigated	Objectives Met	Lead Agency	Estimated Cost	Sources of Funding	Timeline
Initiative E-1 West Ellensburg Flood Mitigation Project Reecer and Currier Creeks from I-90 to University Way, Alliance Short Plat/CenterPoint Business Park Acquisition to Create Floodplain and Extend Levee						
Existing/New	Flooding	1, 3, 6, 7, 9, 10	City	\$7,000,000, High	Grants	Included in 6-Year Capital Facility Plan
Initiative E-2 Wilson Creek Flood Control Project						
Existing/New	Flooding	1, 3, 6, 7, 9, 10	City	\$8,900,000, High	General Fund, Bonds, Grants	Long-term, depends on funding
Initiative E-3 Update FEMA Floodplain Maps						
Existing/New	Flooding	1, 3, 4, 5, 6, 7, 9, 10	City	High	General Fund, FEMA RiskMAP program, Grants	Long Term, depends on funding
Initiative E-4 Clear storm drains and culverts for stormwater management						
Existing	Flooding	1, 6, 7, 10	City	High	Stormwater Utility Funds	Seasonally Clean ½ the City every 2 Years
Initiative E-5 Enhance existing stormwater facilities that lack capacity or functionality and construct new local stormwater facilities where there is identified need.						
Existing/New	Flooding	1, 6, 7, 10	City	High	Stormwater Utility, Grants	Ongoing
Initiative E-6 Control land use in flood-prone areas (by zoning setbacks, greenways, and buffers)						
New	Flooding	1, 2, 3, 4, 5, 6, 7, 9, 10	City	Low	HMGP	Long Term
Initiative E-7 Acquisition of flood-prone structures and conversion of land to open space						
Existing/New	Flooding	1, 2, 3, 4, 5, 6, 7, 8, 10	City	High	Grants	Ongoing, depends on funding
Initiative E-8 Continue to maintain compliance and good standing under the National Flood Insurance Program.						
Existing/New	Flooding	1, 2, 3, 4, 5, 6, 7, 8, 9, 10	City	low	General fund	Ongoing
Initiative E-9 Where appropriate, support retrofitting, purchase, or relocation of structures in hazard-prone areas to protect structures from future damage, with repetitive loss and severe repetitive loss properties as priority.						
Existing	All Hazards	1, 2, 8, 10	City	high	HMGP	Long Term
Initiative E-10 Conduct a seismic retrofit of the Ellensburg Public Safety Building that houses the Ellensburg Police Department and Kittitas Valley Fire And Rescue (Fire District) Headquarters.						
Existing	Earthquake	1, 2, 5, 6, 7, 8, 9, 10	City	medium	HMGP, General Funds, Bonds	Long Term

Applies to new or existing assets	Hazards Mitigated	Objectives Met	Lead Agency	Estimated Cost	Sources of Funding	Timeline
Initiative E-11 Collect improved data (hydrologic, geologic, topographic, etc.) to assess risks and vulnerabilities.						
Existing/New	All Hazards	1, 2, 3, 4, 5, 6, 7, 8, 9, 10	City	medium	Grants, General fund	Ongoing
Initiative E-12 Consider adoption of appropriate regulatory standards, through updates as needed and/or required, affecting critical areas regulations, flood hazard regulations, shoreline regulations, and to the growth management comprehensive plan.						
New	Flooding	1, 2, 3, 4, 5, 6, 7, 9, 10	City	medium	General fund	Ongoing
Initiative E-13						
Existing	All Hazards	1, 2, 5, 6, 10	City	low	General fund	Ongoing
Initiative E-14 -Replace inadequately sized culvert for Reecer Creek at University Way.						
Existing	Flooding	1, 2, 7, 8, 9, 10	City	high	Grants, Road Fund, CIP	Long Term
Initiative E-15 Relocate City-owned critical facilities out of identified high hazard risk zones						
Existing	All Hazards	1, 2, 5, 7, 8, 9, 10	City	Unknown	HMGP, Bond	Long Term
Initiative E-16 Install stream gauge stations with communication links for early flood warning on all local tributaries						
Existing/New	Flooding	1, 7, 9	City	\$160,000	Stormwater Utility, Grants, Kittitas County Flood District	Short-term
Initiative E-17 Consider participation in the Community Rating System						
New and existing	Flood	1, 2, 3, 4, 5, 6, 7, 8, 9, 10	City	low	General fund	Short-term
Initiative E-18 Continue to support the implementation, monitoring, maintenance and updating of this plan.						
New and Existing	All Hazards	All	City Council, Community Development	Low	HMGP, General Fund, Road Fund	Short-term, ongoing
Initiative E-19 Continue to support through active participation the countywide initiatives identified in Volume 1 of the Kittitas County Hazard Mitigation Plan.						
New and Existing	All Hazards	5,6,9	All City Agencies	Low	General Fund	Short-term, Ongoing
Initiative E-20						
New and Existing	Flood, Severe Weather	6, 7, 9	Public Works	Low	General Fund	Short-term
Initiative E-21 Gateway Project: \$4 million dollar project to treat (infiltrate) 2 miles of stormwater on University Way. Funded by Ecology, slated for 2019-2021.						
New	Flooding	1, 6, 7, 10	City	High	Stormwater Utility, Grants	Funded

Table 4-8. Mitigation Strategy Priority Schedule

Initiative #	# of Objectives Met	Benefits	Costs	Do Benefits Equal or Exceed Costs?	Is Project Grant-Eligible?	Can Project Be Funded Under Existing Programs/Budgets?	Priority*
E-1	6	High	High	Y	Y	Y	High
E-2	6	High	High	Y	Y	N	High
E-3	8	High	High	Y	Y	N	High
E-4	4	High	High	Y	N	Y	High
E-5	4	High	High	Y	Y	Y	High
E-6	9	High	Medium	Y	Y	N	High
E-7	9	High	High	Y	Y	Y	High
E-8	10	High	Low	Y	N	Y	High
E-9	4	Medium	High	N	Y	N	Low
E-10	8	Medium	High	N	Y	N	High
E-11	10	High	High	Y	Y	N	High
E-12	9	Medium	Medium	Y	N	N	Medium
E-13	5	Medium	Low	Y	N	Y	Medium
E-14	6	High	High	Y	Y	N	High
E-15	7	Medium	High	N	Y	N	Medium
E-16	3	High	Low	Y	Y	Y	High
E-17	10	Medium	Low	Y	N	Y	Medium
E-18	10	High	Low	Y	Y	Y	High
E-19	3	Medium	Low	Y	N	Y	High
E-20	3	High	Low	Y	Y	Y	High
E-21	4	High	High	Y	Y	Y	High

* See Section 1.3 for definitions of high, medium and low priorities.

Table 4-9. Analysis of Mitigation Initiatives: Initiative Addressing Hazard, by Mitigation Type

Hazard Type	1. Prevention	2. Property Protection	3. Public Education and Awareness	4. Natural Resource Protection	5. Emergency Services	6. Structural Projects
Avalanche	18		18, 19		19	
Dam Failure	18	6, 9, 11, 12, 13, 15	13, 18, 19		19	9, 15
Drought	18		18, 19		19	
Earthquake	18	9, 10, 11, 15	13, 18		10, 19	9, 10, 15
Flood	1, 2, 3, 4, 5, 16, 17, 18	1, 2, 3, 4, 5, 6, 7, 9, 11, 12, 13, 14, 15, 16, 17	6, 8, 12, 13, 16, 17, 18, 19	3, 11, 12, 17	17, 19, 20	1, 2, 3, 4, 5, 9, 14, 15, 16, 17, 21
Landslide	18		18, 19		19	
Severe Weather	18	1, 2	13, 18, 19	1, 2	19, 20	1, 2
Seiche	18		18, 19		19	
Volcano	18		13, 18, 19		19	
Wildfire	18		18, 19		19	
1. Prevention: Government, administrative or regulatory actions that influence the way land and buildings are developed to reduce hazard losses. Includes planning and zoning, floodplain laws, capital improvement programs, open space preservation, and stormwater management regulations. 2. Property Protection: Modification of buildings or structures to protect them from a hazard or removal of structures from a hazard area. Includes acquisition, elevation, relocation, structural retrofit, storm shutters, and shatter-resistant glass. 3. Public Education and Awareness: Actions to inform citizens and elected officials about hazards and ways to mitigate them. Includes outreach projects, real estate disclosure, hazard information centers, and school-age and adult education. 4. Natural Resource Protection: Actions that minimize hazard loss and preserve or restore the functions of natural systems. Includes sediment and erosion control, stream corridor restoration, watershed management, forest and vegetation management, and wetland restoration and preservation. 5. Emergency Services: Actions that protect people and property during and immediately after a hazard event. Includes warning systems, emergency response services, and the protection of essential facilities. 6. Structural Projects: Actions that involve the construction of structures to reduce the impact of a hazard. Includes dams, setback levees, floodwalls, retaining walls, and safe rooms.						

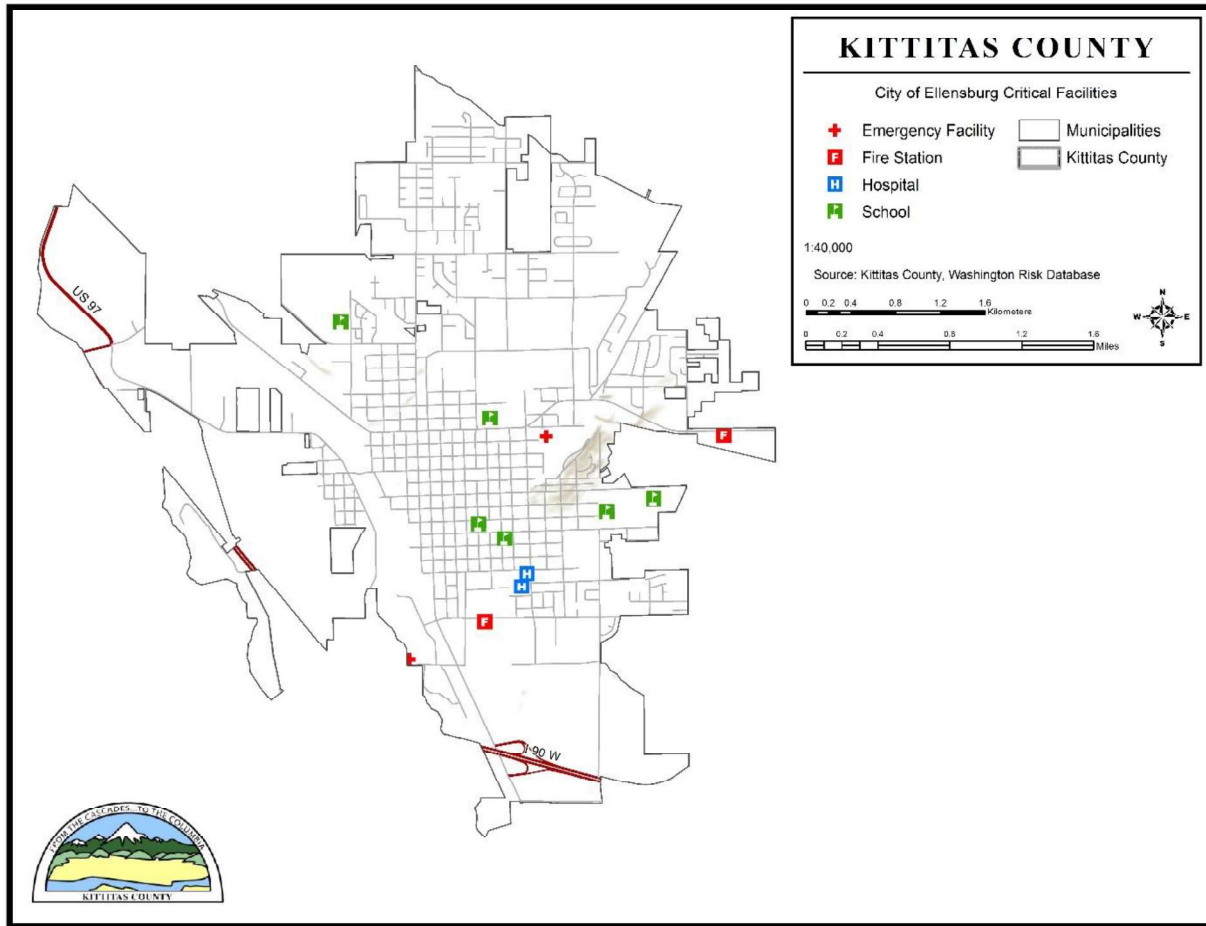


Figure 4-1. Ellensburg Critical Facilities

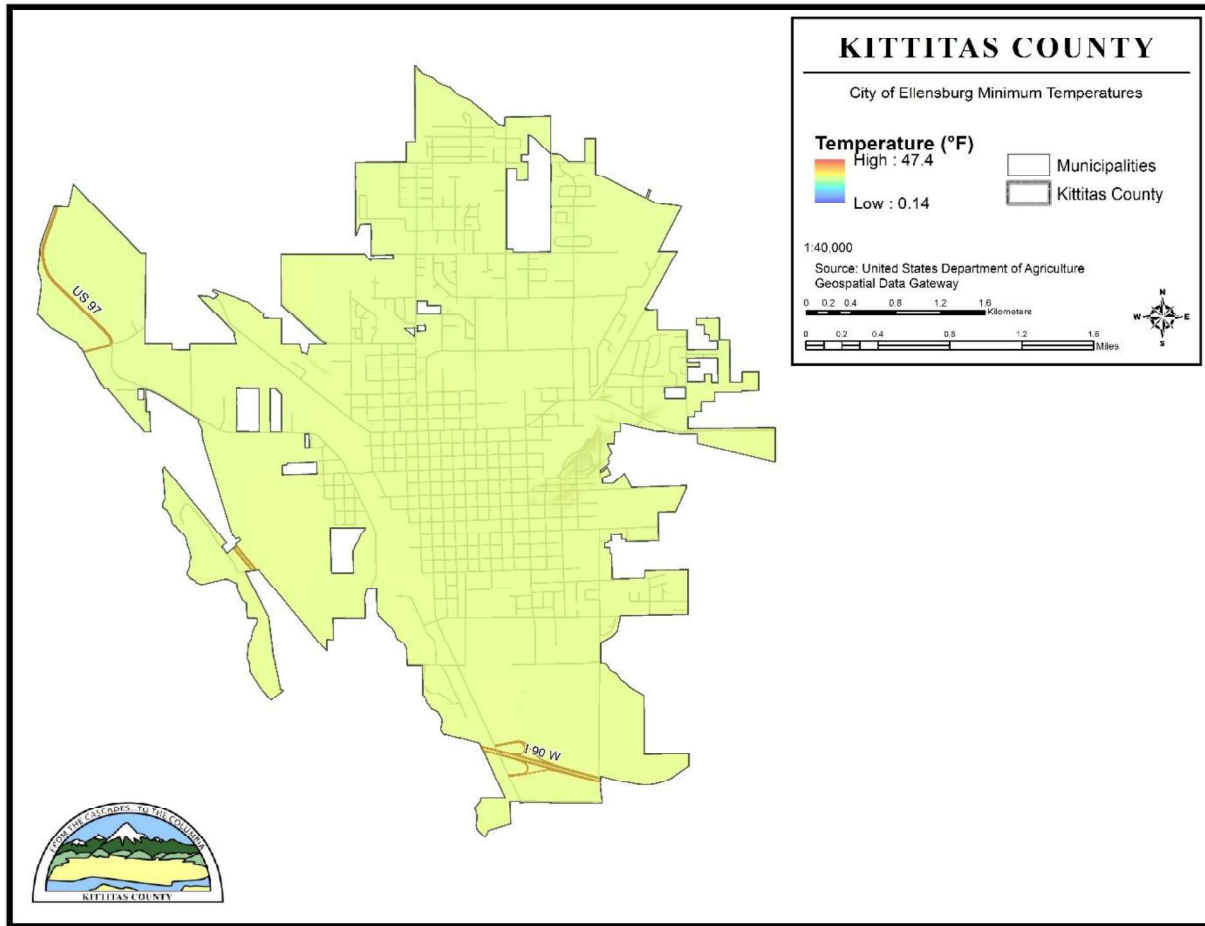


Figure 4-2. Ellensburg Minimum Temperatures

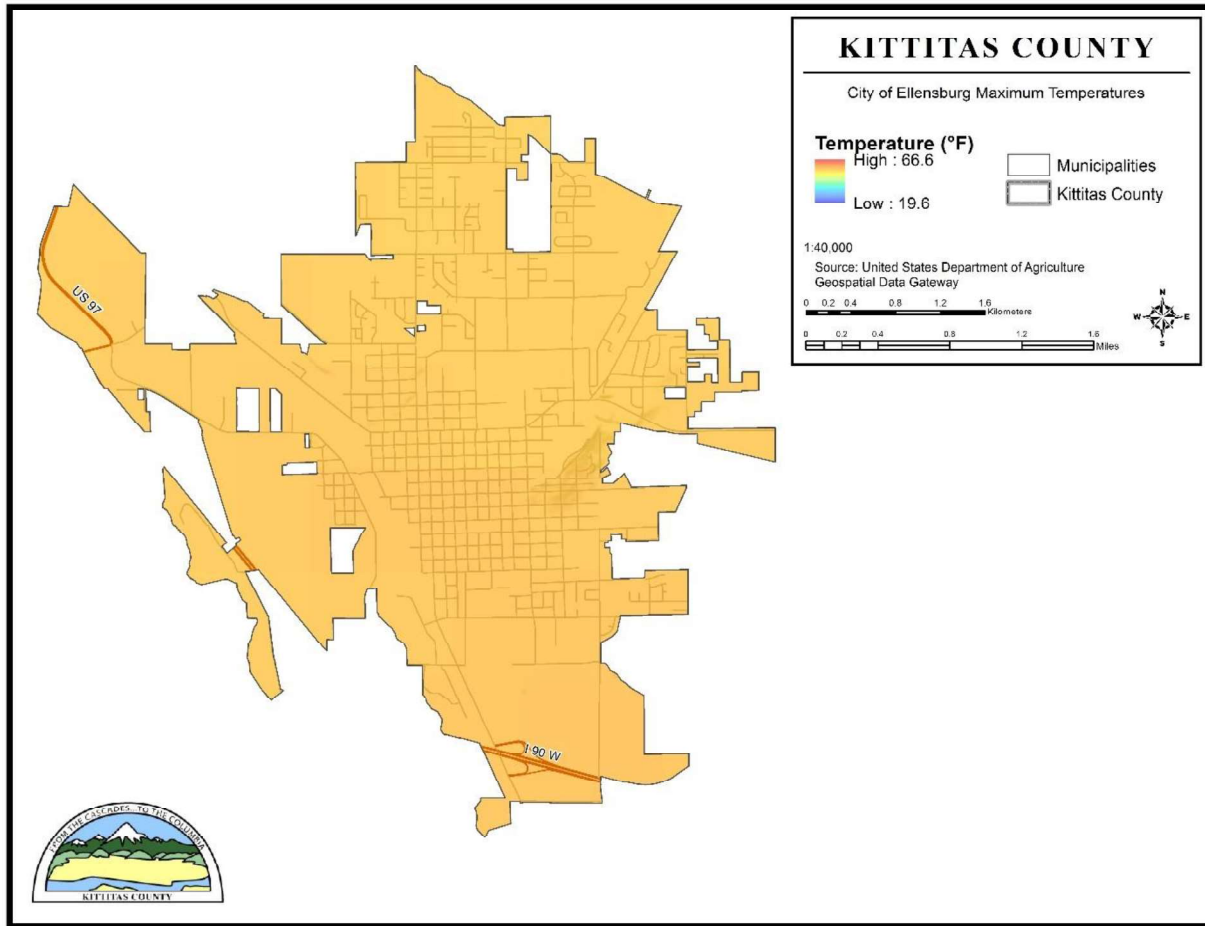


Figure 4-3. Ellensburg Maximum Temperatures

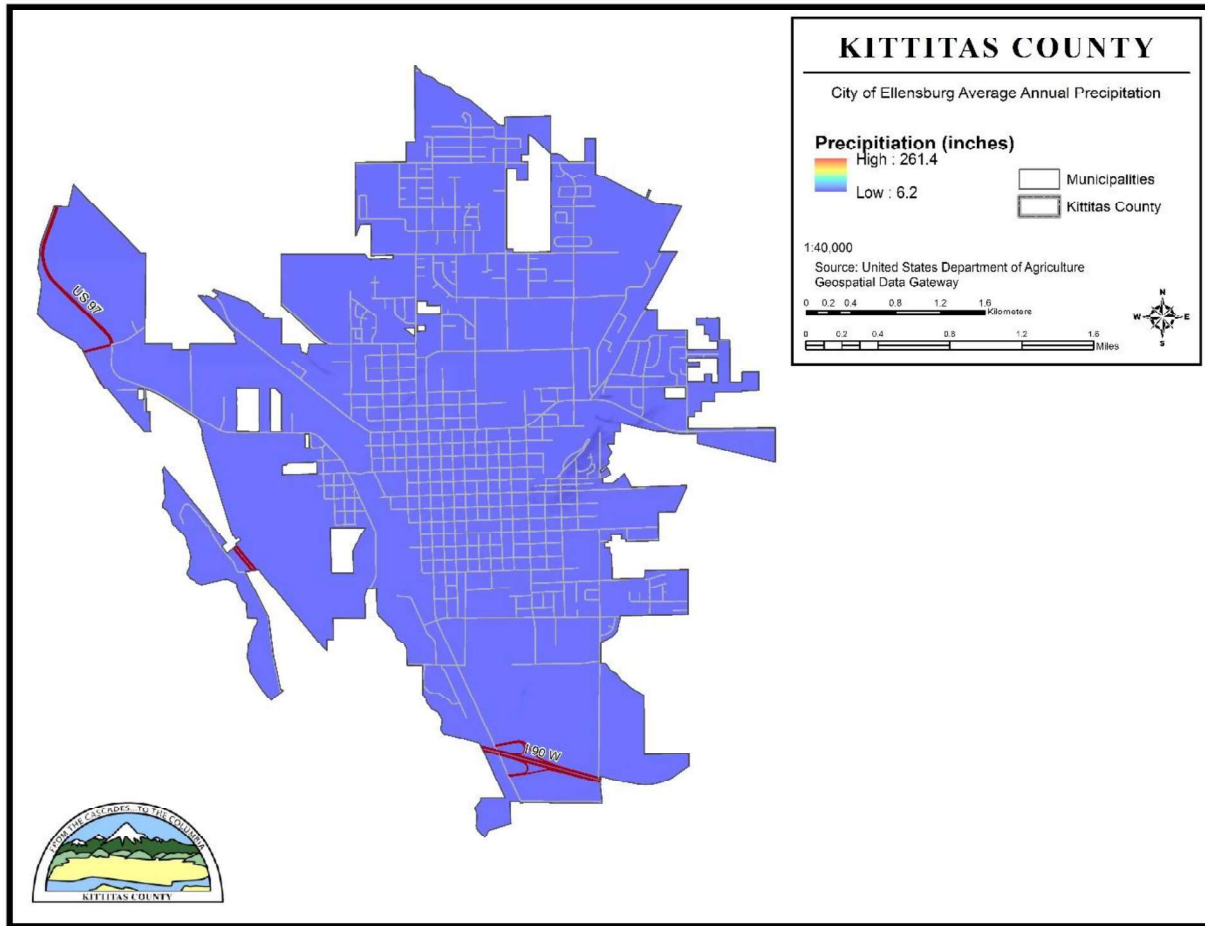


Figure 4-4. Ellensburg Average Annual Precipitation

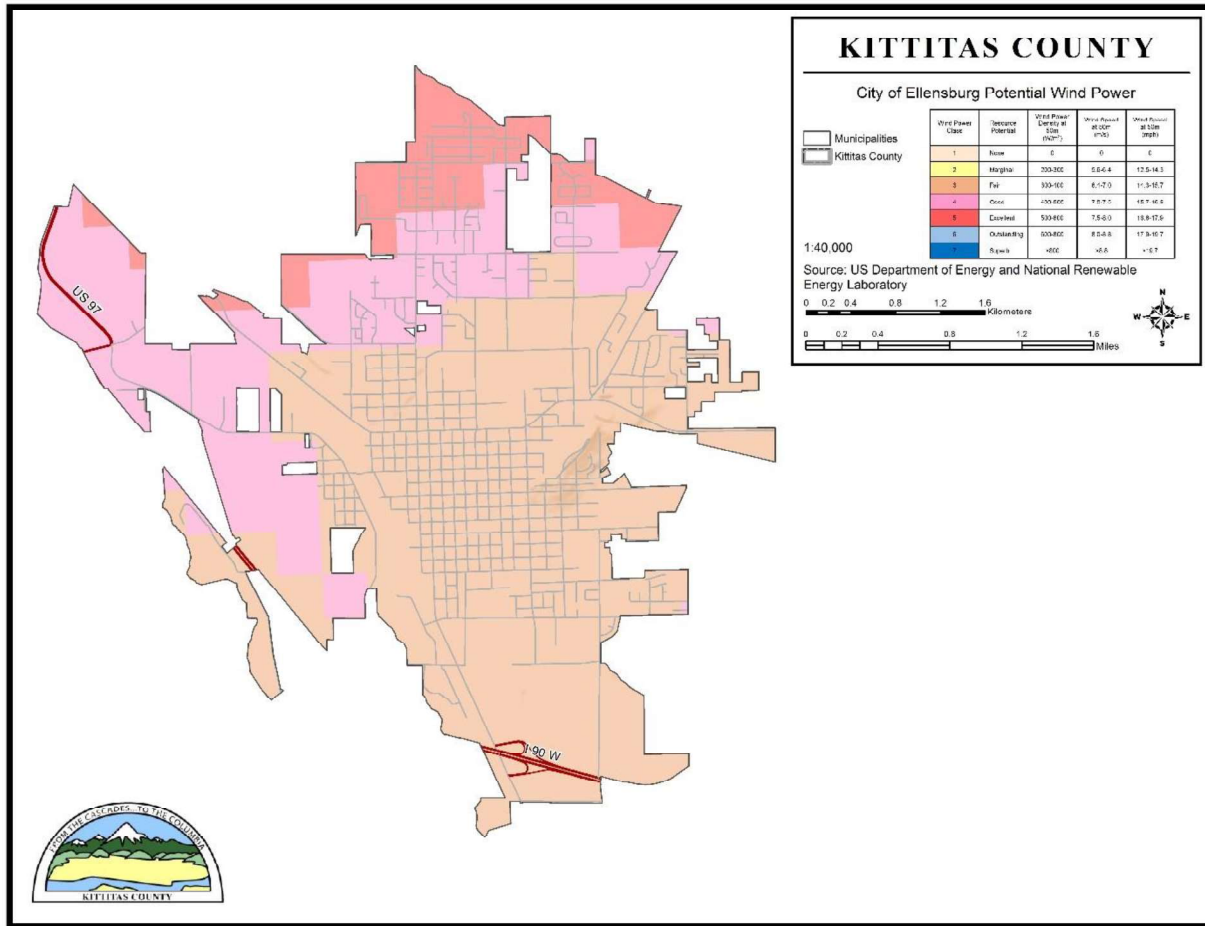


Figure 4-5. Ellensburg Potential Wind Power

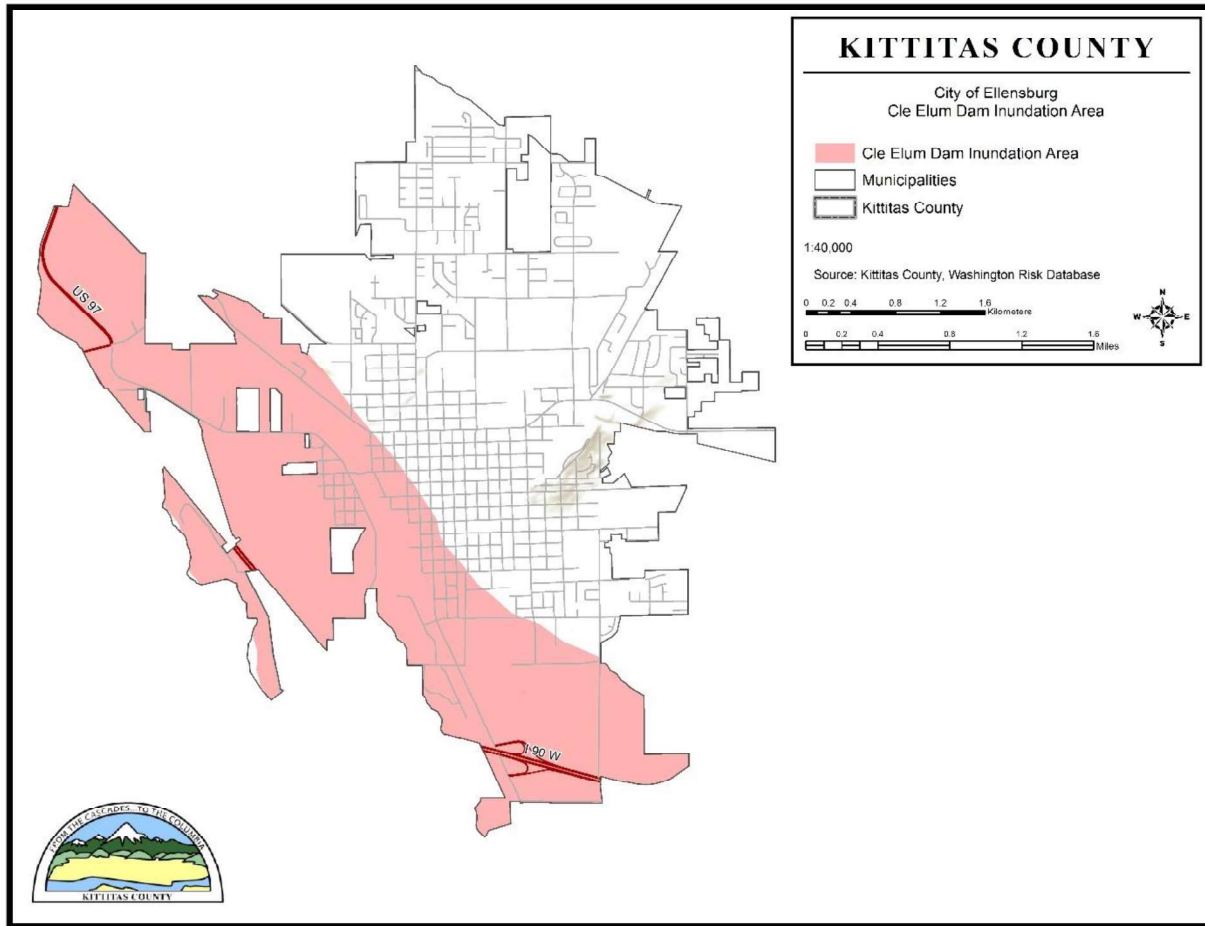


Figure 4-6. Cle Elum Dam Inundation Area for the City of Ellensburg

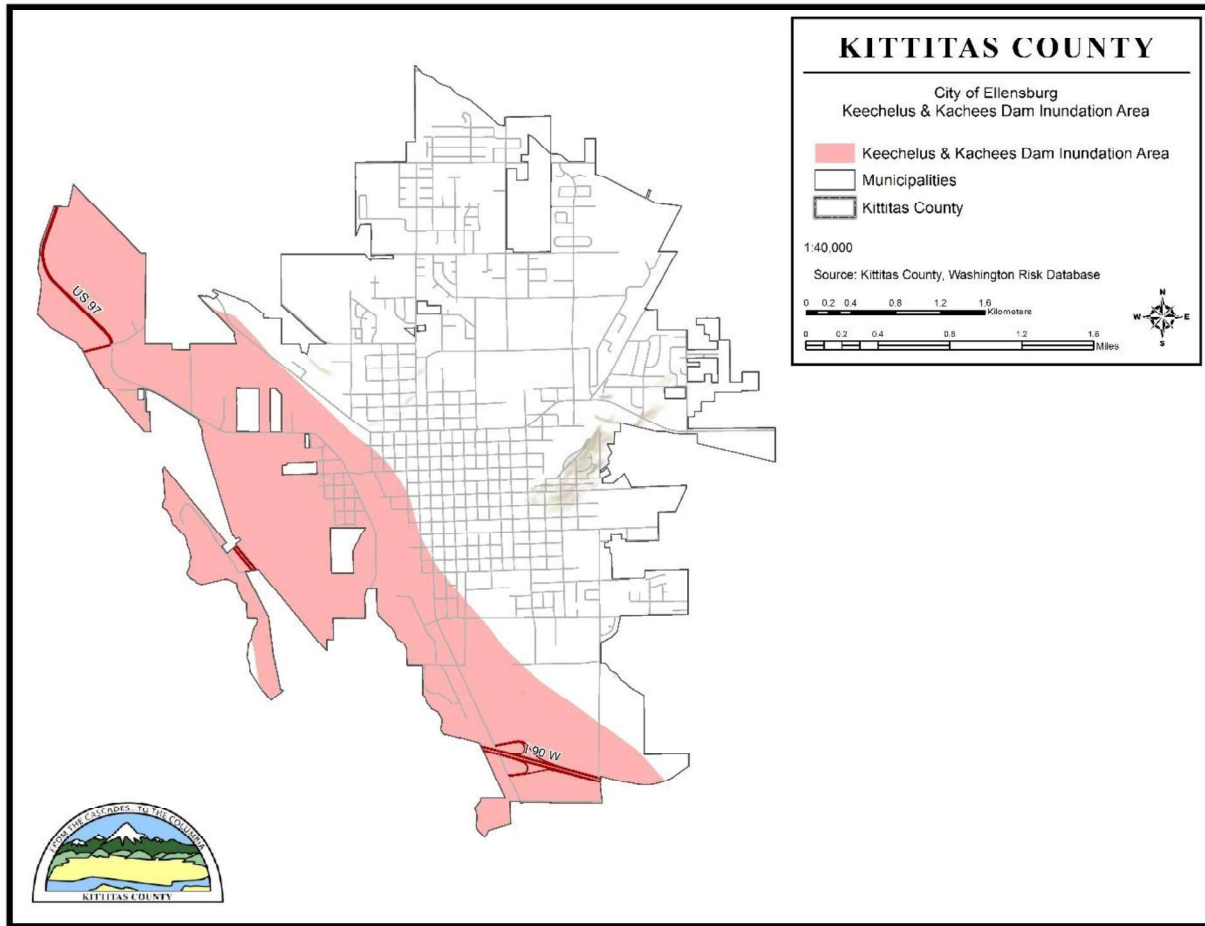


Figure 4-7. Keechelus & Kachees Dam Inundation Area for the City of Ellensburg

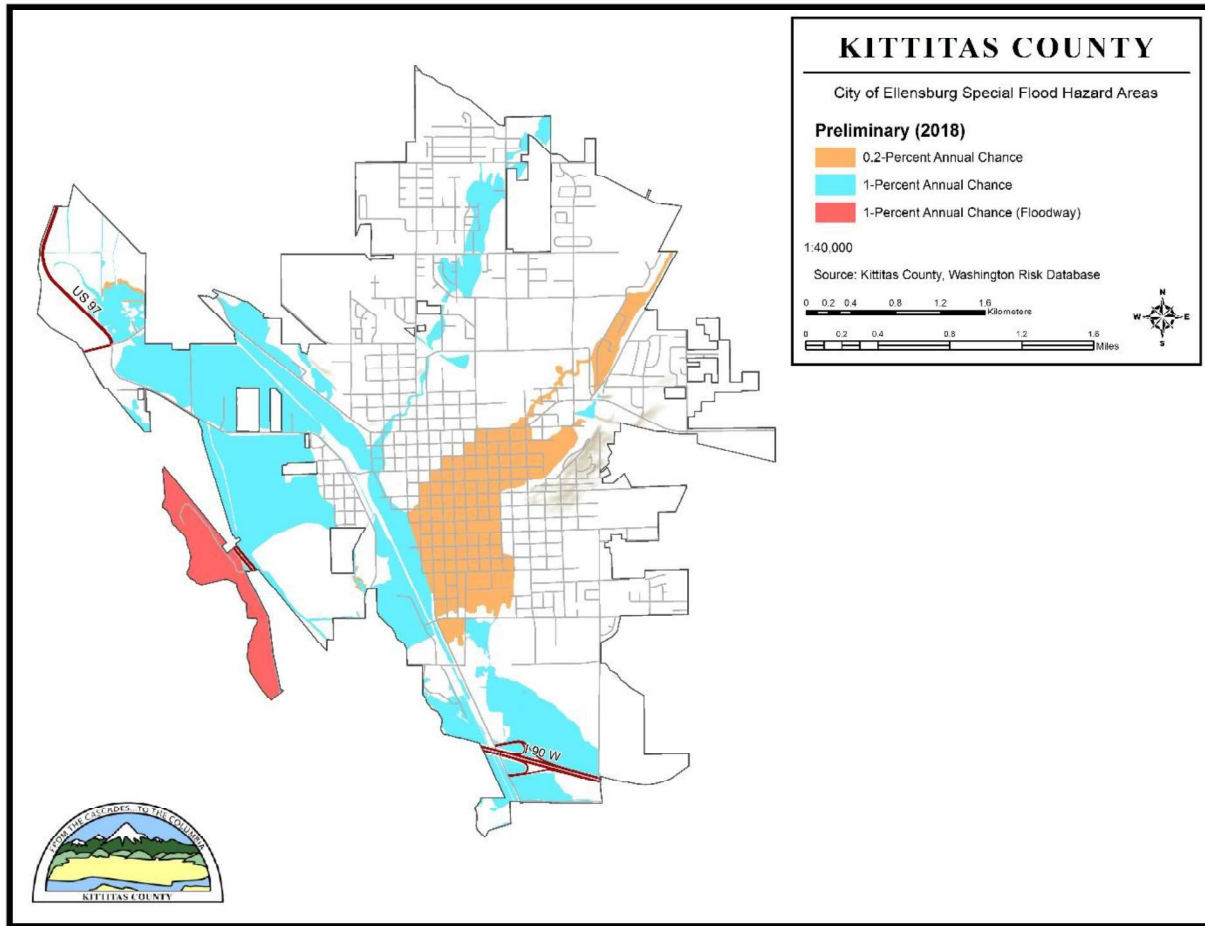


Figure 4-8. Ellensburg Special Flood Hazard Areas

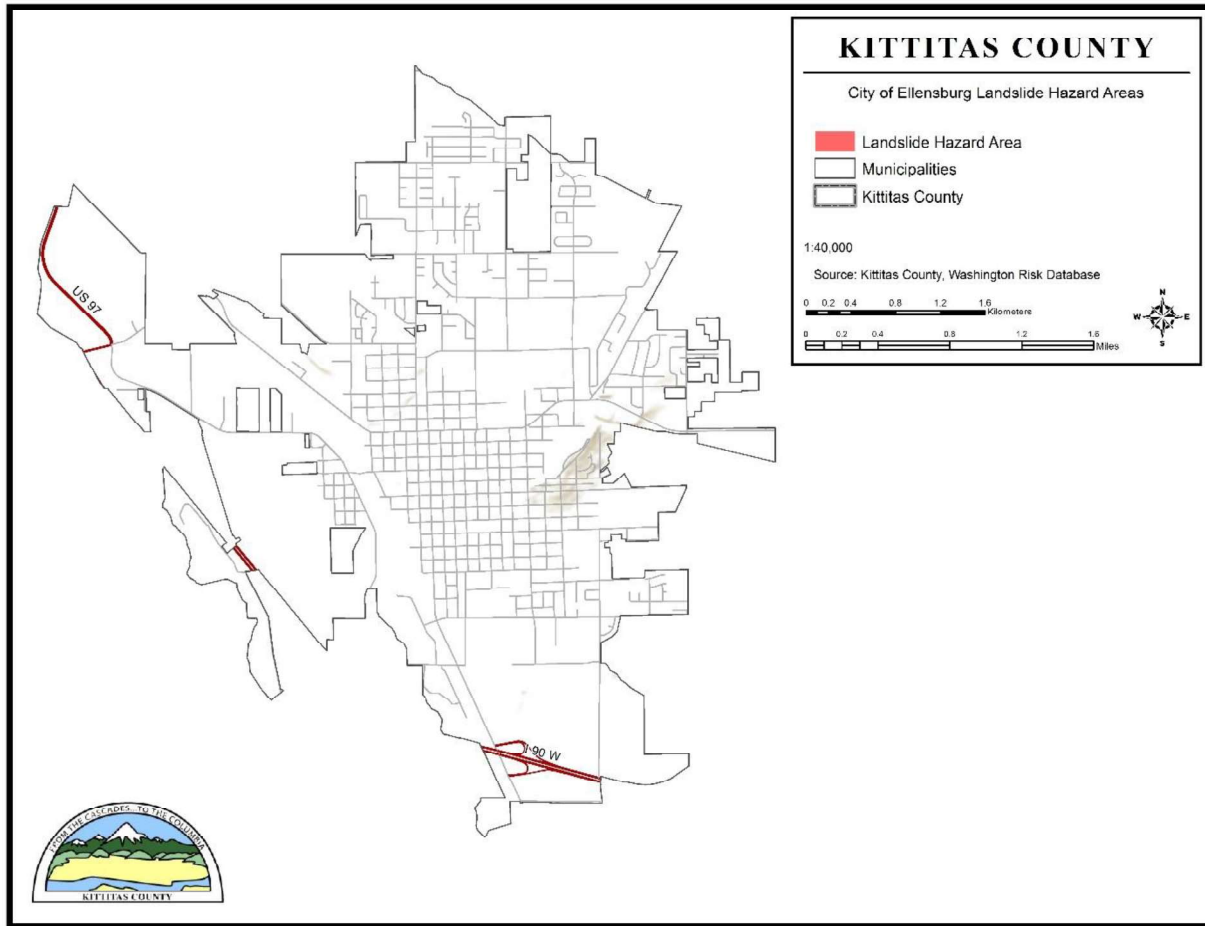


Figure 4-9. Ellensburg Landslide Hazard Areas

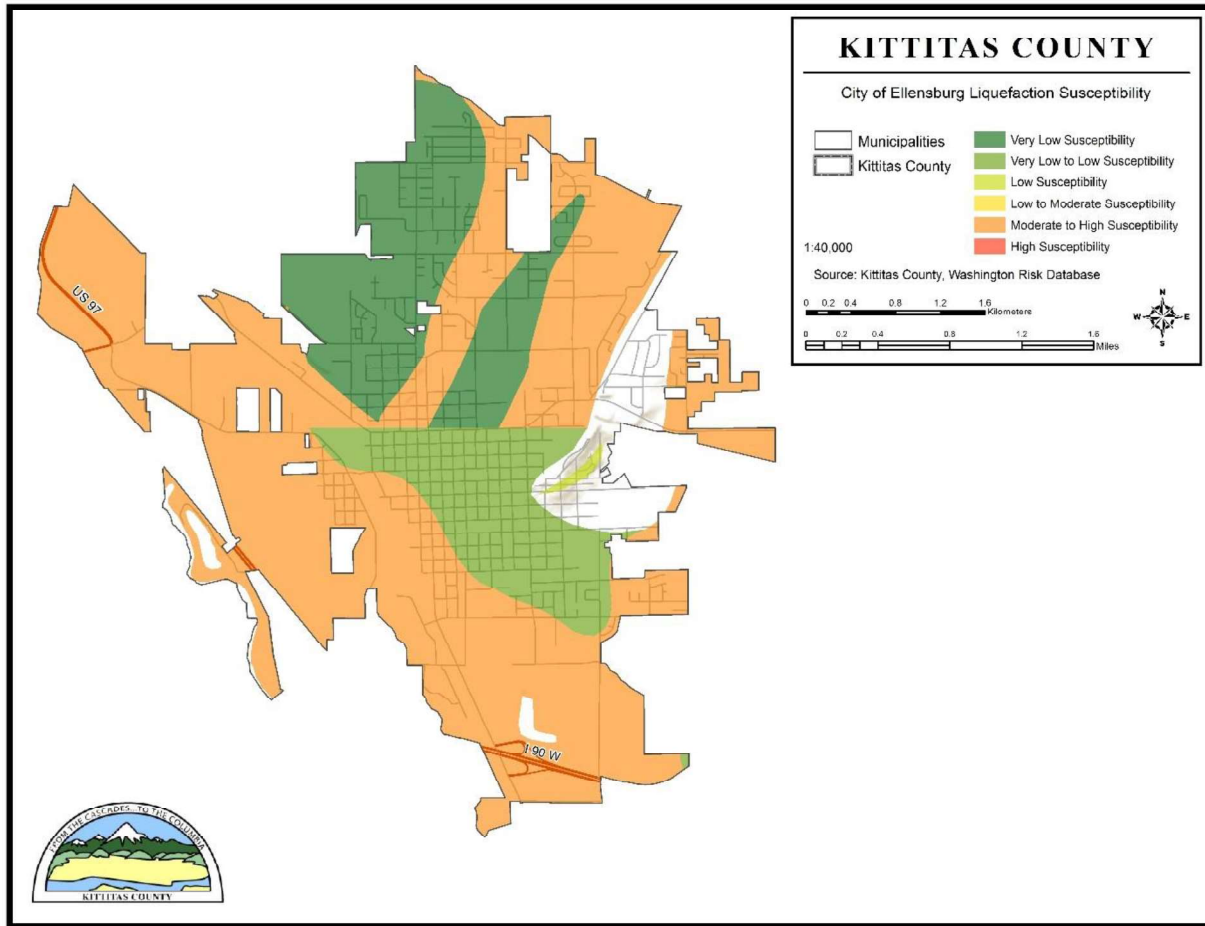


Figure 4-10. Ellensburg Liquefaction Susceptibility

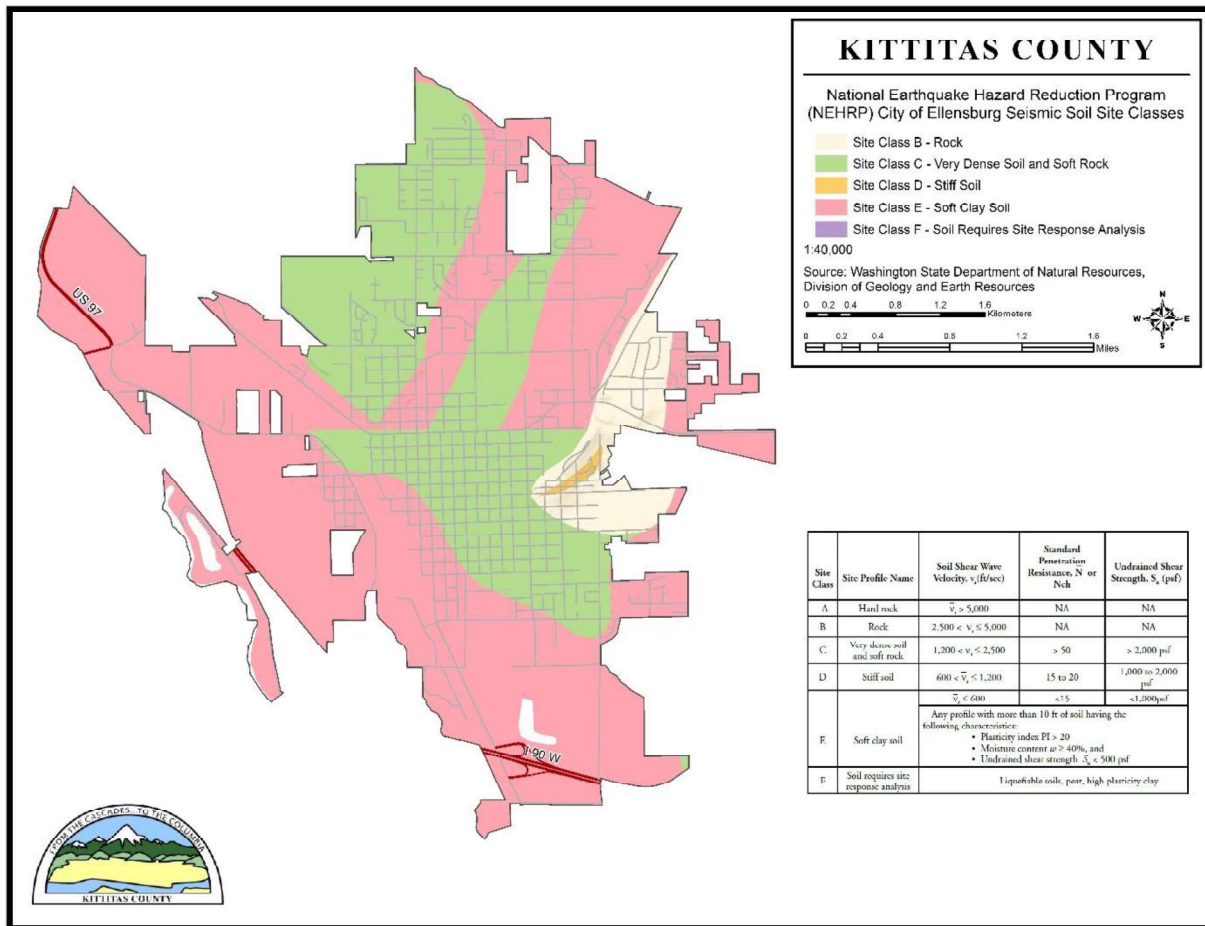


Figure 4-11. NEHRP Seismic Soil Classes for the City of Ellensburg

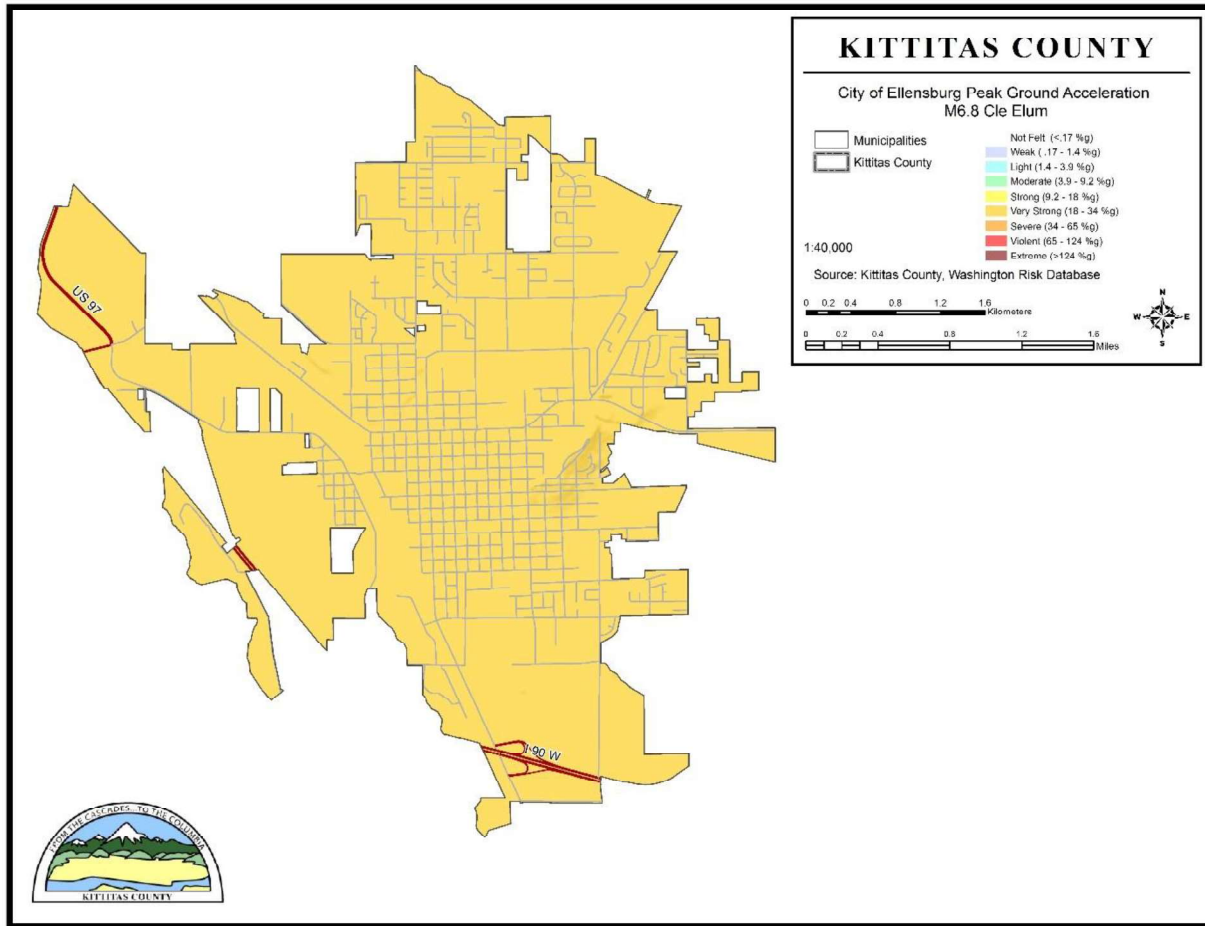


Figure 4-12. Cle Elum Earthquake Scenario Peak Ground Acceleration for the City of Ellensburg

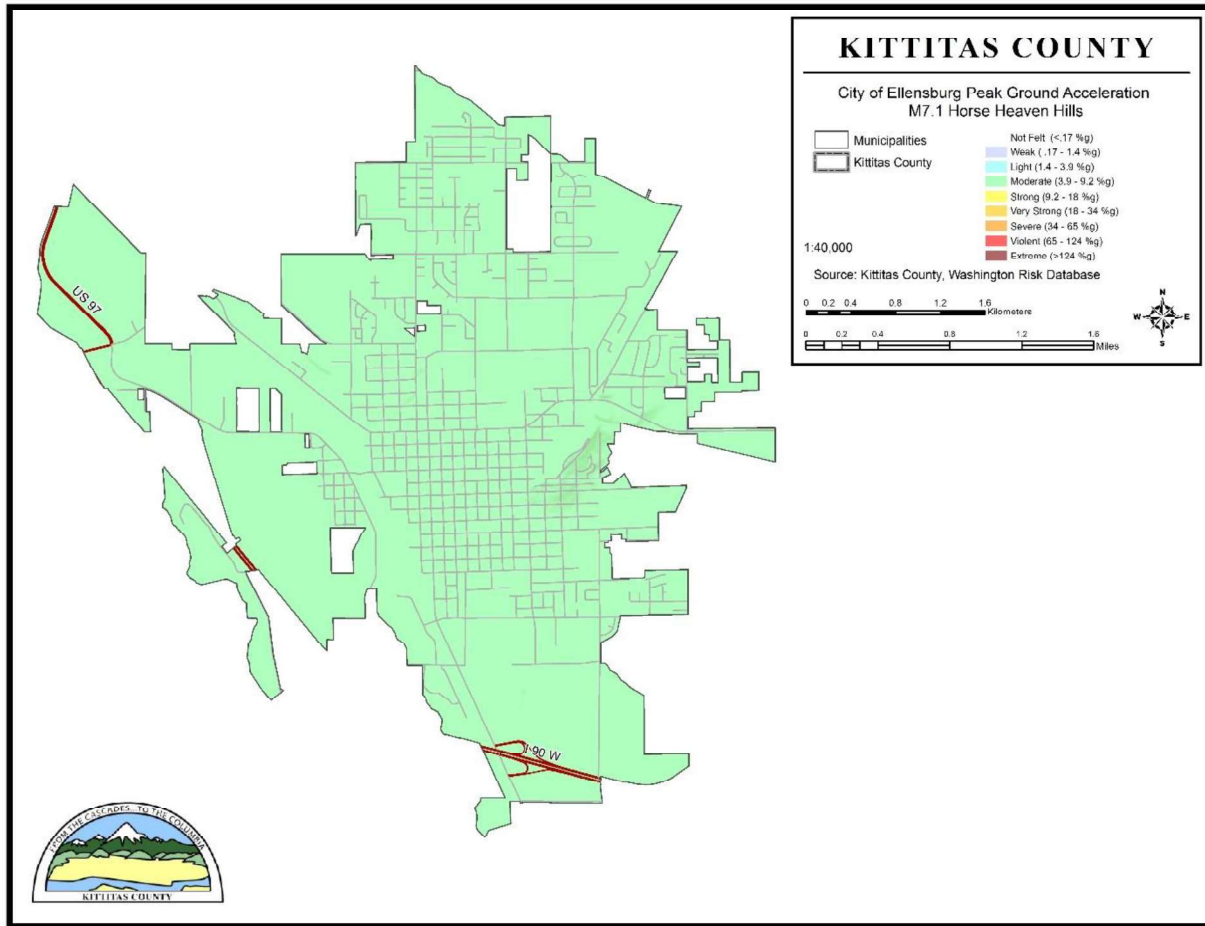


Figure 4-13. Horse Heaven Hills Earthquake Scenario Peak Ground Acceleration for the City of Ellensburg

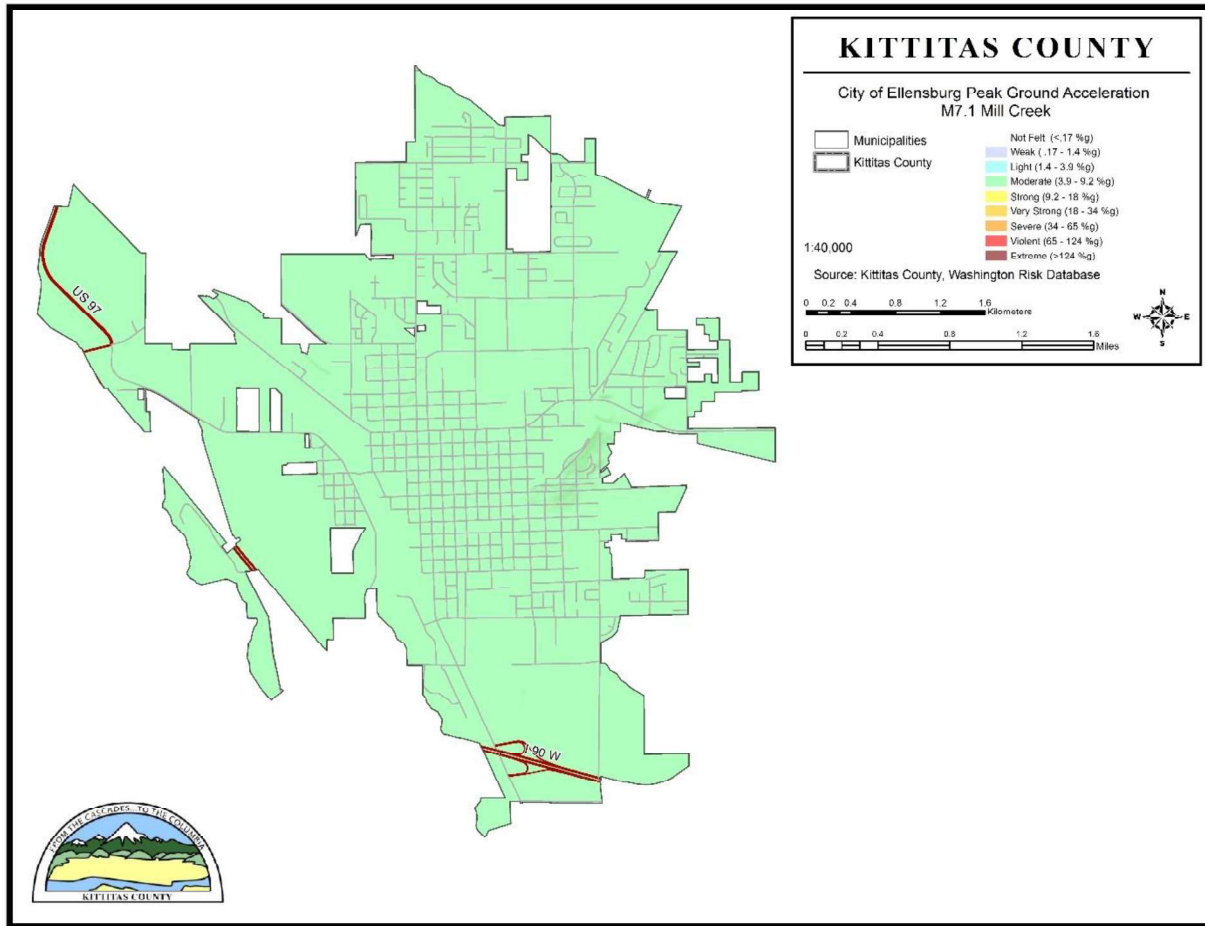


Figure 4-14. Mill Creek Earthquake Scenario Peak Ground Acceleration for the City of Ellensburg

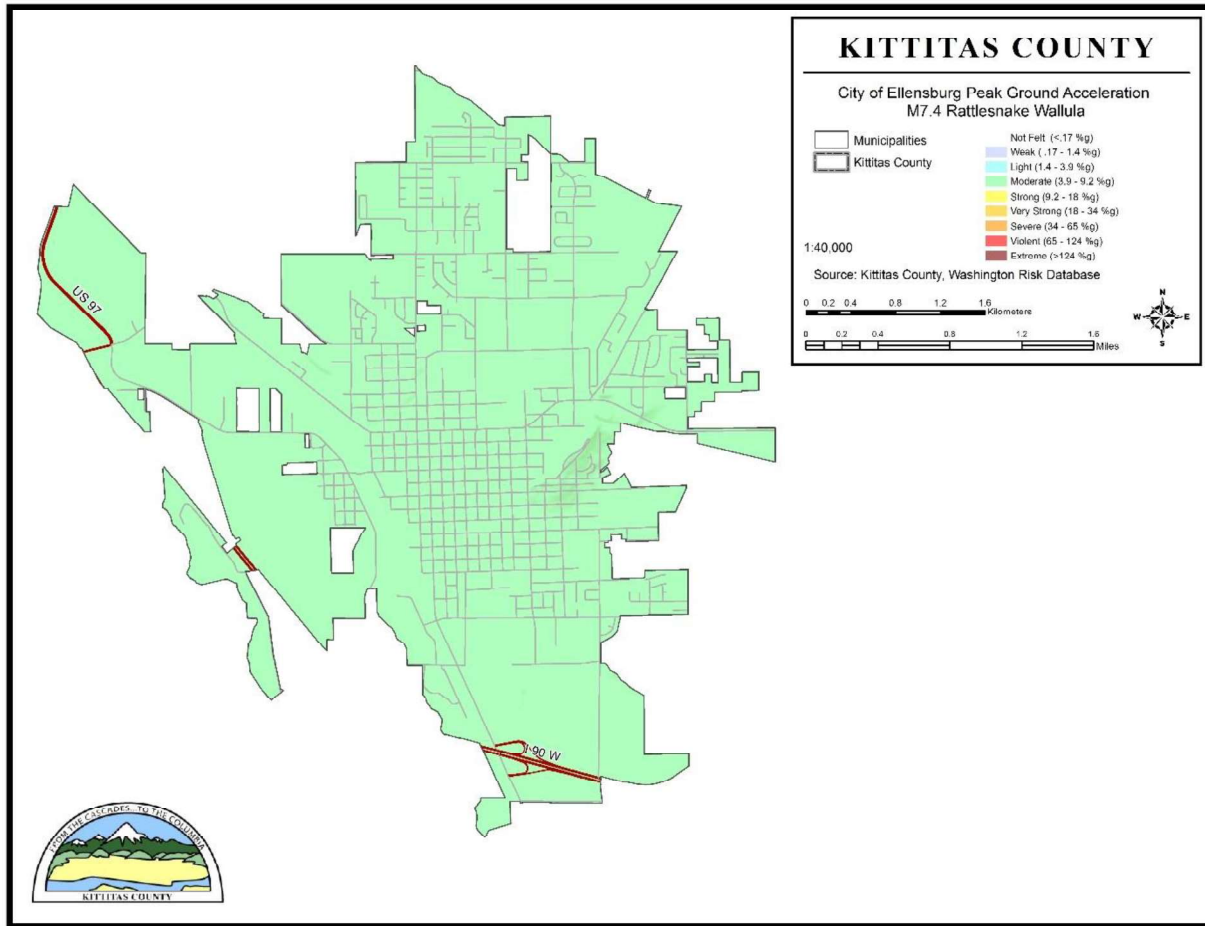


Figure 4-15. Rattlesnake Wallula Earthquake Scenario Peak Ground Acceleration for the City of Ellensburg

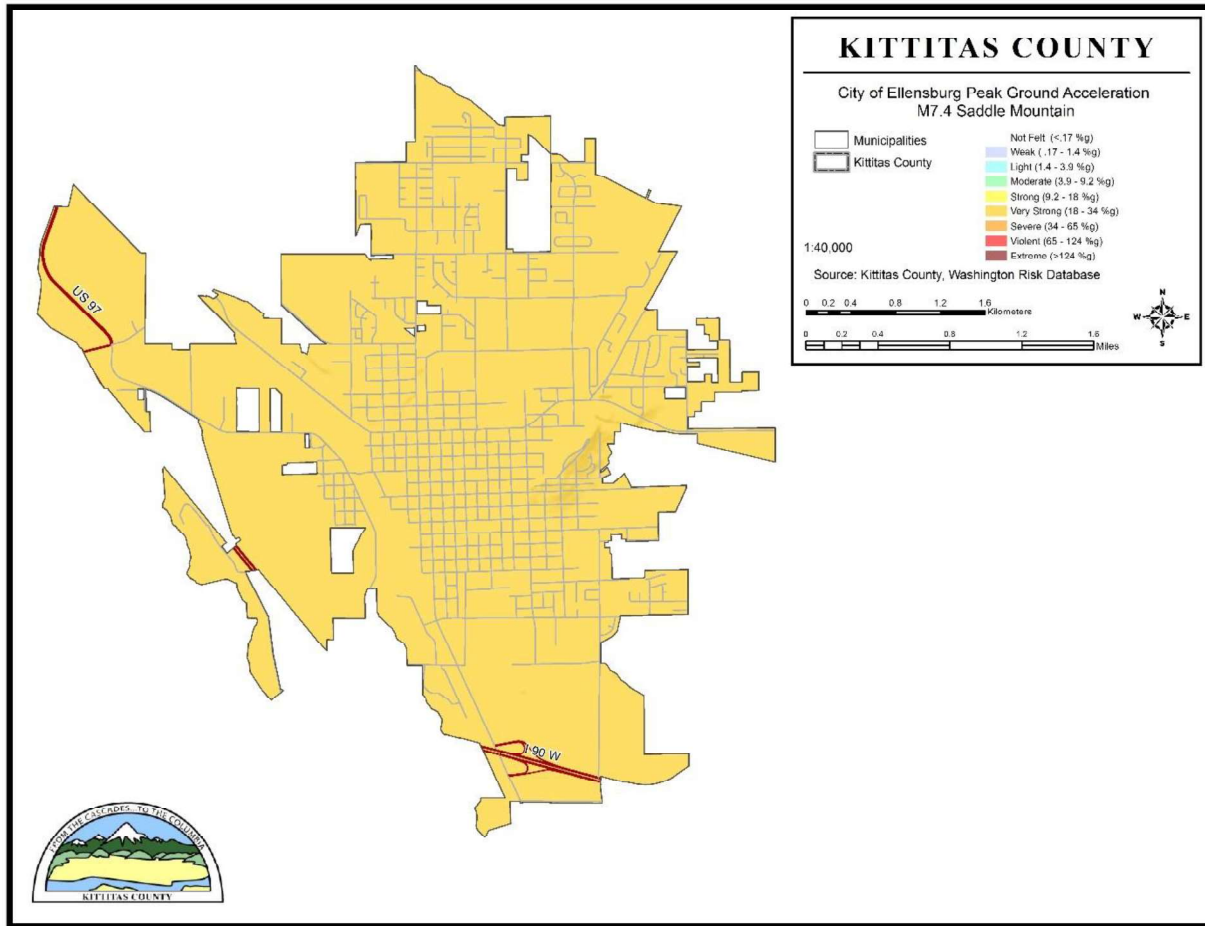


Figure 4-16. Saddle Mountain Earthquake Scenario Peak Ground Acceleration for the City of Ellensburg

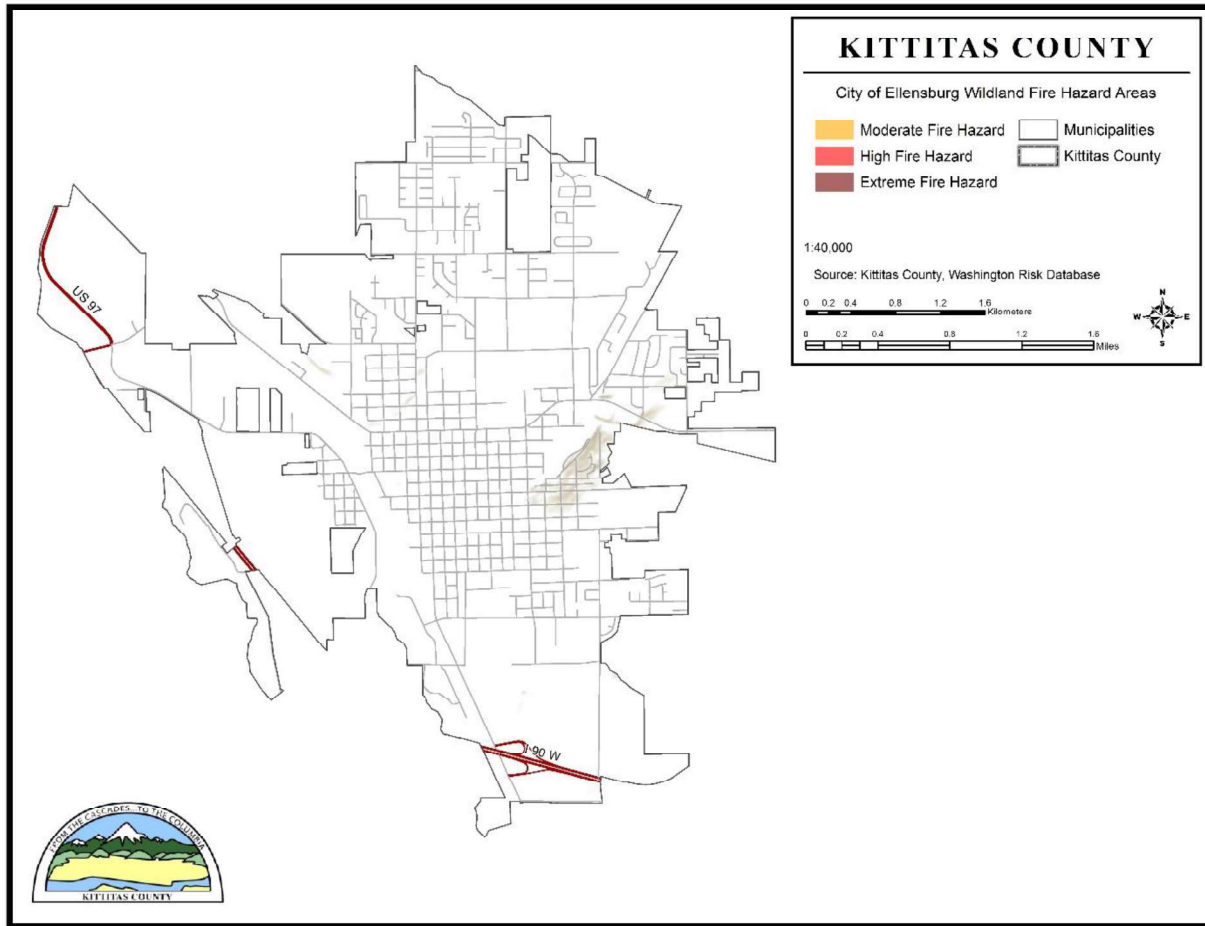


Figure 4-17. Ellensburg Wildland Fire Hazard Areas

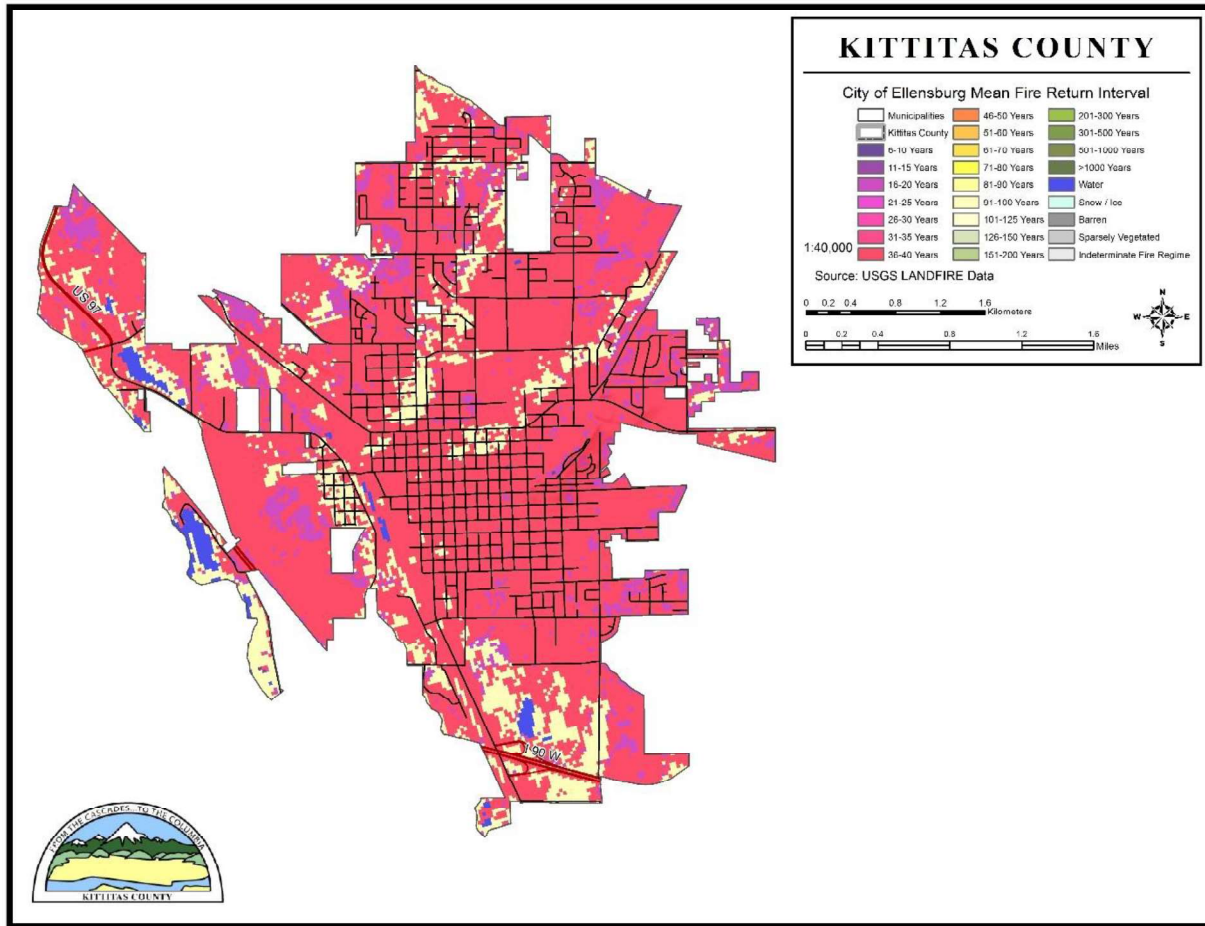


Figure 4-18. Ellensburg Mean Fire Return Interval



CITY COUNCIL AGENDA REPORT

City Council Meeting Date: January 17, 2023

Item Title/Agenda Subject: Proposed Wippel Park Improvements

Submitted by: Brad Case Parks and Recreation

Recommended Action or Motion: Approve the placement of a community garden and pollinator garden at Wippel Park and authorize staff to continue to work with representatives from both projects in the design and development of the site, which includes operational agreements that will be brought back to Council for approval at a later time.

Background/Summary: Since the late part of 2022, the City has been working with organizers of the community garden and the Ellensburg Morning Rotary Club regarding relocation of the downtown community garden, previously located at the City-owned property at 1st Avenue & Pine Street, and the development of pollinator garden at Wippel Park.

Previous Council Action: Since 2013, the City--through lease agreements with Elmview and later FISH--has allowed the 1st Avenue & Pine Street property to serve as a community garden site. The property was originally purchased by the City for the purposes of creating additional parking for the Library and Hal Holmes Center. In October 2021, the City Council adopted Resolution 2021-32, declaring the property surplus to City needs for the public benefit of affordable housing. Council then approved an agreement with Stalder Interests, Inc. on August 1, 2022, for development of an affordable housing project, necessitating relocation of the community garden, effective October 31, 2022.

Analysis: At the time the community garden lease was terminated, 36 garden plots were adopted and maintained by community members. Garden organizers approached the City about relocating the garden, preferably at a location near the downtown garden. City staff reviewed options and suggested Wippel Park, a .30-acre park located in the West Ellensburg neighborhood, less than a mile away from 1st & Pine.

Shortly after the City and community garden organizers initiated this conversation, representatives from the Ellensburg Morning Rotary Club approached the City about their desire to locate a pollinator garden in a City park facility. Those discussions quickly focused on co-locating the pollinator and community garden at Wippel Park.

Wippel Park has played an important role in our City's park system since the generous contribution of land from Maurice and Margaret Wippel in 1940 paved the way for the City's first park in the West Ellensburg neighborhood. Since that time, the City has been fortunate to add over 320 acres of park inventory within half a mile of the West Ellensburg neighborhood. Wippel Park has a picnic table and BBQ, half-court basketball court, open turf area, large trees, and perimeter split rail fence.

One of the goals identified in the 2016 Park, Recreation and Open Space Plan was to look for opportunities within existing park properties to create higher and better uses for the community. The proposed improvements at Wippel Park are consistent with these goals identified in the park plan.

At their November 9, 2022 meeting, the Parks & Recreation Commission heard a proposal from representatives of the community garden and pollinator garden and voted unanimously to support locating them at Wippel Park. The Wippel family has been receiving updates from staff regarding the proposed changes and support the project.

The community garden, when completed, would be managed by a volunteer group with maintenance assistance from park staff. The long-term maintenance of the pollinator garden will be the responsibility of the City.

Financial Impact:

The 2023 City budget includes \$10,000 for improvements to relocate the community garden program. The City would bear the cost of utilities, which in 2021 totaled \$1,066 for the site at 1st and Pine Street. It is anticipated that there will be City staff time dedicated to prepping the site for both gardens.

Attachments:

[Letter to West Ellensburg Property Owners Regrading Proposed Changes to Wippel Park](#)

Parks & Recreation Commission Minutes - November 9, 2022
Wippel Park Photograph
Family Support - Bonnie Wippel Peterson Email
Ellensburg Morning Rotary Club Pollinator Garden Draft Letter



Parks & Recreation Department

501 North Anderson • Ellensburg, Washington 98926 • (Phone) 509.925.8639

December 22, 2022

Dear Wippel Park Neighbor,

You are receiving this letter because you live near Wippel Park, a City-owned park facility located at 4th & Railroad Avenue.

On January 16, 2023 the Ellensburg City Council will consider converting the eastern portion of Wippel Park into a community garden and public pollinator garden. Wippel Park was donated to the City of Ellensburg in 1940 by Maurice Wippel. At that time, Wippel Park served as the only park property in the West Ellensburg neighborhood. Today we have over 300 acres of park and open space property within one-half mile of the West Ellensburg neighborhood, providing a wide range of recreational opportunities.

The changes being proposed to Wippel Park will create a unique park experience for our community—providing much needed opportunities for people to grow their own food, as well as serving our natural environment by growing specific nectar and pollen-producing plants, in a way that attracts pollinating insects known as pollinators. These pollinators aid in the production of one out of every three bites of food consumed by humans, and pollinator gardens are one way to offer support for these species. The community garden would replace the downtown community garden, which was located at 1st & Pine Street and needs to be relocated due to an affordable housing project planned for that site. The community garden area will be supervised by the gardeners themselves with assistance from the Parks & Recreation Department. The pollinator garden will be developed by the Ellensburg Morning Rotary Club with ongoing maintenance being provided by the City.

If approved by Council, both projects would be under construction in spring of 2023.

Please feel free to reach out to me with any questions you have about this proposed project. Hope you have a wonderful Holiday.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brad Case".

Brad Case
City of Ellensburg
Parks & Recreation Director
509-925-8639
caseb@ci.ellensburg.wa.us

**Parks & Recreation Advisory Commission
Meeting Minutes – November 9, 2022**

DATE OF MEETING: November 9, 2022
MEMBERS PRESENT: Ali Brown, Laci Harrison, KT Kelleher, Nick Zentner, Jackie Adams
OTHERS PRESENT: Parks & Recreation Director Case, Council Liaison Monica Miller, Five members of the public in person, one member from the public remotely
LOCATION: Meeting was held in the City Council Conference Room and Remotely

CALL TO ORDER – Meeting called to order at 5:30pm

MEETING MINUTES - Minutes from the September 14, 2022 and October 12, 2022 meetings were approved as submitted, all in favor.

NEW BUSINESS –

Reed Park Tree Memorial Request – Mari Gaines – Ms. Gaines, representing a group of Ellensburg women, read a request to plant a tree at Reed Park in honor of Joan Nelson. Ms. Nelson was a long-time resident of the Ellensburg community and was involved with a variety of organizations. The tree they are proposing to plant is a European Mountain Ash. A motion was made approving the planting of a memorial tree at Reed Park in honor of Joan Nelson, all in favor.

Discussion about locating a Community Garden & Pollinator Garden at Wippel Park – Jack Carpenter, Pollinator Garden; Reed Waite, Community Garden – Mr. Carpenter and Mr. Wait, each representing their own interests, spoke about the desire to co-locate their gardens at Wippel Park. Wippel Park was donated to the City in 1940, is approximately .5 acres in size, and is located in the West Ellensburg neighborhood within blocks of West Ellensburg Park, Rotary Park, and the Reecer Creek floodplain property. The community garden was previously located on City owned property just south of the Library/Hal Holmes Center and is needing to be relocated due to an affordable housing project planned for the site. The pollinator garden is being brought forward by the Ellensburg Morning Rotary Club. Staff has reached out to the Wippel family about the potential changes to the park and they voiced their support of what is being proposed. A motion was made by the Commission to support the changes to the park, all in favor.

Trespass Admonishment Overview – Ellensburg Police Department – Captain Dan Hansberry – Captain Hansberry provided the Commission with information about a trespass admonishment ordinance which would provide additional ways for the Ellensburg Police Department to address dangerous, unsafe, reasonably disruptive and illegal behavior on public property. Since the ordinance is still being written, Captain Hansberry could only speak in generalities of how and when it could be used. The ordinance would provide EPD the opportunity to trespass individuals based on witness reports of behavior, meaning law enforcement would not have to witness something first hand.

Letter to Council Pledging City Supporting use of Non-Hostile Architecture in City Public Spaces – Laci Knudson – Commissioner Knudson presented a letter to the Commission that she would like to be forwarded to the City Council for consideration. The letter asks that the City Council take a pledge against the practice of hostile architecture in all public outdoor spaces. Hostile architecture is specific

exclusionary design elements intended to push people along and not be comfortable enough to linger. Sometimes these features are called anti-homeless architecture. Commissioner Kelleher voiced concerns over the letter stating that the definition of hostile architecture is ambiguous and that certain design elements in design are done so for the protection of the greater public good. Commission passed a motion, 4-1, recommending that the attached letter be sent to City Council for their review and consideration.

Old Business

Reed Park Update – staff shared four concept plans that would be shared with the community at the November 16th community meeting. The plans were developed through input received from a Reed Park stakeholder group, neighbors of Reed Park, and the community at large. Commission members made recommendations about the complexity of the plans and recommending changes to the plans that would make it easier for the public to interpret, as well as identifying the plans in a manner which laid the plans out sequentially from the least amount of change from the existing park to the most amount of change.

December 14, 2022 Meeting – Staff shared with the Commission that Reed Park Community Meeting #2 was scheduled on the same night as the December Commission meeting. The Commission elected to move the December Commission meeting time from 5:30pm to 4:30pm to accommodate the 6pm park planning meeting.

Staff Reports

Staff provided the following information; 1. Unity Park construction is scheduled to begin in June 2023 shortly after CWU graduation. 2. The Thanksgiving Community Dinner will take place Wednesday, November 23rd, at the Kittitas Valley Event Center Armory, from 3pm-6pm. This is a free event to open anyone from the community. 4. Park restrooms and the front gate at Irene Rinehart Riverfront Park has been closed for the season. The City does provide portable restrooms throughout the winter at 4 parks, as well as having vault toilets available at two additional parks. 5. The field light project at Rotary Park is going well, the project will be completed in time for the 2023 baseball/softball spring season. 6. Cross country skiing will once again be available at Rotary Park this winter. 7. Registrations are currently being taken for youth basketball and indoor soccer. The ERRC has been extremely busy, impacts from the remodel of Nicholson Pavilion has resulted in the CWU fastpitch softball teams using the facility after hours for winter workouts.

Meeting adjourned at 7:25pm.



Brad Case

From: Bonnie Petersen <bepjrp@gmail.com>
Sent: Sunday, January 8, 2023 8:59 AM
To: Brad Case
Cc: Teresa Wippel
Subject: [Ext] Wippel Park Proposal

CAUTION - EXTERNAL EMAIL: The email below is from an external source. Please exercise caution before opening attachments, clicking links, fulfilling requests, or following guidance.

Hi Brad:

I heard back from the rest of the family members and we all agree that the community and pollinator gardens are an excellent use for Wippel Park. We appreciate that you reached out to us for our input.

Please keep Teresa and I updated as the city goes through the steps to make this happen.

Bonnie Wippel Petersen

Sent from [Mail](#) for Windows



Parks & Recreation Department

501 North Anderson • Ellensburg, Washington 98926 • (Phone) 509.925.8639

January 18, 2023

Ellensburg Morning Rotary Club
PO Box 12
Ellensburg, WA 98926

Dear Ellensburg Morning Rotary Club,

Please allow this letter to serve as confirmation that the action the City of Ellensburg, by way of action taken by the Ellensburg City Council at their January 17, 2023 meeting, authorizes the Ellensburg Morning Rotary Club to plant a pollinator garden at the City of Ellensburg owned Wippel Park property. The planting of a pollinator garden is another example of the commitment the Rotary Club has towards improving the community and our park system. The City appreciates the value of this donation and endeavors to reciprocate the Rotary Club's generosity through an ongoing commitment to provide first rate maintenance in the facilities where the Rotary Club has contributed to our park system.

On behalf of the City of Ellensburg and our residents, I would like to extend our heartfelt appreciation to all the local Rotarians who consistently invest and serve, they are a true of example of what "Service above Self" looks like.

Sincerely,

Brad Case
City of Ellensburg
Parks & Recreation Director
509-925-8639
caseb@cityofellensburg.org



CITY COUNCIL AGENDA REPORT

City Council Meeting Date:	January 17, 2023
Item Title/Agenda Subject:	Council Subcommittee Recommendation to Honor 100-Year Anniversary of the Ellensburg Rodeo
Submitted by:	Heidi Behrends Cerniwey City Manager Department
Recommended Action or Motion:	Review Council Subcommittee recommendation and approve concept and budget for the project.
Background/Summary:	The Ellensburg Rodeo will celebrate its 100-Year Anniversary on Labor Day Weekend 2023. The Rodeo played an important role in Ellensburg's history, identity, and culture over the past century. Ellensburg City Council expressed interest in a City-initiated action to honor the anniversary.
Previous Council Action:	At their October 17, 2022 meeting, the City Council appointed Mayor Lillquist, and Councilmembers Nancy Goodloe and Rich Elliott to a subcommittee to explore options for the City to participate in the 100-Year anniversary celebration of the Ellensburg Rodeo.
Analysis:	The Council Subcommittee met on three (3) occasions to review options and develop a recommendation. A memo outlining the Subcommittee's recommendation for the City to install a Rodeo-themed mural to celebrate the 100-year anniversary of Ellensburg Rodeo in 2023 is attached.
Financial Impact:	At its December 13, 2022 meeting, the Lodging Tax Advisory Committee (LTAC) voted unanimously to recommend the City Council approve \$25,000 from the City's Lodging Tax Fund for a rodeo-themed mural project. Council will need to provide additional authorization for this expenditure from the City's Lodging Tax Fund in 2023.
Attachments:	Council Subcommittee Recommendation for 100-Year Rodeo Mural



Memorandum

Date: January 17, 2023

To: Ellensburg City Council

From: Ellensburg City Council Rodeo Anniversary Sub-committee: Mayor Nancy Lillquist, Councilmember Rich Elliott, and Councilmember Nancy Goodloe
Staff: Heidi Behrends Cerniwey, City Manager and Nicole Klauss, PIO

Re: Recommendation for the City to install a Rodeo-themed mural to celebrate the 100-Year Anniversary of the Ellensburg Rodeo in 2023

The City Council Sub-committee discussed options to recognize the 100-Year anniversary of the Ellensburg Rodeo through a visible City action. Two projects were considered by the Sub-committee: placement of land acknowledgment statement and a mural on the City's water reservoir, overlooking the Rodeo Arena. Members chose the mural as the land acknowledgment statement will be considered for future placement at Unity Park, Reed Park, or another relevant location.

Expediency was considered important for any project selected as the centennial Rodeo will take place on Labor Day weekend, September 1-4, 2023. Members learned the Rodeo Board is working collaboratively with businesses and organizations to host a series of celebrations to begin in mid-July 2023. Thus, the project should be completed by mid-summer, if possible.

The Sub-committee recommended a mural of approximate 40' x 40' dimensions to be installed on the Craig's Hill Reservoir as the preferred location. Specifically, the mural would be located on the west-facing section of the tower, overlooking the Kittitas Valley Event Center Arena, currently framed by two trees. See image below.

Staff contacted a local artist to and a sign company to explore possible costs for a mural or temporary sign. It was determined that a \$25,000 budget should be sufficient for either—installation of a temporary "wrap" or painting of a 40' x 40' mural, overlooking the Rodeo Arena.

Staff presented the mural concept to the City's Arts Commission and Lodging Tax Advisory Committee at their respective December meetings.

The Arts Commission discussed roles contained in the mural policy and the application process at its December 8, 2022 meeting. General support for the project was expressed and members highlighted a few considerations to explore, including challenges presented with a curved canvas, safety with cell towers in the vicinity, and consideration for how the mural would be protected and maintained. Commission members also encouraged the selection committee to determine and publish their intent for preference of a local or national artist when initiating any call for artists for a project.

Staff requested the Lodging Tax Advisory Committee (LTAC) consider funding for the mural at its December 13, 2022 special meeting. The LTAC approved a recommendation for \$25,000 from the City's Lodging Tax Fund to install a rodeo-themed mural to commemorate the 100-Year anniversary of the Ellensburg Rodeo.

Therefore, the Sub-committee recommends:

- The City undertake a Rodeo-themed mural project to be installed on the Craig's Hill Reservoir
- Approximate dimensions are 40' x 40'
- Project to be completed by July 31, 2023, if possible
- Develop a selection committee to oversee the project with representative members from the following (at minimum): Councilmember, Rodeo Board, Arts Commission, LTAC, and staff
- Preference for a local/regional artist to complete the project
- Based on LTAC's recommendation, authorize \$25,000 from the Lodging Tax Fund for the project
- Develop a plan for protection and maintenance with Public Works & Utilities (5-year minimum)
- Images that depict recommended location on the Craig's Hill Reservoir follow

Craig's Hill Reservoir – Recommended location for Rodeo-themed Mural (see arrows)



Craig's Hill Reservoir - view from the south (above)



Craig's Hill Reservoir - view from the west (above)



MANAGER'S REPORT

DATE: January 17, 2023

To: Ellensburg City Council

FROM: Heidi Behrends Cerniwey, City Manager

Joint City of Ellensburg/Board of County Commissioners Study Session

Staff requests City Council set a special Joint City of Ellensburg/Kittitas County Board of County Commissioners Study Session for February 9, 2023 beginning at 5:30 p.m. at Ellensburg City Hall in the Council Chambers.