

CITY OF LANGLEY DRAFT COUNCIL AGENDA

May 1, 2017 5:30 PM

1. CALL TO ORDER

- a. Flag Salute
- b. Roll Call

2. APPROVAL OF AGENDA

3. CONSENT AGENDA

The **CONSENT AGENDA** consists of routine items that normally do not require further Council discussion. A council member may ask questions about an item before the vote is taken, or request that an item be removed from the Consent Agenda and placed on the regular agenda for more detailed discussion. A single vote is taken to approve all items remaining on the Consent Agenda.

- a. Approval of council meeting minutes of 4/17/17.....1-4
- b. Approval of claims warrants Nos. \$56,531.54 and EFTs in the amount of \$925.64 & \$3,614.545-9

4. RECOGNITION/APPRECIATION

5. COMMISSION AND BOARD REPORTS

Langley Library Report
Historic Preservation Commission

6. PUBLIC HEARING – Water Savings Goals

7. CITIZEN COMMENTS *

8. MAYOR’S REPORT

9. UNFINISHED BUSINESS

- a. Comprehensive Plan Review – schedule a join PAB/Council workshop

10. NEW BUSINESS

- a. PSE Green Energy Agreement.....10-15

11. COUNCIL REPORTS

12. DISCUSSION ITEMS

13. ADJOURNMENT

***Citizen Comments:** We welcome comments on subjects of concern or interest that are not on the agenda. Please state your name and address so this can be recorded, and limit your comments to 5 minutes. Questions will be answered immediately if the answer is brief, and the information is available. Otherwise, answers will be provided as soon as possible. Thank you for participating! **If reasonable accommodation of a disability is needed please contact Debbie Mahler at (360) 221-4246 at least 48 hours prior to this meeting.**

**Langley City Council Meeting Minutes
April 17, 2017**

Mayor Callison called the meeting to order at 5:30 PM at the Langley United Methodist Church, Fellowship Room. Present were City Council Members Bruce Allen, Dominique Emerson, Ursula Shoudy and Thomas Gill. Rene Neff was excused. Also present were Stan Berryman, Public Works Director; Brigid Reynolds, Planning Director; Dave Marks, Police Chief; and Debbie Mahler, Finance Director/Clerk. Mayor Callison led the flag salute.

MOTION: To approve the agenda as amended. Confirmation of the Mayor's appointments and a presentation from the Arts Commission were added, water savings goal comment period, and the discussion of draft immigration ordinance was removed. Motion - Allen, 2d - Emerson. Motion was approved.

MOTION: To approve the consent agenda. Motion - Allen, 2nd - Emerson. Motion was unanimously approved after questions were asked and answered on vouchers.

CONSENT AGENDA (See below)

- a. Approval of council meeting minutes of 4-3-17
- b. Approval of claims warrants Nos. 35881-35913 in the amount of \$34,077.64
- c. Approval of payroll warrants Nos. 35748-35768(3/15/17) in the amount of \$47,186.58 and Nos. 35802-35830 (3/31/17) in the amount of \$92,037.77
- d. Liquor Licenses – Kalakala Co. – renewal
- e. Confirmation of the Mayor's appointment of Burt Beusch to the PAB
- f. Confirmation of the Mayor's re-appointment of Bruce Allen and Robert Waterman to the Historic Preservation Commission

COMMISSION AND BOARD REPORTS

Michael Nortier, Executive Director of Island Transit gave a presentation on the proposed transit service changes and a review of the system, past, current and future.

Frank Rose, Chairman of the Arts Commission made a presentation for a new whale mural to be installed on the side of the old fire hall.

MOTION: To approve the recommendation of the Arts Commission to have the Whale Mural installed on the old fire hall and approve several other art projects funded by donations. Motion - Emerson, 2nd - Shoudy. Motion passed with all in favor.

RECOGNITION/APPRECIATION

Drew Kampion was honored by Mayor Callison and given a Mayor's Excellence Award. Drew is an editor, publisher and author. He was honored for his tireless work running Drew's List here on the south end of the island and his many contributions to the community.

CITIZEN COMMENTS

Fran Abel read a letter to Council outlining her concerns over the city not yet passing a sanctuary ordinance. Ursula Rosen-Runge was glad to hear that the city attorney has made his review of the sanctuary issue. She presented copies of the state attorney general's guidance on immigration enforcement to the council. James Delong of Clinton explained what is in the attorney general's guidance. He spoke of the federal administration's new immigration enforcement actions that have terrified immigrants. He believes the draft ordinance is necessary. Belinda Giswold shared her view that the resolution is a good step, but not enough.

UNFINISHED BUSINESS

MOTION: To accept the Ethics Board's Advisory Opinion No. 4 as final. Motion - Gill, 2nd - Allen. Motion was unanimously approved.

Comp Plan update. Brigid Reynolds reported that the draft amended Comprehensive Plan has been approved by the State Department of Commerce and gave a PowerPoint presentation on the comp plan review process and the adoption of the revised urban growth plan area. The current plan with its revisions has been posted on the website. She is working on a compilation of all the comments received on the plan. She has also added a summary of the amendments to the plan. The maps in the plan are all being revised and will be used for GIS purposes.

STAFF REPORTS

Community Planning - Brigid Reynolds reported that the Arts Commission has selected art for the summer street dance poster. The Seawall Park committee did not have a quorum for the last meeting. DRB meets tomorrow and is having a presentation on dark skies. The PAB has been invited to the meeting. An application is in process from the Dog House and several sign permits, and a possible subdivision on Langley Road.

Public Works - Stan Berryman reported a public meeting on the First Street sidewalk will be held tomorrow. Cemetery survey is complete. Street lights on Frick Lane and Melson Alley improvements are funded by a rural economic development grant. The Parks Commission has looked at the Middle Langley trail from 6th Street to the Highlands. The trail would cover large plots of private property, with most areas too wet to construct a trail. Catch basins are currently being cleaned out. He has ordered a large trash can to accommodate pizza boxes, which will be placed in Boy & Dog Park. We received a \$1,000 grant from the AWC for this.

Police - Dave Marks reported that the Welcome the Whales parade went well with a large turnout. PAWs 10 k run is coming up soon. Officer Shoudy is going to firearms instructor school shortly. The department is getting all training requirements done by June.

Finance – Debbie Mahler reported that she attended the Washington Public Treasurer’s conference in Lake Chelan last Wednesday through Friday. It was a very informative conference. Our assistant treasurer will be retiring at the end of the year and she is working on rearranging tasks and job descriptions before that time.

MAYOR’S REPORT

Mayor Callison reported that he met with County Commissioner Jill Johnson about the status of the RCEDG grant we requested along with the Port and Coupeville Port. On April 12th he attended the Langley Chamber of Commerce monthly meeting. The Mayor also attended the CHIP meeting on April 13th and is working on the affordable housing element. On Saturday, April 15th the Mayor made a Bunny Daze Proclamation and Bunny Daze was very well attended. 150 stuffed bunnies were hidden for kids.

Mayor Callison gave his first year report of accomplishments (attached).

NEW BUSINESS

Water savings goals. In accordance with the Washington State Municipal Water Law the City of Langley is required to establish a Water Use Efficiency (WUE) goal every six years. The goal must include a measureable outcome, address water supply characteristics, and include an implementation schedule. The new goal, open to public comment, focuses on the residential class, eliminating irrigation and vacant lots. The goal over the next 6 years is to reduce usage from 159 gallons/ERU/day average to 140 gallons/ERU /day average in the summer months of July and August which is 2% annually. Success for this goal will result in an overall savings of 2,055,600 gallons bringing the annual production to 43,521,600 gallons in 2022 as a result of the goals implementation. This is the beginning of the open public comment period. The Council will hold a public hearing on the goals at the May 1st meeting.

Discussion of draft ordinance regarding city policy with respect to immigration enforcement, equal protection, and equal provision of city services regardless of immigration status. This discussion was postponed until the May 15th meeting to give the Council time to read and discuss the City Attorney’s memo on the ordinance.

COUNCIL REPORTS

Councilmember Emerson attended the Port meeting. The advisory committee for the fairgrounds, which she is a member of, has not had a first meeting yet. Emerson stated that she would be happy to teach a class on low flow irrigation systems to help with water savings. Councilmember Shoudy reported the Chamber is still looking for an Executive Director; she will update as the search progresses. Next weekend is the last weekend for Victoria Clipper visits. The Chamber breakfast meeting was completely filled. There were three new businesses in attendance. Rod & Gun Club Easter egg hunt had over 30 volunteers and people donating that have nothing to do with the club. She estimated there were over 500 people in attendance at this community event.

Meeting was adjourned at 7:15.

Respectfully submitted,

Debbie L. Mahler

Debbie L. Mahler, Finance Director/Clerk

Drew Kampion is a former editor of SURFER (1968-72), SURFING (1973-82), WIND SURF (1982-89), and WIND TRACKS (1996-99) magazines. He was Editorial Director for the Patagonia clothing company (1990-91) and Associate Editor for NEW AGE JOURNAL (1992). He founded, published, and edited the ISLAND INDEPENDENT (1993-96), an award-winning "bioregional magazine in newsprint," serving the "maritime rainshadow" islands of Washington State. For his work with the INDEPENDENT, he received first prize for editing a periodical with a circulation under 50,000. Until recently, Drew was the American Editor of THE SURFER'S PATH, world's first "green" surf magazine. His episodic parody, THE TEACHINGS OF DON REDONDO: A SURFER'S WAY OF KNOWLEDGE (as illustrated by artist Tom Threinen) was a regular feature of the magazine.

Drew is the author of THE BOOK OF WAVES (1989), THE ART OF CHRISTIAN RIESE LASSEN (1991), STOKED: A HISTORY OF SURF CULTURE (1997, revised 2003), THE WAY OF THE SURFER (2003), THE LOST COAST (2004), WAVES: FROM SURFING TO TSUNAMI (2005), DORA LIVES: THE AUTHORIZED STORY OF MIKI DORA (2005), and GREG NOLL: THE ART OF THE SURFBOARD (2007). He was also editor of THE STORMRIDER GUIDE: NORTH AMERICA (2002).

He is currently assisting Fernando Aguerre with his autobiography, SURF, SEX AND SANDALS: THE LATIN ART OF MIXING BUSINESS WITH PLEASURE and is at work on completing the story of Jack O'Neill, the inventor of the modern surfing wetsuit, JACK O'NEILL: IT'S ALWAYS SUMMER ON THE INSIDE.

Married with two children, Drew lives on an island in Washington State.

Mayor's First Year Report
Accomplished by the City of Langley, WA
Mayor, Council, Staff, Citizen Committees, Civic
Partners, and Citizen Volunteers

- Comp Plan completed, accepted by Dept. of Commerce and Published
- UGA determined
- Art included as an element in the Comp Plan
- 4 economic Development Meetings
- 5 Community Meetings
- \$2.2 million in Grants applied for and awarded (Streetlamps, RCEDG small capital projects, streets, sidewalks, complete streets)
- Under budget first year and running under budget this year
- Full and Upgraded City Hall Staff
- City Hall opened half day Fridays
- City Sewer Comp Plan completed and executed
- Public/Private Art Consortium established - \$6000 in private contributions
- Clyde Alley Archway
- 3 new sculpture bases – 7 works displayed
- Banners
- Second Street Dance
- Seawall Park Planning
- Victoria Clipper Returning for 12 Whale Watching Weekends
- South Whidbey Harbor Full on most weekends

- Economic Support of Main Street, Chamber, Island Shakespeare, WICA, Children's Theatre, Whale Center, Senior Services, WI Homeless Coalition
- Participated at the County Level
 - CHIP – Affordable Housing
 - COG
 - IRTPO
 - Law and Justice and Island County Law and Justice Plan
 - Island County Substance Abuse Council
- Langley Art Walking Map, videos for Art, Gardens, etc.
- Record attendance at parades, festivals, and events.
 - Sea Float Scramble
 - Deck the Doors/Holiday Shopping Raffle
 - Mystery Weekend
 - Bunny Daze
 - Welcome the Whales
 - Queer Pride
 - Dock Stock
 - Community Supper
 - Soup Box Derby
 - Langley Spooktacular
 - Holy Jolly Parade/Tree Lighting
 - Django Fest
 - Shuttle Service
- Record breaking sales and use tax, accommodation, and real estate excise taxes
- Major utility infrastructure investments (WhidbeyTel and PSE)

- Fairgrounds transferred to the Port
- Record Chamber Participation
- 20 + new businesses
- New Subdivision -Upper Langley
- 20 + new homes and ADUs/permits
- EPA Waste Water treatment Award
- SeaTac Shuttle Bus Wrap
- Seattle Refined Television Segments
- Collected Commercial Sewer under billings
- Hub Reopening
- New 2nd St. rain garden
- Downtown Building upgrades
- Lobbied at State Level for Main Street Associations
- First Police/Rescue organization in Island County to Employ Narcam
- Passed Inclusive City Resolution
- ADA Door at City Hall
- Got to wear the white tux over 13 times (including Wild Island Burlesque)
- Voted 5 happiest seaside town in the US
- And, a little neon.....

Voucher Directory

AP 5-1-17

AT&T Mobility	0	287235875379X04232017	2017 - May - 5/1/17	Spillman/sprint Data Lines	\$272.63
		001-000-095-528-60-42-04	AT&T		
Total AT&T Mobility					\$272.63
Callison, Tim	0	Apr. 7-18, 2017	2017 - May - 5/1/17	Training/travel - Mayor-Admin.	\$83.46
		001-000-010-513-10-40-00			\$83.46
Total Callison, Tim					\$83.46
Cashmere Valley Bank	0	4-1-17	2017 - May - 5/1/17	2nd Street Bond principal	\$12,032.65
		001-000-170-591-46-71-00		2nd Street bond interest	\$4,840.35
		001-000-170-592-95-83-00			\$16,873.00
Total Cashmere Valley Bank					\$16,873.00
Chamber of Commerce	0	2016-1355	2017 - May - 5/1/17	Chamber of Commerce	\$13,807.11
		105-000-000-557-30-49-00			\$13,807.11
Total Chamber of Commerce					\$13,807.11
City of Langley	0	Invoice - 4/19/2017 10:42:37 AM	2017 - May - 5/1/17	Office Supplies/r&m	\$32.45
		001-000-050-518-50-34-00		petty cash	\$46.63
		001-000-050-518-50-42-00		petty cash	\$79.08
Total City of Langley					\$79.08
Element Code Project LLC	0	2017-121	2017 - May - 5/1/17	Artist stipend	\$487.50
		001-000-120-573-90-40-00		brochures	\$487.50
Total Element Code Project LLC					\$487.50

5

Environmental Resource Associates					
0		2017 - May - 5/1/17			
827231			Supplies		\$581.46
Total Environmental Resource Associates					\$581.46
Fine Balance Imaging Studios					
0		2017 - May - 5/1/17			
8067			Artist stipend		\$505.46
			brochures		
Total Fine Balance Imaging Studios					\$505.46
Grainger					
0	9408827401	2017 - May - 5/1/17			
Total Grainger					\$307.08
Hanson's Bldg. Supply					
0		2017 - May - 5/1/17			
61320A			Parks - Supplies/miscellaneous		\$307.08
Total Hanson's Bldg. Supply					\$307.08
HD Supply Waterworks Ltd					
0		2017 - May - 5/1/17			
H049855			Parks/open Space Improvements		\$415.58
Total HD Supply Waterworks Ltd					\$415.58
Island County Treasurer					
0		2017 - May - 5/1/17			
1st qtr expense					\$203.36
			Parts, Chemicals & Supplies		\$203.36
1st qtr rent					
		2017 - May - 5/1/17			
			Isl CO Dist Crf/lmc Services		\$5,862.57
Total Island County Treasurer					\$371.64
Jerome, Morris					
0		2017 - May - 5/1/17			
4-7-17			Langley Street Dance		\$250.00
			Street dance		
Total Jerome, Morris					\$250.00

Knighiton, Cheryl 0	Jan-Mar.	2017 - May - 5/1/17	Employee Reimbursement	\$159.11 \$159.11
Total Knighiton, Cheryl LaRue, Michele 0	4-22-17	2017 - May - 5/1/17	Artist stipend	\$95.93 \$95.93
Total LaRue, Michele Mahler, Debbie L. 0	4/12-4/14	2017 - May - 5/1/17	Training/travel WPTA	\$188.32 \$188.32
Total Mahler, Debbie L. NCL of Wisconsin, Inc. 0	388177	2017 - May - 5/1/17	Supplies	\$40.64 \$40.64
Total NCL of Wisconsin, Inc. NW Wa Section of PNCWA 0	2017-LAN	2017 - May - 5/1/17	Training/Travel	\$10.00 \$10.00
Total NW Wa Section of PNCWA PACE Engineers, Inc. 0	65106 65107 65108	2017 - May - 5/1/17	First Street Sidewalk 2nd St/Anthes to DeBruyn water Professional Services	\$2,042.00 \$6,013.15 \$3,375.00 \$11,430.15
Total PACE Engineers, Inc. Precision Plumbing & Backflow Testing 0	2782	2017 - May - 5/1/17	Miscellaneous Backflow Bldg. Maint. & Repair backflow	\$46.96 \$86.96

001-000-150-576-80-31-00 backflow	Parks - Supplies/miscellaneous	\$86.96
104-000-030-536-50-49-00 backflow	Fuel/maintenance & Misc'l.	\$46.96
402-000-000-535-90-49-00 backflow	Miscellaneous	\$166.96
		\$434.80

Total Precision Plumbing & Backflow Testing
Quill Corporation 0

6034252 2017 - May - 5/1/17

001-000-050-518-50-34-00	Office Supplies/r&m	\$42.31
001-000-070-521-20-31-00	Supplies-Printing	\$61.98
		\$104.29

Total Quill Corporation
S.W. School Dist. #206 0

Invoice - 4/25/2017 11:31:49 AM 2017 - May - 5/1/17

101-000-000-544-90-32-00 SWSD	Fuel & Maintenance	\$359.75
401-000-000-534-00-43-00 SWSD	Fuel & Maintenance	\$359.75
402-000-000-535-50-43-00 SWSD	Fuel & Maintenance	\$359.75
403-000-000-531-30-33-00 SWSD	Fuel and Maintenance	\$359.76
		\$1,439.01

Total S.W. School Dist. #206
Senior Services of Isl. County 0

Jan-Mar. 2017 2017 - May - 5/1/17

001-000-155-557-20-41-00	Senior Services	\$1,875.00
		\$1,875.00

Total Senior Services of Isl. County
USABlueBook 0

2299330 2017 - May - 5/1/17

401-000-000-534-80-31-00	Parts, Chemicals & Supplies	\$104.88
		\$104.88

Total USABlueBook
Vision Municipal Solutions 0

09-5383 2017 - May - 5/1/17

001-000-180-518-80-41-00	Financial & Billing Software	\$36.14
		\$36.14

Total Vision Municipal Solutions

Whidbey SeaTac Shuttle
0

2017 - May - 5/1/17

17-0421-COL

105-000-000-557-30-49-06

Whidbey SeaTac Shuttle

\$513.34

Total Whidbey SeaTac Shuttle
Grand Total

Vendor Count

26

\$513.34

\$56,531.54

November 30, 2016

Dear Customer,

Thank you for your recent Enrollment Request for *Green Direct*, PSE's Voluntary Long Term Renewable Energy Schedule. We are writing now to provide you with the requisite Schedule 139 Service Agreement that will, once executed by each of us, represent your commitment to purchase this renewable energy product. We ask that you execute and return to us the Service Agreement at your earliest possible convenience.

We have identified a new Resource Option that meets the needs of this service and have negotiated the terms of an agreement between PSE and the owner of that resource. PSE will sign a contract and commit to purchase the power from that resource only in the event that PSE has received from customers executed service agreements in an aggregate amount matching the supply available. The new wind Resource Option is expected to be online by January 1, 2019.

As this product was developed to help PSE's customers meet their carbon goals at a long-term, cost-competitive price, there are future states of interest to many customers:

- Customers may continue to take advantage of energy efficiency services provided by PSE as there is no penalty for load reduction due to conservation. Similarly, customers may self-generate on site with no penalty.
- If a participating customer location is shut down, the contract may be transferred to another location.
- If two customer locations are merged the resulting customer location will go forward on Schedule 139 for the remaining term of the contract.
- Future open seasons, based on resource availability, will allow existing customers to expand or extend their initial commitments, including the initial Resource Option at the UTC-approved prices.
- If the Resource Option underperforms over a year then PSE will work with customers to identify and procure alternative RECs that meet customers' renewable energy goals.
- If the Resource Option will not be adequate to meet the full requirements of the customer(s) on an ongoing basis, then PSE may terminate the service agreement with no liability to the Customer or to PSE. If a replacement resource can be mutually agreed upon, a new Service Agreement will be created.

Once PSE has received signed Service Agreements under Schedule 139 that in aggregate match the capacity of the renewable energy supplier's resource we will countersign and return to you the Service Agreement between us, which will then be effective and binding on each of us. Because demand for this program is strong, we anticipate obtaining the requisite number of executed service agreements. However, in the event that we have not received the necessary volume of signed agreements we will inform you of such fact and at your discretion either return to you unsigned by us the Service Agreement or extend the period during which we may continue to solicit a sufficient number of participants necessary to trigger the Renewable Subscription Resource Option within PSE's Schedule 139, *Green Direct* product. If the Resource Option is not available for any reason, there is zero financial risk for the customer.

If you have any questions please contact Sam Osborne, Tom MacLean or your PSE representative.

LANGLEY 14 Accounts

2016	
Total Electricity	590,222 kWh
Annual Cost	\$ 59,990
Green Direct ¹	590,222 kWh

Scenario Tester

Change the assumptions in the orange cells to compare future cases for electric rates and RECs.

Assumptions	Rate
Load Growth ²	0.0%
Elec Cost ³	3.0%
Green Direct	2.0%
REC Price ⁴ (2017-18)	\$1.00 per MWh
2018 GRC ⁵ /Credit ⁶	\$0.048 per kWh

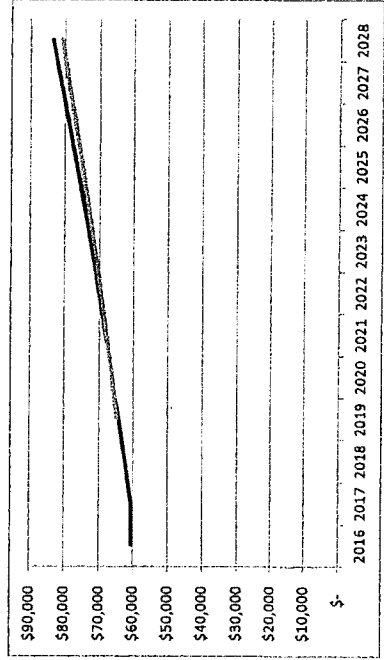
	Green Direct Charge ⁵ \$/kWh									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
\$	0.05111	0.05213	0.05318	0.05424	0.05532	0.05643	0.05756	0.05871	0.05989	0.06108
Credit ⁶										
\$	(0.0496)	(0.0511)	(0.0526)	(0.0542)	(0.0558)	(0.0575)	(0.0592)	(0.0610)	(0.0628)	(0.0647)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Baseline Case													
Electricity	\$ 59,990	\$ 59,990	\$ 61,790	\$ 63,644	\$ 65,553	\$ 67,520	\$ 69,545	\$ 71,632	\$ 73,781	\$ 75,994	\$ 78,274	\$ 80,622	\$ 83,041
RECs	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590	\$ 590
Total	\$ 60,581	\$ 60,581	\$ 62,380	\$ 64,234	\$ 66,143	\$ 68,110	\$ 70,136	\$ 72,222	\$ 74,371	\$ 76,584	\$ 78,864	\$ 81,212	\$ 83,631
Green Direct													
Electricity	\$ 59,990	\$ 59,990	\$ 61,790	\$ 63,644	\$ 65,553	\$ 67,520	\$ 69,545	\$ 71,632	\$ 73,781	\$ 75,994	\$ 78,274	\$ 80,622	\$ 83,041
Credit ⁶				\$ (29,258)	\$ (30,136)	\$ (31,040)	\$ (31,971)	\$ (32,931)	\$ (33,918)	\$ (34,936)	\$ (35,984)	\$ (37,064)	\$ (38,176)
Charge ⁶				\$ 30,166	\$ 30,768	\$ 31,388	\$ 32,014	\$ 32,651	\$ 33,306	\$ 33,973	\$ 34,652	\$ 35,348	\$ 36,051
Total	\$ 64,552	\$ 66,185	\$ 67,868	\$ 69,588	\$ 71,352	\$ 73,168	\$ 75,031	\$ 76,942	\$ 78,907	\$ 80,916	\$ 82,976	\$ 85,035	\$ 87,104

Delta (Savings) \$ 318 \$ 42 \$ (242) \$ (548) \$ (870) \$ (1,202) \$ (1,553) \$ (1,922) \$ (2,305) \$ (2,715)
 Percent Change 0.499% 0.064% -0.359% -0.788% -1.214% -1.630% -2.044% -2.456% -2.860% -3.270%

Notes

1. Green Direct -- not all accounts are eligible to participate, such as Schedule 7 and 8.
2. Load Growth -- future load growth is offset by energy efficiency improvements on average
3. Electric Costs -- 3% is assumed by Northwest Power and Conservation Council.
4. REC Price -- \$1.50 reflects current price for national RECs. Local RECs are priced significantly higher. There is no long-term market for RECs so assume price stability.
5. Credit -- Energy-Related Power Costs of PSE portfolio of energy supplies
6. Charge -- Cost of Wind power purchase agreement, plus losses and taxes, and administration



PUGET SOUND ENERGY

**SCHEDULE 139
 VOLUNTARY LONG TERM RENEWABLE ENERGY SERVICE AGREEMENT**

Attachment "A" – Service Agreement

THIS SCHEDULE 139 VOLUNTARY LONG TERM RENEWABLE ENERGY SERVICE AGREEMENT ("Service Agreement"), dated as of the _____, is made and entered into by and between **City of Langley** (the "Customer") and PUGET SOUND ENERGY, a Washington Corporation, (the "Company"), for service under the Company's Electric Tariff G Schedule 139. Terms defined in Schedule 139 and in the General Rules and Provisions (Schedule 80) of the Company's tariff for electric service shall have the same meanings where used in this Agreement.

RECITALS

- A. The Company is a public service company engaged in the sale and delivery of electric energy pursuant to its Electric Tariff G.
- B. Customer is receiving Electric Service under the Company's Electric Tariff G, Schedule 24, 25, 26, 31, 40, 43, 46 or 49, and desires to participate in the Company's Voluntary Long Term Renewable Energy program offered under Schedule 139.
- C. The Company and the Customer have worked jointly to encourage the development of Renewable Energy projects that (i) could provide clean energy to customers at a long-term contracted rate, (ii) support the local economy, and (iii) could be publicized and leveraged for external benefit. The Parties agree that the Wind – 10 Year (the "Resource Option") should meet these criteria, and the Parties thus now agree to enter into this Service Agreement with each other, for mutual benefit.
- D. The Company will sell and the Customer will purchase from the Company Renewable Energy Credits (RECs), where applicable, and Renewable Energy at a contracted volume equal to 100% of the load of all meters located at each subscribed service address (the sum of Anticipated Average Annual Loads) as listed in Section 5, with such amount to be allocated from Renewable Energy generated by the Resource Option, pursuant to one of the contracted rates described.

AGREEMENT

- 1. **Request and Acknowledgement.** The Customer requests service under Schedule 139 and acknowledges that Schedule 139 requires a minimum term. Service under Schedule 139 will be billed on the Customer's existing statement. The Resource Option Energy Charge is fixed as shown in Section 7. The Energy Charge Credit will be updated with each general rate case, power cost only rate case or other power-related filings.
- 2. **Resource.** Under this Service Agreement the Company will receive Renewable Energy into its Balancing Authority Area from where it can serve the Customer.
- 3. **Renewable Energy Credits.** The Company will acquire the RECs that are created with the electricity production, where applicable. The Company will transfer the RECs to the Customer

PUGET SOUND ENERGY

which must be retired in WREGIS. Alternatively, at the Customer's request, the Company will retire the RECs in WREGIS. As the Customer is receiving a retail product, the RECs may not be resold or transferred to another party.

4. **Resource Option.**
 Number: 13901W10
 Description: Large wind project in Thurston and Lewis Counties, Washington
5. **Customer Service Address and Account Numbers.** The Customer requests service under this Service Agreement for the service addresses, account numbers and meter numbers listed in Attachment B. The aggregated Anticipated Average Annual Load is included in Attachment B.
6. **Term.** The term of this Service Agreement shall commence in the year **2019**, on the first day of the Customer's normal billing cycle, in the first month following the commencement of commercial operation of the Resource Option, and delivery therefrom of energy to the Company sufficient to satisfy the obligations set forth in this Service Agreement. This Service Agreement terminates in the year **2028** after 12 billing cycles.
7. **Rates.** Schedule 139 rates are in addition to all charges under the Customer's existing Electric Service schedule. Rates include a charge per kWh for the contracted energy as outlined in Table 1 and a credit for the energy-related power cost component of the Energy Charge set forth in Schedule 24, 25, 26, 31, 40, 43, 46 or 49 of the Electric Tariff WN U-60 under which the Customer is taking Electric Service. The Energy Charge Credit will be updated with each general rate case, power cost only rate case, or other power-related filings, while the Resource Option Energy Charge will remain fixed as outlined in the Table 1. below.

Table 1

Calendar Year	2019	2020	2021	2022	2023	2024	2025
Rate per kWh	\$0.05111	\$0.05213	\$0.05318	\$0.05424	\$0.05532	\$0.05643	\$0.05756
Calendar Year	2026	2027	2028	2029	2030	2031	2032
Rate per kWh	\$0.05871	\$0.05989	\$0.06108	NA	NA	NA	NA
Calendar Year	2033	2034	2035	2036	2037	2038	
Rate per kWh	NA	NA	NA	NA	NA	NA	

8. **Early Exit Fee.** Customers may elect to terminate this Service Agreement prior to the Termination Date with 60 days' notice to the Company. Customers who choose to discontinue their service under this Schedule will be charged for the net cost of the remaining Renewable Energy that was to be delivered to the Customer under the remaining term of the Service Agreement. This amount will be based on: 1) the remaining term of the Service Agreement, 2) the amount of annual Renewable Energy needs ("full requirements") of each of the discontinued Customer' locations as listed in Section 5 of the Service Agreement, 3) the contracted energy rates agreed to in Section 7 of the Service Agreement, and 4) a credit for PSE's then-current

PUGET SOUND ENERGY

avoided costs (filed consistent with WAC 480-107-055). Termination of service under this Schedule will follow receipt and processing of the termination request by the Company.

- 9. **Resource Option Inadequacy.** If the Resource Option will not be available at the start of the commencement year, the Customer's agreement will be delayed to align with the Resource Option. If the Renewable Energy produced by the Resource Option and purchased by the Company is insufficient in any calendar year to satisfy the full requirements of the Customer, the Company will work with the Customer to source and retire for the Customer RECs from alternative resources, with costs for the RECs limited to the net amount to be collected under Schedule 139 from the Customer for the remainder of the calendar year. If, at the Company's determination, the Resource Option will not be adequate to meet the full requirements of the Customer, then this Service Agreement will be terminated with no liability to the Customer or to the Company. If a replacement project can be sourced and mutually agreed upon, a new Service Agreement will be created.
- 10. **Credit.** Customer authorizes that the Company may run a credit report on Customer and/or request audited financial statements for the purpose of determining the Customer's creditworthiness for this service.
- 11. **Energy Efficiency Services.** The Customer and the Company will continue to partner on mutually beneficial energy efficiency projects which will reduce energy demand on an annual basis. These services will have no bearing on the cost of energy as proposed in Table 1.
- 12. **Electrical Work.** In order to ensure continued qualification for service under Schedule 139, the Customer must contact the Company through their business account services representative when any electrical work is being conducted.
- 13. **Governing Law.** This Service Agreement will be governed by and interpreted, construed and enforced in accordance with the laws of the State of Washington.

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Agreement as of the date first written above.

PUGET SOUND ENERGY

By _____

Its _____

CUSTOMER

By _____

Its _____

SCHEDULE 139

VOLUNTARY LONG TERM RENEWABLE ENERGY SERVICE AGREEMENT

Attachment "B" to Service Agreement

Account	BP	Customer	Meter	Rate	Address	City	ZIP	Avg Yr KWH	Yes/No	Contract
200006881532	1000350595	CITY OF LANGLEY	U012609443	SCH_24EC	0 3RD ST # PK&R	Langley	98260	4,760		
200002982896	1000350595	CITY OF LANGLEY	A095305610	SCH_24EC	112 2ND ST	Langley	98260	43,584		
200019443304	1000350595	CITY OF LANGLEY	Z018059994	SCH_24EC	125 DE BRUYN AVE #2 PMP	Langley	98260	19,640		
220004081760	1000350595	CITY OF LANGLEY	A014046040	SCH_24EC	179 2ND ST #GLSS SHOP	Langley	98260	2,917		
200008883338	1000350595	CITY OF LANGLEY	U012607574	SCH_24EC	203 ANTHES AVE	Langley	98260	4,878		
200009270964	1000350595	CITY OF LANGLEY	U013005845	SCH_24EC	208 ANTHES AVE #A	Langley	98260	12,836		
220010629941	1002941994	CITY OF LANGLEY	A019219618	SCH_24EC	211 1ST ST #LIGHTS	Langley	98260	393		
200022788083	1000350595	CITY OF LANGLEY	Z068580327	SCH_24EC	240 1ST ST #1 PUMP	Langley	98260	31,446		
200010478978	1002941994	CITY OF LANGLEY	A093261421	SCH_24EC	300 1ST ST #PARK	Langley	98260	2,158		
200005985060	1000350595	CITY OF LANGLEY	B038134807	SCH_24EC	800 CEDAR CIR #PUMP	Langley	98260	19,520		
200010078745	1000350595	CITY OF LANGLEY	Z018060008	SCH_24EC	818 DALTON LN	Langley	98260	107,970		
200006217646	1000350595	CITY OF LANGLEY	A093266864	SCH_24EC	949 AL ANDERSON AVE	Langley	98260	11,690		
200013586751	1000350595	CITY OF LANGLEY	Z002844167	SCH_25EC	999 COLES RD	Langley	98260	326,720		
200015718113	1000350595	CITY OF LANGLEY	Z036085363	SCH_24EC	COLES RD PUMP	Langley	98260	1,710		

590,222

0.0673769