



## WORK SESSION

### BOARD OF CLALLAM COUNTY COMMISSIONERS

223 East 4<sup>th</sup> Street, Room 160  
Port Angeles, Washington  
Tuesday, February 17, 2026 – 9 a.m.

Board of Clallam County Commissioner meetings will also be available virtually at:

If you would like to participate in the meeting via Zoom audio only, call 253-215-8782 and use meeting ID: 836 9266 4344 and passcode: 12345 and use \*9 to raise your hand.

If you would like to participate in the meeting via Zoom video conference, visit <https://us06web.zoom.us/j/83692664344> and use meeting ID: 836 9266 4344 and passcode: 12345

This meeting can be viewed on a live stream at this link: <https://clallamcountywa.gov/meetings>

Public comment can be directed to the Clerk of the Board at 360-417-2256 or [Loni.Gores@clallamcountywa.gov](mailto:Loni.Gores@clallamcountywa.gov)

#### **Administration – 9 a.m.**

- 1a Calendar/Correspondence
- 1b Resolution appointing various members to the Fair Advisory Board
- 1c Agreement with Department of Social and Health Services for client service programs
- 1d Agreement with Health Care Authority for Medicaid administrative claiming
- 1e Agreement with Clallam County Corrections Deputies Guild for collective bargaining (2c)\*

#### **Public Works**

- 2a Agreement and Resolution with Department of Ecology for Clallam Bay / Sekiu Sewer System Inflow Infiltration Pipe Replacement Project
- 2b Approval of the annual certification of the Road Levy and Estimated Revenue Produced form

#### **General Discussion/Items for Future Agendas**

- Joint Meeting with the Department of Natural Resources (3/16 at 1 p.m.)
- Department of Transportation Highway 101 Projects (3/23 at 9 a.m.)
- Joint Meeting with the Port of Port Angeles (4/27 at 11 a.m. Hosted at Port)
- Joint Meeting with the Department of Natural Resources (6/15 at 1 p.m.)
- Department of Transportation Highway 101 Projects (6/22 at 9 a.m.)
- Joint Meeting with the Department of Natural Resources (8/17 at 1 p.m.)
- Department of Transportation Highway 101 Projects (9/14 at 9 a.m.)
- Joint Meeting with the Port of Port Angeles (10/26 at 11 a.m. Hosted at BOCC)
- Joint Meeting with the Department of Natural Resources (11/9 at 1 p.m.)
- Department of Transportation Highway 101 Projects (12/7 at 9 a.m.)

## **EXECUTIVE SESSION**

The Board may recess into Executive Session to consider employment or dismissal of personnel, to review the performance of a public employee, to consult with legal counsel, to consider the position to be taken in collective bargaining, to consider acquisition or sale of real estate, or other matters per RCW 42.30.110.

- Other items may be added at the discretion of the Board and additional Work Sessions may be scheduled if more time is needed to allow for adequate discussion.
- Written testimony presented by members of the public during the Board meeting is considered a public document and must be submitted to the Clerk of the Board. Copies of public documents from Board meetings are available by contacting the Public Records Department.

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\* **Items also on Tuesday's agenda**



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FEB 17 2026

# AGENDA ITEM SUMMARY

(Must be submitted NLT 3PM Wednesday for next week agenda)

Department: BOCC

WORK SESSION  Meeting Date: 2-17-26

REGULAR AGENDA  Meeting Date: 2-24-26

**Item summary:**

- Call for Hearing
- Contract/Agreement/MOU - Contract #
- Resolution
- Proclamation
- Budget Item
- Draft Ordinance
- Final Ordinance
- Other

Documents exempt from public disclosure attached:

**Executive summary:**

Vacancies exist on the Clallam County Fair Advisory Board due to the expiration of terms.

A press release was issued during the months of December 2025 soliciting applications from interested citizens. The members with expiring terms were notified. Two new applications were received.

The current members advised the Commissioner’s Office they are interested in continuing their service and asked to be considered for another term.

**Budgetary impact:** (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda) **If a budget action is required, has it been submitted and a copy attached?**

None

**Recommended action:** (Does the Board need to act? If so, what is the department's recommendation?)  
Approve and sign a resolution to appoint and reappoint.

**County Official signature & print name:** Loni Gores Loni Gores, Clerk

**Name of Employee/Stakeholder attending meeting:** Board of Commissioners, Aspen Smith – Fair Department

**Relevant Departments:** Board of Commissioners, Aspen Smith – Fair Department

\* Work Session Meeting - Submit 1 single sided/not stapled copy  
\*\* Regular Meeting – Submit 1 single sided/not stapled copy and originals (1 or 3 copies)



RESOLUTION \_\_\_\_\_, 2026

APPOINTING AND REAPPOINTING MEMBERS TO THE  
FAIR ADVISORY BOARD

THE BOARD OF CLALLAM COUNTY COMMISSIONERS finds as follows:

1. Vacancies exist on the Clallam County Fair Advisory Board due to the expiration of terms.
2. A press release was issued during the months of December 2025 soliciting applications from interested citizens. The members with expiring terms were notified. Two new applications were received.
3. The current members have advised the Commissioner's Office they are interested in continuing their service and asked to be considered for another term.

NOW, THEREFORE, BE IT RESOLVED by the Board of Clallam County Commissioners, in consideration of the above findings of fact:

1. **Megan Bekkevar** is reappointed as the At-large representative for a term expiring January 1, 2030.
2. **George Winn** is appointed as the Small Animals representative for a term expiring January 1, 2030.
3. **Joshua Borte** is appointed as the Community of Forks and Western Clallam County representative for a term expiring January 1, 2030.
4. **Bruce Skinner** is appointed as the Home Arts/Hobbies and Crafts representative for a term expiring January 1, 2028.

PASSED AND ADOPTED this 24<sup>th</sup> day of February 2026

BOARD OF CLALLAM COUNTY COMMISSIONERS

\_\_\_\_\_  
Mike French, Chair

\_\_\_\_\_  
Randy Johnson

\_\_\_\_\_  
Mark Ozias

ATTEST

\_\_\_\_\_  
Loni Gores, MMC, Clerk of the Board

c: A22.159  
Parks, Fair, and Facilities  
Appointee(s)



1c  
FEB 17 2026

# AGENDA ITEM SUMMARY

(Must be submitted NLT 3PM Wednesday for next week agenda)

**Department: Health and Human Services**

**WORK SESSION**  **Meeting Date February 17, 2026**

**REGULAR AGENDA**  **Meeting Date: February 24, 2026**

**Required originals approved and attached?**   
**Will be provided on:**

**Item summary:**

- Call for Hearing
- Contract/Agreement/MOU - Contract # 11301-25-LTP
- Resolution
- Proclamation
- Budget Item
- Draft Ordinance
- Final Ordinance
- Other

Documents exempt from public disclosure attached:

**Executive summary:**

The attached document is a DSHS–County Program Agreement that allows the Washington State Department of Social and Health Services (DSHS) to provide advance long-term payable funds to Clallam County for specific client service programs The program agreement period is from July 1, 2025 to June 30, 2026.

**Budgetary impact:** (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda) **If a budget action is required, has it been submitted and a copy attached?**   
None.

**Recommended action:** (Does the Board need to act? If so, what is the department's recommendation?)  
Approve and move to regular BOCC meeting for final signature.

**County Official signature & print name:**  Kevin LoPiccolo

**Name of Employee/Stakeholder attending meeting:** Kevin LoPiccolo

**Relevant Departments:** Health and Human Services

**Date submitted:** February 10, 2026

\* Work Session Meeting - Submit 1 single sided/not stapled copy  
\*\* Regular Meeting – Submit 1 single sided/not stapled copy and originals (1 or 3 copies)

11301-25-LTP  
Revised: 3-04-2019

# 11331 - 25 - LTP

		<b>COUNTY</b>  <b>PROGRAM AGREEMENT</b>  <b>Working Advance Long-Term Payable</b>		DSHS Agreement Number  2563-63493
This Program Agreement is by and between the State of Washington Department of Social and Health Services (DSHS) and the County identified below, and is issued in conjunction with a County and DSHS Agreement On General Terms and Conditions, which is incorporated by reference.				Administration or Division Agreement Number  County Agreement Number
DSHS ADMINISTRATION  Facilities, Finance and Analytics Administration	DSHS DIVISION  Financial Services	DSHS INDEX NUMBER  1215	DSHS CONTRACT CODE  8030CS-63	
DSHS CONTACT NAME AND TITLE  Rebecca Doane Office Chief		DSHS CONTACT ADDRESS  PO Box 45842  Olympia WA 98504-5842		
DSHS CONTACT TELEPHONE (360)763-2977	DSHS CONTACT FAX Click here to enter text	DSHS CONTACT E-MAIL rebecca.doane@dshs.wa.gov		
COUNTY NAME  Clallam County Clallam County		COUNTY ADDRESS  111 East 3rd Street Port Angeles WA 98362		
COUNTY CONTACT NAME  Kevin LoPiccolo				
COUNTY CONTACT TELEPHONE (360) 417-2523	COUNTY CONTACT FAX (360) 452-9605	COUNTY CONTACT E-MAIL kevin.lopiccolo@clallamcountywa.gov		
IS THE COUNTY A SUBRECIPIENT FOR PURPOSES OF THIS PROGRAM AGREEMENT?  No			ASSISTANCE LISTING NUMBERS	
PROGRAM AGREEMENT START DATE 07/01/2025	PROGRAM AGREEMENT END DATE 06/30/2026	MAXIMUM PROGRAM AGREEMENT AMOUNT <b>Based on Annual Review</b>		
The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise, regarding the subject matter of this Contract. The parties signing below represent that they have read and understand this Contract, and have the authority to execute this Contract. This Contract shall be binding on DSHS only upon signature by DSHS.				
COUNTY SIGNATURE(S)		PRINTED NAME(S) AND TITLE(S)	DATE(S) SIGNED	
DSHS SIGNATURE		PRINTED NAME AND TITLE  Cindy Carroll, Contract Consultant DSHS Central Contracts and Legal Services	DATE SIGNED	

  
 Approved as to form DPA

## SPECIAL TERMS AND CONDITIONS

### 1. Definitions

- a. "Commingle" is the act of mixing the funds and/or Long-Term Payables for one program with the funds of another program.
- b. "Documentation of Funds form" (DOF) is a form provided to the County each year by DSHS on which the County records qualifying previous year expenditures from which DSHS can appraise and evaluate the amount of the existing Long-Term Payable or appropriate adjustments.
- c. "Long-Term Payable" means funds provided by DSHS to the County in anticipation of specific client services provided by the County. The County shall not be allowed to retain any overage of the Long-Term Payable funds if the County does not actually provide the anticipated services during the given timeframe. Long-Term Payable funds are to be reconciled by April 30 of each year and any funds not fully utilized shall be refunded to DSHS by **May 31** of each year.

### 2. Purpose

- a. It is the purpose of this Agreement to specify the procedure by which DSHS will assess and, if necessary, adjust the Long-Term Payable it provides to the County.
- b. Funds to support contracts for the following DSHS programs may be included in a Long-Term Payable: Developmental Disabilities Administration (DDA) and/or Aging and Long-Term Support Administration (AL TSA).

### 3. Statement of Work

#### a. County Responsibilities

- (1) The County shall submit to DSHS by **May 1**, on forms provided by DSHS, a completed Documentation of Funds form (DOF) from which DSHS shall assess whether or not an adjustment to the amount of the Long-Term Payable provided to the County is warranted.
  - (a) DSHS will consider whether a completed DOF was submitted by the date identified above in determining whether this agreement will be renewed in the future.
- (2) The County shall exclude all amounts related to its Prepaid Inpatient Health Plan expenditures from its DOF.
- (3) The County shall repay to DSHS all of the Long-Term Payable funds received from DSHS that exceed the amount that DSHS determines is warranted. Repayment requirements shall be based upon DSHS assessment of the most recent annual DOF submitted by the County to DSHS. Any Long-Term Payable funds not fully utilized by the County, as determined by DSHS through the DOF process, shall be refunded to DSHS by **May 31** of each year.
- (4) The County shall only utilize Long-Term Payable funds for the DSHS program or service for which the funds were originally designated. Long-Term Payable funds may not be commingled between or among programs or services.
- (5) Any interest the County earns on the Long-Term Payable funds shall only be utilized for the DSHS programs or services for which the funds were originally designated. Long-Term Payable interest shall not be used for programs or services unrelated to the client services anticipated by this Agreement.
- (6) The County shall record the Long-Term Payables in its financial records.

## **SPECIAL TERMS AND CONDITIONS**

### **b. DSHS Responsibilities**

- (1) DSHS shall assess the DOF submitted by the County to determine if, during the term of this Agreement, any adjustment to the original two month Long-Term Payable provided to the County is warranted.
- (2) Adjustment may include DSHS request for repayment by County of any Long-Term Payable amounts previously paid to County that are in excess of the amount currently warranted.

### **4. Termination**

In the event that this Agreement, or a program contract listed in 2.b. above, is terminated prior to completion, DSHS shall take all available steps to recover any Long-Term Payable determined to be an overpayment and the County shall fully cooperate during the recovery process.

FEB 17 2026



# AGENDA ITEM SUMMARY

(Must be submitted NLT 3PM Wednesday for next week agenda)

Department: Health and Human Services

WORK SESSION  Meeting Date February 17, 2026

REGULAR AGENDA  Meeting Date: February 24, 2026

Required originals approved and attached?   
Will be provided on:

**Item summary:**

- Call for Hearing
- Contract/Agreement/MOU - Contract # 11301-26-HCAMAC
- Resolution
- Proclamation
- Budget Item
- Draft Ordinance
- Final Ordinance
- Other

Documents exempt from public disclosure attached:

**Executive summary:**

Attached is Washington State Health Care Authority Interagency Agreement for Medicaid Administrative Claiming Contract.

The Medicaid Administrative Claiming Agreement enables Clallam County Health and Human Services to receive federal Medicaid reimbursement for eligible administrative activities that help Medicaid clients access and coordinate covered services.

**Budgetary impact:** (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda) **If a budget action is required, has it been submitted and a copy attached?**  None.

**Recommended action:** (Does the Board need to act? If so, what is the department's recommendation?) Approve and move to regular BOCC meeting for final signature.

County Official signature & print name:  Kevin LoPiccolo

Name of Employee/Stakeholder attending meeting: Kevin LoPiccolo

Relevant Departments: Health and Human Services

Date submitted: February 10, 2026

\* Work Session Meeting - Submit 1 single sided/not stapled copy  
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11301-26-HCAMAC  
Revised: 3-04-2019

	<b>INTERAGENCY AGREEMENT</b> for Medicaid Administrative Claiming	HCA Contract Number: K8622
		Contractor Contract Number: <span style="font-size: 1.2em; color: blue;">11301-26-HCAMAC</span>

**THIS AGREEMENT** is made by and between Washington State Health Care Authority (HCA) and Clallam County Health & Human Services, (Contractor), pursuant to the authority granted by Chapter 39.34 RCW.

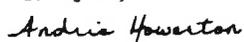
CONTRACTOR NAME Clallam County Health & Human Services		CONTRACTOR DOING BUSINESS AS (DBA)		
CONTRACTOR ADDRESS   Street 111 E 3rd Street		City Port Angeles	State WA	Zip Code 98362
CONTRACTOR CONTRACT MANAGER Kevin LoPiccolo	CONTRACTOR TELEPHONE (360) 417-2523	CONTRACTOR E-MAIL ADDRESS kevin.lopiccolo@clallamcountywa.gov		

HCA PROGRAM Medicaid Administrative Claiming	HCA DIVISION/SECTION Medicaid Programs Division/Community Services
HCA CONTRACT MANAGER NAME AND TITLE Jon Brogger, Health Care Program Manager	HCA CONTRACT MANAGER ADDRESS Health Care Authority 626 8th Avenue SE Olympia, WA 98504
HCA CONTRACT MANAGER TELEPHONE (360) 725-1647	HCA CONTRACT MANAGER E-MAIL ADDRESS <a href="mailto:jon.brogger@hca.wa.gov">jon.brogger@hca.wa.gov</a>

CONTRACT START DATE January 1, 2026	CONTRACT END DATE December 31, 2029	TOTAL MAXIMUM CONTRACT AMOUNT No Maximum
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**PURPOSE OF CONTRACT:**  
 The purpose of this Contract is to support Medicaid related outreach and linkage activities performed by Local Health Jurisdictions (LHJ) to Washington State residents who live within its jurisdiction. These activities assist residents who have no or inadequate medical coverage, and includes explaining the benefits of the Medicaid program, assisting them in the Medicaid application and renewal processes, and linking them to Medicaid covered services. This Agreement provides a process for partially reimbursing the Contractor for allowable and reasonable expenses associated with the time its staff spend performing Medicaid Administrative Claiming (MAC) activities.

The parties signing below warrant that they have read and understand this Contract, and have authority to execute this Contract. This Contract will only be binding upon signature by both parties. The parties may execute this contract in multiple counterparts, each of which is deemed an original and all of which constitute only one agreement. E-mail (electronic mail) transmission of a signed copy of this contract shall be the same as delivery of an original.

CONTRACTOR SIGNATURE	PRINTED NAME AND TITLE Kevin LoPiccolo  Director	DATE
HCA SIGNATURE <small>DocuSigned by:</small> 	PRINTED NAME AND TITLE Andria Howerton  Deputy Contracts Administrator	DATE 11/20/2025

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## 1. **DEFINITIONS**

“**A19-1A Invoice Voucher**” or “**A19**” means the state of Washington Invoice Voucher used by Contractors and vendors to submit claims for payment in return for goods and/or Services provided to Health Care Authority (HCA) or its clients.

“**Activity Code**” or “**Code**” means the code assigned to the daily activities performed by Contractor staff in order to identify the percentage of time spent on any given activity.

“**Administrative Fee**” means the dollar amount charged to a contractor by HCA based on a percentage of each contractor’s billing for Federal Financial Participation (FFP) claimed at the federally approved match rate, to offset HCA’s costs incurred in administering this Contract.

“**Apple Health**” or “**Medicaid**” means the Washington State Medicaid program funded by the federal and state government, which pays for medical coverage for children and adults who meet specific income criteria.

“**Audit**” means an investigation of a contractor’s MAC program and financial information to ensure compliance with state, federal, and local laws.

“**Authorized Representative**” means a person to whom signature authority has been delegated in writing acting within the limits of the person’s authority.

“**Billing Quarter**” means a calendar quarter consisting of three (3) consecutive calendar months beginning with the first date of the calendar quarter during which this Agreement starts. The Contractor shall use Billing Quarters as the time periods for which claims for FFP are made.

“**Budget Unit**” means the individual contractor eligible to submit a claim for reimbursement to HCA, and includes all of its subunits.

“**Budgeting, Accounting and Reporting System**” or “**BARS**” or “**BARS Manual**” The BARS Manual prescribes accounting and reporting for local governments in accordance with RCW 43.09.200 and found at this website <https://sao.wa.gov/>.

“**Business Days**” means Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington.

“**Centers for Medicare and Medicaid Services**” or “**CMS**” means the federal office under the Secretary of the United States Department of Health and Human Services, responsible for the Medicare and Medicaid programs.

“**Certified Public Expenditure**” or “**CPE**” means the sources of funds certified as actual expenditures by a local or public governmental entity and used as the State share in order to receive federal matching Medicaid funds, or Federal Financial Participation (FFP).

“**Client**” means an individual who is eligible for or receiving services through HCA program(s).

**“Code of Federal Regulations” or “C.F.R.”** means all references in this Contract to C.F.R. chapters or sections include any successor, amended, or replacement Regulation. The C.F.R. may be accessed at <http://www.eC.F.R..gov/cgi-bin/EC.F.R.?page=browse>.

**“Cognizant Agency”** means the federal agency responsible for reviewing, negotiating, and approving Indirect Cost Rates.

**“Confidential Information”** means information that may be exempt from disclosure to the public or other unauthorized persons under chapter 42.56 RCW or chapter 70.02 RCW or other state or federal statutes or regulations. Confidential Information includes, but is not limited to, any information identifiable to an individual that relates to a natural person’s health, finances, education, business, use or receipt of governmental services, names, addresses, telephone numbers, social security numbers, driver license numbers, financial profiles, credit card numbers, financial identifiers and any other identifying numbers, law enforcement records, HCA source code or object code, or HCA or State security information.

**“Contract” or “Agreement”** means the entire written agreement between HCA and the contractor, including any exhibits, documents, or materials incorporated by reference. MContract and Agreement may be used interchangeably.

**“Contracts Administrator”** means the HCA individual designated to receive legal notices and to administer, amend, or terminate this Contract.

**“Contractor”** means [Contractor Name], its employees and agents. Contractor includes any firm, provider, organization, individual or other entity performing services under this Agreement. It also includes any Subcontractor retained by Contractor as permitted under the terms of this Agreement.

**“Corrective Action” or “Corrective Action Plan”** means the written description of the plan the Contractor will complete in order to correct any finding or deficiency as identified by HCA or government entity.

**“Cost Allocation Plan” or “CAP”** means the official document which describes the procedures that states use in identifying, measuring, and allocating state agency costs incurred in support of all programs administered or supervised by the state agency. The Cost Allocation Plan makes explicit reference to the methodologies, claiming mechanisms, interagency agreements, and other relevant issues pertinent to the allocation of costs and submission of claims by MAC Contract acts. The Cost Allocation Plan must be reviewed and approved by CMS.

**“Covered Entity”** has the same meaning as defined in 45 C.F.R. 160.103.

**“CPE Local Match Certification”** means HCA’s form the Contractor must submit with each quarterly invoice to report the source of funds certified as public expenditures and therefore eligible to be used as match for the MAC program.

**“Data”** means information disclosed, exchanged or used by Contractor in meeting requirements under this Agreement. Data may also include Confidential Information as defined in this Contract.

**“Data Breach”** means the acquisition, access, use, or Disclosure of Data in a manner not permitted under law or by this Contract, including but not limited to the HIPAA Privacy Rule which compromises the security or privacy of the Protected Health Information, with the exclusions and exceptions listed in 45 C.F.R. 164.402.

**“Direct Charge Method”** means the method of accounting for Direct Costs without a stepdown allocation for single funding sources expenses wholly attributed to the MAC program.

**“Direct Cost”** means an operating expense that is wholly attributable to the MAC program and is not already included in the Indirect Cost Rate.

**“[Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming](#)” or “[CMS Guide](#)”** means the document issued by CMS in 2023 and any supplements, amendments, or successor; incorporated herein by reference which provides guidance to States for developing and managing MAC programs.

**“Designated Record Set”** means a group of records maintained by or for a Covered Entity as defined in 45 C.F.R. 160.103, that is: the medical and billing records about individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or used in whole or part by or for the Covered Entity to make decisions about individuals.

**“Disclosure”** means the release, transfer, provision of, access to, or divulging in any other manner of information outside the entity holding the information.

**“Effective Date”** means the first date this Contract is in full force and effect. It may be a specific date agreed to by the parties; or, if not so specified, the date of the last signature of a party to this Contract.

**“Electronic Protected Health Information” or “ePHI”** means Protected Health Information that is transmitted by electronic media or maintained in any medium described in the definition of electronic media at 45 C.F.R. § 160.103.

**“Eligible Participant” or “Participant” or “RMTS Participant”** means an employee of the Contractor that is in compliance with all federal, state, and HCA regulations including this Contract, the CAP, the Manual, CMS guidance, and any other requirements for participation in the MAC program and whose costs are eligible for claiming their staff time costs for conducting MAC activities.

**“Federal Financial Participation” or “FFP”** means the federal payment (or federal “match”) that is available at a rate of 50% for amounts expended by a state “as found necessary by the Secretary for the proper and efficient administration on the state plan” per 42 CFR § 433.15(b)(7). An enhanced FFP rate of seventy five percent (75%) is available for certain SPMP or interpretation administrative costs. Only permissible, non-federal funding sources are allowed to be used as the state match for FFP.

**“Fiscal Coordinator”** means the Contractor’s employee who is assigned to be the liaison between HCA and the Contractor for the accounting purposes of this Agreement. The Contractor may assign the fiscal and RMTS coordinator roles to the same staff if desired.

**“HCA Contract Manager”** means the individual identified on the cover page of this Contract who will provide oversight of the Contractor’s activities conducted under this Contract.

**“Health Care Authority”** or **“HCA”** means the Washington State Health Care Authority, any division, section, office, unit or other entity of HCA, or any of the officers or other officials lawfully representing HCA.

**“Health Insurance Portability and Accountability Act of 1996”** or **“HIPAA”** means, as codified at 42 USC 1320d-8, as amended, and its attendant Regulations as promulgated by the U.S. Department of Health and Human Services (HHS), CMS, the HHS Office of the Inspector General, and the HHS Office for Civil Rights. HIPAA includes the Privacy, Security, Breach Notification, and Enforcement Rules at 45 C.F.R. Part 160 and Part 164.

**“Individual(s)”** means the person(s) who is the subject of PHI and includes a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

**“Indirect Cost”** means an operating expense that is allocated across more than one program.

**“Indirect Cost Rate”** means the ratio, expressed as a percentage, of the Indirect Costs to a Direct Cost base as approved by the Contractor’s Cognizant Agency.

**“Information and Communication Technology”** or **“ICT”** means information technology and other equipment, systems, technologies, or processes, for which the principal function is the creation, manipulation, storage, display, receipt, or transmission of electronic data and information, as well as any associated content. Examples include computers and peripheral equipment; information kiosks and transaction machines; telecommunications equipment; customer premises equipment; multifunction office machines; software; applications; websites; videos; and electronic documents.

**“LHJ Claiming Manual”** or **“Manual”** means the HCA document or its successor including any updates, that describes how the Contractor must manage their MAC program and provides program guidance.

**“Limited Data Set(s)”** means a Data set that meets the requirements of 45 C.F.R. §§ 164.514(e)(2) and 164.514(e)(3).

**“Linkage”** means connecting Clients to Medicaid Covered Services.

**“Local Matching Funds”** means the Contractor’s non-federal tax dollars that are not otherwise obligated and are designated or certified to match the FFP rate of reimbursement.

**“MAC Activity”** or **“Allowable Activity”** or **“Reimbursable Activity”** or **“Claimable Activity”** means an activity that is administrative in nature, and necessary for the proper and efficient administration for the Medicaid state plan which must be in compliance as described in applicable federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement.

**“Medicaid Administrative Claiming” or “MAC”** means the source of funding for reimbursements provided in this Agreement shared between the Contractor and the Federal Financial Participation (FFP).

**“Medicaid Covered Services”** means the array of federally required and Washington State legislatively appropriated medical and social services available to Medicaid Clients through the State Medicaid Plan (Apple Health).

**“Medicaid Eligibility Rate” or “MER”** means the proportional share of Medicaid individuals to the total number of individuals in the target population (Contractor’s jurisdiction) as defined in the CAP, Manual and this Agreement.

**“Minimum Necessary”** means the least amount of PHI necessary to accomplish the purpose for which the PHI is needed.

**“Monitoring”** means review of a Contractor’s MAC program to ensure program integrity.

**“Office of Management and Budget” or “OMB”** means a division under the Executive Office of the President of the United States.

**“Operating Expense”** means those costs incurred by the Contractor to perform business activities and includes both Direct Costs and Indirect Costs. Only operating expenses necessary to operate the Contractor’s MAC program are allowable for FFP reimbursement.

**“Outreach”** means activities undertaken by the Contractor to inform individuals, families and community members within its jurisdiction about Services available and encourage access to these Services.

**“Permissible Use”** means only those uses authorized in this Contract and as specifically defined herein.

**“Personal Information”** means information identifiable to any person, including, but not limited to, information that relates to a person’s name, health, finances, education, business, use or receipt of governmental services or other activities, addresses (including or excluding zip code), telephone numbers, social security numbers, driver’s license numbers, credit card numbers, any other identifying numbers, and any financial identifiers.

**“Position Description”** means a document summary of specific duties and responsibilities assigned to a staff position.

**“Proprietary Information”** refers to any information which has commercial value and is either: (1) technical information, including patent, copyright, trade secret, and other Proprietary Information, techniques, sketches, drawings, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulae related to the current, future, and proposed products and services; or (2) non-technical information relating to products, including without limitation pricing, margins, merchandising plans and strategies, finances, financial and accounting Data and information, suppliers, customers, customer lists, purchasing Data, sales

and marketing plans, future business plans, and any other information which is proprietary and confidential. Contractor's Proprietary Information is information owned by Contractor to which Contractor claims a protectable interest under law.

**"Protected Health Information"** or **"PHI"** means information that relates to the provision of health care to an Individual; the past, present, or future physical or mental health or condition of an Individual; or past, present or future payment for provision of health care to an Individual. 45 C.F.R. 160 and 164. PHI includes demographic information that identifies the Individual or about which there is reasonable basis to believe, can be used to identify the Individual. 45 C.F.R. 160.103. PHI is information transmitted, maintained, or stored in any form or medium. 45 C.F.R. 164.501. PHI does not include education records covered by the Family Educational Rights and Privacy Act, as amended, 20 USC 1232g(a)(4)(b)(iv).

**"Random Moment Time Study"** or **"RMTS"** or **"System"** or **"Time Study"** means an electronic System that quantifies the daily activities of eligible time study Participants through a statistically valid sampling methodology and allocates allowable participant costs to the MAC program. The System calculates the amount of FFP reimbursement based on the Contractors RMTS results, staff costs, MER, costs and other applicable calculations as described in the CAP, Manual and this Agreement.

**"RCW"** means the Revised Code of Washington. All references in this Contract to RCW chapters or sections include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at: <http://apps.leg.wa.gov/rcw/>.

**"Regulation"** means any federal, state, or local Regulation, rule, or ordinance.

**"RMTS Consortium"** or **"RMTS Consortia"** or **"Consortium"** or **"Consortia"** means a group of Contractors who have organized together based on similar duties their staff perform, organizational structure, type of programs, scope of work, or regional working relationships and will participate in a single time study together in order to achieve statistical validity.

**"RMTS Coordinator"** means an employee of the Contractor who is assigned to be the time study liaison between HCA and the Contractor for purposes of this Agreement. The Contractor may assign the fiscal and RMTS coordinator roles to the same staff if desired.

**"Skilled Professional Medical Personnel"** or **"SPMP"** means an individual who has completed a two-or-more-year program leading to an academic degree or certificate in a medically related profession, demonstrated by possession of a medical license, certificate or other document issued by a recognized National or State medical licensure or certifying organization or a degree in a medical field issued by a college or university certified by a professional medical organization.

**"State Fiscal Year"** or **"SFY"** means a twelve (12) month period beginning on July 1<sup>st</sup> of one calendar year and ending on June 30<sup>th</sup> of the following calendar year. The SFY is broken into four (4) Billing Quarters.

**"State Medicaid Plan"** means the comprehensive written commitment by HCA, submitted under 1902(a) of the Social Security Act and approved by CMS, to administer the Washington State Medicaid program in accordance with federal and state requirements.

“**Statement of Work**” or “**SOW**” means a detailed description of the work activities the Contractor is required to perform under the terms and conditions of this Contract, including the deliverables and timeline, and is included as Attachment 1.

“**Subcontractor**” means a person or entity that is not in the employment of the Contractor, who is performing all or part of the business activities under this Agreement under a separate contract with Contractor. The term “Subcontractor” means subcontractor(s) of any tier.

“**Sub-unit**” means an individual cost center or budget unit within a budget unit (LHJ).

“**Successor**” means any entity or individual which, through amalgamation, consolidation, or other legal succession becomes invested with rights and assumes burdens of the first contractor/vendor or any person who succeeds to the office, rights, responsibilities or place of another.

“**USC**” means the United States Code. All references in this Contract to USC chapters or sections will include any successor, amended, or replacement statute. The USC may be accessed at <http://uscode.house.gov/>.

“**WAC**” means the Washington Administrative Code. All references to WAC chapters or sections will include any successor, amended, or replacement Regulation. Pertinent WACs may be accessed at: <http://app.leg.wa.gov/wac/>.

## 2. **STATEMENT OF WORK**

Contractor will furnish the necessary personnel, equipment, material and/or service(s) and otherwise do all things necessary for or incidental to the performance of work set forth in Attachment 1.

## 3. **PERIOD OF PERFORMANCE**

Subject to its other provisions, the period of performance of this Contract will commence on **January 1, 2026**, and be completed on **December 31, 2029**, unless terminated sooner or extended upon written agreement between the parties.

## 4. **PAYMENT**

Compensation for the work provided in accordance with this Agreement has been established under the terms of RCW 39.34.130. Compensation for services will be based on the following rates or in accordance with the following terms.

4.1. Source of Funds for Administrative Claiming are as follows:

- 4.1.1. Fifty percent (50%) of funds is received from the United States Department of Health and Human Services under Medical Assistance Program CFDA 93.778; and
  - 4.1.2. Fifty percent (50%) is received from the Contractor's Local Matching Funds.
- 4.2. Source of funds for Administrative Claiming for appropriately documented Skilled Professional Medical Personnel and appropriately documented Interpreter staff Administrative Claiming are as follows:
  - 4.2.1. Seventy-five percent (75%) of funds is received from the United States Department of Health and Human Services under Medical Assistance Program CFDA 93.778; and
  - 4.2.2. Twenty-five percent (25%) is received from the contractor's local matching funds.
- 4.3. Local matching funds must meet CPE requirements and must be in the Contractor's budget and under the Contractor's control. These funds cannot be contributed by or certified by healthcare providers or subcontractors.
- 4.4. HCA will not issue reimbursement for any quarters where HCA receives credible evidence or suspected evidence of a system failure that has the potential to impact the integrity of the reimbursement request. This includes but is not limited to failures related to the time study, MER calculation, claim calculation, or reconciliation.
  - 4.4.1. HCA will pursue corrective action as needed and will restore payment after any issues related to the reimbursement request are resolved, and the requested amount is accurate.

## 5. **BILLING PROCEDURE**

- 5.1. Contractor must submit accurate invoices to the HCA Contract Manager for all amounts to be paid by HCA via e-mail to the HCA Contract Manager email address listed on the cover of this Agreement. Include the HCA Contract number in the subject line of the email.
- 5.2. All invoices will be reviewed and must be approved by the Contract Manager or designee prior to payment.
- 5.3. Contractor shall only submit invoices for Services or deliverables as permitted by this section of the Contract. The Contractor shall not bill HCA for Services performed under this Contract, and HCA shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for such Services or deliverables.
- 5.4. Contractor must submit properly itemized invoices to include the following information, as applicable:
  - 5.4.1. The HCA Contract number;

- 5.4.2. Contractor name, address, phone number;
  - 5.4.3. Description of Services;
  - 5.4.4. Date(s) of delivery;
  - 5.4.5. Net invoice price for each item;
  - 5.4.6. Applicable taxes;
  - 5.4.7. Total invoice price; and
  - 5.4.8. Payment terms and any available prompt payment discount.
- 5.5. HCA will return incorrect or incomplete invoices for correction and reissue. The Agreement number must appear on all invoices, bills of lading, packages, and correspondence relating to this Agreement.
- 5.6. Payment will be considered timely if made within thirty (30) calendar days of receipt of properly completed invoices. Payment will be directly deposited in the bank account or sent to the address Contractor designated in this Agreement.
- 5.7. Upon expiration or termination any claims for payment for costs due and payable under this Agreement that are incurred prior to the expiration date must be submitted by Contractor within sixty (60) calendar days after the expiration date. There will be no obligation to pay any claims that are submitted sixty-one (61) or more calendar days after the expiration date ("Belated Claims"). Belated Claims will be paid at HCA's sole discretion, and any such potential payment is contingent upon the availability of funds.

## **6. ACCESSIBILITY**

- 6.1. **REQUIREMENTS AND STANDARDS.** Each information and communication technology (ICT) product or service furnished under this Contract shall be accessible to and usable by individuals with disabilities in accordance with the Americans with Disabilities Act (ADA) and other applicable Federal and State laws and policies, including OCIO Policy 188, et seq. For purposes of this clause, Contractor shall be considered in compliance with the ADA and other applicable Federal and State laws if it satisfies the requirements (including exceptions) specified in the regulations implementing Section 508 of the Rehabilitation Act, including the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA Success Criteria and Conformance Requirements (2008), which are incorporated by reference, and the functional performance criteria.
- 6.2. **DOCUMENTATION.** Contractor shall maintain and retain, subject to review by HCA, full documentation of the measures taken to ensure compliance with the applicable requirements and functional performance criteria, including records of any testing or simulations conducted.

- 6.3. **REMEDICATION.** If the Contractor claims that its products or services satisfy the applicable requirements and standards specified in this Section and it is later determined by HCA that any furnished product or service is not in compliance with such requirements and standards, HCA will promptly inform Contractor in writing of noncompliance. Contractor shall, at no additional cost to HCA, repair or replace the non-compliant products or services within the period specified by HCA. If the repair or replacement is not completed within the specified time, HCA may cancel the contract, delivery, task order, or work order, or purchase line item without termination liabilities or have any necessary changes made or repairs performed by employees of HCA or by another contractor, and Contractor shall reimburse HCA for any expenses incurred thereby.
- 6.4. **INDEMNIFICATION.** Contractor agrees to indemnify and hold harmless HCA from any claim arising out of failure to comply with the aforesaid requirements.

## **7. AGREEMENT CHANGES, MODIFICATIONS AND AMENDMENTS**

This Agreement may be amended by mutual agreement of the parties. Such amendments are not binding unless they are in writing and signed by an Authorized Representative of each party.

## **8. SUBCONTRACTING**

Neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this Agreement without obtaining HCA's prior written approval. HCA shall have no responsibility for any action of any such Subcontractors.

## **9. ASSIGNMENT**

The work to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent will not be unreasonably withheld.

## **10. CONTRACT MANAGEMENT**

The Contract Manager for each of the parties, named on the face of this Contract, will be responsible for and will be the contact person for all communications and billings regarding the performance of this Agreement. Either party must notify the other party within thirty (30) days of change of Contract Management. Changes in Contract Management shall require an amendment.

## **11. DISALLOWED COSTS**

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its Subcontractors.

## **12. DISPUTES**

In the event that a dispute arises under this Agreement, it will be determined by a dispute board in the following manner: Each party to this Agreement will appoint one member to the dispute board. The members so appointed will jointly appoint an additional member to the dispute board. The dispute board will review the facts, Agreement terms and applicable statutes and rules and make a determination of the dispute. The dispute board will thereafter decide the dispute with the majority prevailing. The determination of the dispute board will be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

### **13. GOVERNANCE**

This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. The provisions of this Agreement will be construed to conform to those laws.

In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency will be resolved by giving precedence in the following order:

- 13.1. Applicable Federal and State of Washington statutes and regulations;
- 13.2. Attachment 1: Statement of Work; and
- 13.3. Any other provisions of the agreement, including materials incorporated by reference.

### **14. INDEPENDENT CAPACITY**

The employees or agents of each party who are engaged in the performance of this Agreement will not be considered for any purpose to be employees or agents of the other party.

### **15. RECORDS MAINTENANCE**

15.1. The parties to this Agreement will each maintain books, records, documents and other evidence which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the services described herein. These records will 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 federal officials so authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, federal auditors, and any persons duly authorized by the parties will have full access and the right to examine any of these materials during this period.

15.2. Records and other documents, 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 parties without first giving notice to the furnishing party and giving it a reasonable opportunity to respond. Each

party will use reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

## **16. RIGHTS IN DATA**

Unless otherwise provided, data which originates from this Agreement will be "works for hire" as defined by the U.S. Copyright Act of 1976 and will be owned by HCA. Data will include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes and/or sound reproductions. Ownership includes the right to copyright, patent, register and the ability to transfer these rights.

## **17. CONFIDENTIALITY**

Each party agrees not to divulge, publish or otherwise make known to unauthorized persons confidential information accessed under this Agreement. Contractor agrees that all materials containing confidential information received pursuant to this Agreement, including, but not limited to information derived from or containing patient records, claimant file and medical case management report information, relations with HCA's clients and its employees, and any other information which may be classified as confidential, shall not be disclosed to other persons without HCA's written consent except as may be required by law.

## **18. SEVERABILITY**

If any provision of this Agreement or any provision of any document incorporated by reference will be held invalid, such invalidity will not affect the other provisions of this Agreement, which can be given effect without the invalid provision if such remainder conforms to the requirements of applicable law and the fundamental purpose of this agreement, and to this end the provisions of this Agreement are declared to be severable.

## **19. FUNDING AVAILABILITY**

HCA's ability to make payments is contingent on funding availability. In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to completion or expiration date of this Agreement, HCA, at its sole discretion, may elect to terminate the Agreement, in whole or part, or to renegotiate the Agreement subject to new funding limitations and conditions. HCA may also elect to suspend performance of the Agreement until HCA determines the funding insufficiency is resolved. HCA may exercise any of these options with no notification restrictions.

## **20. TERMINATION**

Either party may terminate this Agreement upon 30-days' prior written notification to the other party. If this Agreement is so terminated, the parties will be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

## **21. TERMINATION FOR CAUSE**

If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within 30 days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other.

## **22. WAIVER**

A failure by either party to exercise its rights under this Agreement will not preclude that party from subsequent exercise of such rights and will not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an Authorized Representative of the party and attached to the original Agreement.

## **23. ALL WRITINGS CONTAINED HEREIN**

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement will be deemed to exist or to bind any of the parties hereto.

## **24. SURVIVORSHIP**

The terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, expiration or termination of this Agreement shall so survive. In addition, the terms of the sections titled Rights in Data, Confidentiality, Disputes and Records Maintenance shall survive the termination of this Agreement.

### **Attachments**

Attachment 1: Statement of Work

## **ATTACHMENT 1: STATEMENT OF WORK**

The purpose of this Agreement is to support Medicaid related outreach and linkage activities performed by Local Health Jurisdictions (LHJ) to Washington State residents who live within its jurisdiction. These activities assist residents who have no or inadequate medical coverage, and includes explaining the benefits of the Medicaid program, assisting them in the Medicaid application and renewal processes, and linking them to Medicaid covered services. This Agreement provides a process for partially reimbursing the Contractor for allowable and reasonable expenses associated with the time its staff spend performing Medicaid Administrative Claiming (MAC) activities.

The Contractor must provide staff and perform all activities necessary to do the work outlined in this Agreement.

### **1. Contractor Responsibilities**

The Contractor is responsible for monitoring its MAC program to ensure compliance with all applicable laws, regulations and guidelines specific to the MAC program as described in this Agreement and comply with all roles, responsibilities, limitations, restrictions, and documentation requirements described in the CAP, Manual, associated federal and state regulations, and this Agreement. Only expenses that are reasonable and allowable, are permitted for reimbursement. HCA expects the MAC program to be managed similarly to other federal awards and expects the RMTS and Fiscal coordinators to report to, or work closely, with an administrator assigned oversight authority of the LHJ.

The Contractor must:

- 1.1. Provide the necessary staff to perform the allowable MAC activities described in the Cost Allocation Plan (CAP), and perform the work necessary to ensure all applicable laws, regulations and guidelines specific to the MAC program and this Agreement are in compliance including but not limited to:
  - 1.1.1. Code of Federal Regulation (CFR) Title 42 and Title 45;
  - 1.1.2. 1903(w)(6)(A) of the Social Security Act;
  - 1.1.3. [Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming 2023](#);
  - 1.1.4. Revised Code of Washington (RCW);
  - 1.1.5. The LHJ MAC Claiming Manual;
  - 1.1.6. HCA-approved LHJ MAC training documents;

- 1.1.7. 2 CFR 225 Cost Principles for State, Local, and Indian Tribal Governments;
  - 1.1.8. OMB Compliance Supplements;
  - 1.1.9. Washington State Medicaid Plan; and
  - 1.1.10. Secretary of State (SOS) records retention schedule.
- 1.2. Maintain documentation to support each administrative claim submitted to HCA for reimbursement as required by federal, state, HCA and CMS Regulations, the CAP, the Manual and this Agreement. The documentation must be sufficiently detailed in order to determine whether the activities are necessary for the proper and efficient administration of the Medicaid State Plan and support the appropriateness of the administrative claim.

The Contractor must:

- 1.2.1. Maintain all documentation related to staff participation in the RMTS according to section 1902(a)(4) of the Act and 42 CFR § 431.17; see also 45 CFR § 74.53 and 42 CFR § 433.32(a) (requiring source documentation to support accounting records) and 45 CFR § 74.20 and 42 CFR § 433.32(b and c) (retention period for records) and as described in [Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming 2023](#);
- 1.2.2. Maintain all documentation related to MAC claiming, according to section 1902(a)(4) of the Act and 42 CFR § 431.17; see also 45 CFR § 74.53 and 42 CFR § 433.32(a) (requiring source documentation to support accounting records) and 45 CFR § 74.20 and 42 CFR § 433.32(b and c) (retention period for records) and as described in [Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming 2023](#);
- 1.2.3. Comply with the SOS records retention schedule;
- 1.2.4. Assure all documentation is immediately accessible and available, must be in a useful and readable format, and must be stored electronically within the System at every opportunity as determined by HCA;
- 1.2.5. Provide any and all information and documentation requested by HCA within thirty (30) business days, or within a written, mutually agreed upon time frame; and
- 1.2.6. Submit any Audit related to its MAC program to HCA within thirty (30) business days of receipt of the final report. This includes but is not limited to SAO Audits, OMB Circular Compliance Supplement Audits,

Federal Reviews or Federal Audits. The contractor must provide to HCA, any corrective action related to MAC findings and questioned costs within thirty (30) business days of submission.

- 1.3. Abide by all roles, responsibilities, limitations, restrictions, and documentation requirements including but not limited to those described in the CAP, the Manual, and this Agreement.
- 1.4. Only include staff in the claimed reimbursement (through the RMTS or direct charge method) who are eligible to participate. The Contractor is prohibited from including any staff in the RMTS or the claimed reimbursement unless their job positions comply with the criteria described in the CAP, the Manual, and this Agreement.

Staff who may be eligible to be included in the RMTS or claimed reimbursement must:

- 1.4.1. Not be included in another MAC time study or reimbursement claim;
  - 1.4.2. Be directly employed or contracted by the LHJ, or an HCA approved Subcontractor;
  - 1.4.3. Be reasonably expected to perform MAC related activities;
  - 1.4.4. Have all federal dollars appropriately off-set according to the CAP and Manual;
  - 1.4.5. Not be included in the calculation of an indirect cost rate that is used to calculate FFP reimbursement;
  - 1.4.6. Not include any Federally Qualified Health Clinic (FQHC) staff (or expenses) whose costs are included in the FQHC cost report; and
  - 1.4.7. Be job positions that fit within these job categories: nurses, other medical professionals, other professional classifications, community outreach and linkage classifications, manager/supervisor/administrator classifications, or administrative support classifications as described in the CAP and Manual.
- 1.5. Designate staff for an RMTS Coordinator and a Fiscal Coordinator to be responsible for daily oversight and management of the Contractor's MAC program.
    - 1.5.1. The RMTS and Fiscal Coordinator roles may be assumed by one individual if desired.
    - 1.5.2. The Contractor must submit contact information to the HCA Contract Manager for each coordinator, including their assigned role, name, telephone number, fax number, email, and address prior to participation in the MAC program, within seven (7) calendar days of the change.

- 1.5.3. The Contractor must ensure the Coordinators accurately perform all responsibilities listed in the CAP, the Manual, and this Agreement. Including but not limited to the following:
  - 1.5.3.1. The Coordinators must participate in any scheduled RMTS consortium conference calls; and
  - 1.5.3.2. The Coordinators must ensure federal, state, and HCA MAC policies are implemented.
- 1.6. Certify all data entered into the System is true and accurate, and based on actual expenditures incurred during the period of performance of the invoice. This certification must be maintained within the System. This includes, but is not limited to: calendaring, Staff/Participant lists, salary and benefits, direct charges or other claimed costs, indirect rate, MER, and any other data used to generate a claim to HCA for reimbursement.
- 1.7. Verify all data that is determined necessary to be stored electronically within the System or other associated websites, or databases as described in the CAP, Manual and this Agreement is physically entered and stored according to the SOS Retention Schedule. This data includes, but is not limited to: calendaring, Staff/Participant lists, salary and benefits, direct charges or other claimed costs, indirect rate, MER, and any other data used to generate a claim to HCA for reimbursement.
- 1.8. Prepare an annual MER proposal by using [HCA form 13-954](#) (Medicaid Administrative Claiming Local Health Jurisdiction Medicaid Eligibility Rate Proposal) to include the MER calculation and formula, the data sources used to determine the MER, the data collection process, the Contractor's monitoring process to ensure accuracy of the MER and any other relevant information.
  - 1.8.1. The proposal must be submitted to HCA no later than December first of each year.
  - 1.8.2. The proposal must be updated and re-submitted if the data source or collection, calculations, or monitoring changes thirty (30) business days prior to the change.
- 1.9. Submit a quarterly CPE certification identifying the revenue account codes as found in the BARS manual with each invoice validating the accuracy of the CPE.
- 1.10. Submit an annual certificate of indirect costs by using [HCA form 02-568](#) (Certificate of Indirect Costs) that certifies the accuracy of indirect cost rate proposal submitted to their Cognizant Agency each January.
- 1.11. Certify the accuracy of all data used to determine a quarterly MAC reimbursement by signing the A19 by an Authorized Representative. This certification extends to all RMTS data, MER data and financial data.

- 1.12. Complete a one hundred percent (100%) code review of all RMTS moments to ensure the code and narrative correlate, within forty five (45) calendar days after the end of the quarter.
- 1.13. Finalize and certify the accuracy of the 10% quality assurance review no more than 10 (ten) calendar days after the 10% review is received.
- 1.14. Monitor the RMTS non response rate, identify and take corrective action to resolve any deficiencies in staff responses.

Corrective action must:

- 1.14.1. Be implemented within ten (10) business days; and
  - 1.14.2. Be documented and available to HCA upon request.
- 1.15. Use a System that is statistically valid and in compliance with all state, and federal laws and Regulations whether through a third-party or other means as stated in the CAP.
  - 1.16. Not participate in a time study or claiming process for the HCA MAC program with any entity that does not have an executed agreement with HCA.
  - 1.17. Not participate in an RMTS consortium without prior written approval from HCA and express, written approval of the Consortia organization and membership.
  - 1.18. If identified as a Lead Agency for the RMTS Consortium, the Contractor must perform the Lead Agency duties described in the CAP and Manual and participate in the current statewide LHJ Steering Committee, including attending LHJ MAC work group meetings hosted by HCA.
  - 1.19. Ensure all interpreter staff have been tested and certified by Washington State Department of Social and Health Services (DSHS) as defined by DSHS. The Contractor is prohibited from claiming the enhanced seventy five percent (75%) rate for any interpretation activities unless:
    - 1.19.1. The staff has been certified by DSHS;
    - 1.19.2. The MAC activities performed are part of the staff's assigned job duties; and
    - 1.19.3. The allowable MAC activity was performed on behalf of children under twenty one (21).
  - 1.20. Ensure all Coordinators and Participants have completed and have certified their understanding of the training prior to participating in the MAC program, and annually thereafter. The contractor is prohibited from allowing any staff to participate in the program unless they have completed and have certified their understanding of the training.

The Contractor must:

- 1.20.1. Ensure all Coordinators receive HCA approved training prior to participation;
  - 1.20.2. Only use training materials that have been approved in writing by HCA;;
  - 1.20.3. Ensure all Participants certify completion of the online training before performing any duties within the System or participating in the RMTS;
  - 1.20.4. Ensure all Participants fully understand each RMTS Activity Code and how to answer moments according to what activity they were doing during the interval of the sampled moment;
  - 1.20.5. Train all Participants to maintain proper documentation for MAC related activities; and
  - 1.20.6. Track the completion and certification of training within the System, and must be available upon request by HCA.
- 1.21. Comply with all HCA revisions to RMTS/claiming requirements as described in the CAP and Manual.
  - 1.22. Only use the RMTS Activity Codes (or their successors) in the CAP or Manual as approved by HCA, for participation in MAC.

## **2. Documentation and Forms**

- 2.1. Contractor must use all forms and documentation as outlined in this Contract and within the Manual, including but not limited to the following:
  - 2.1.1. Utilize the RMTS System for the time study and claims calculation;
  - 2.1.2. Utilize the current State of Washington A19-1A Invoice Voucher (A19) produced by the System for submitting quarterly A19s to HCA;
  - 2.1.3. Provide, maintain, and have available all supporting documentation for the time study and claiming in a readable and usable format as required in this Contract and Manual; and
  - 2.1.4. Create and maintain quarterly documents reconciling all costs claimed for each A19.
- 2.2. Submit all Audit reports within thirty (30) calendar days of issuance to HCA including, but not limited to State Auditor Office (SAO) Audits, OMB Circular A-133 Single Audit Guidance, Federal Reviews, or Federal Audits.
  - 2.2.1. Submit to HCA any corrective action related to MAC findings and questioned costs within thirty (30) calendar days of submission.

### 2.3. Maintenance of Records

During the term of any contract and for six (6) years following the termination or expiration of the Contract, the parties must maintain records sufficient to:

- 2.3.1. Document performance of all acts required by any Contract and applicable statutes, Regulations, and rules;
- 2.3.2. Substantiate the Contractor's statement of its organization's structure, tax status, administrative capabilities, and performance;
- 2.3.3. Demonstrate accounting procedures, practices, and records which sufficiently and properly document all invoices, expenditures, and payments;
- 2.3.4. Maintain all documentation related to MAC claiming and staff participation in the RMTS according to section 1902(a) (4) of the Act and 42 CFR 431.17. See also 45 CFR 74.53 and 42 CFR 433.32(a), requiring source documentation to support accounting records, and 45 CFR 74.20 and 42 CFR 433.32(b) and (c), retention period for records, and as described in [Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming](#); and
- 2.3.5. Provide any and all information and documentation as requested by HCA, state and/or federal Auditors and reviewers in a readable and usable format.

### 3. Billing and Claiming

The Contractor must submit invoices for reimbursement to HCA for review and approval within one hundred twenty (120) calendar days following the end of each Billing Quarter. Upon approval, the Contractor must submit a signed A19-1A invoice voucher within thirty (30) calendar days.

- 3.1. Invoices submitted after one hundred twenty (120) calendar days following the end of the Billing Quarter may result in corrective action.
- 3.2. HCA will not offset negative balances against future A19s. The Contractor must immediately remit a check to HCA for any funds requiring repayment.
- 3.3. HCA is not a recovery agent and any overpayments that are at or beyond the one hundred eighty (180) calendar day mark will be turned over to the Office of Financial Recovery (OFR).
- 3.4. HCA will not seek reimbursement for any invoice received after the 23rd month of the two-year federal filing deadline.

- 3.4.1. Contractor must not bill and HCA must not pay for Services performed under this Contract if the Contractor has charged or will charge another agency of the State of Washington or any other party for the same Services.

#### **4. Calculating the FFP and Generating an Invoice**

The Contractor is responsible for ensuring all data (including all RMTS and financial data) used to calculate the amount of FFP submitted to HCA for reimbursement is accurate, based on actual expenses incurred during the period of performance, and complies with all federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement. The Contractor must certify the accuracy of all data used to calculate the amount of FFP by an Authorized Representative signing the A19-1A Invoice Voucher (A19). The Contractor must use a System that is statistically valid and in compliance with all state, and federal laws and Regulations whether through a third- party or other means as stated in the CAP to calculate the amount of FFP and generate a claim.

- 4.1. The Contractor must submit invoices to HCA for FFP on a quarterly basis.
- 4.2. All data used to calculate the FFP must be from the same period of service.
- 4.3. All data used to calculate the FFP must be the actual cost/expenditure and not approximated.
- 4.4. The FFP is determined by calculating the total adjusted costs, multiplying these costs by the adjusted RMTS results, and the applicable Medicaid Eligibility Rate (MER), adding any direct charges, and then applying the appropriate FFP rate.
- 4.5. The invoice must be generated within one hundred twenty (120) business days of the end of the quarter and generated based on following five components:
  - 4.5.1. Cost pool construction;
  - 4.5.2. Calculating allowable Medicaid administrative time via the System or direct charge method and documentation;
  - 4.5.3. Calculation and application of the pertinent MER;
  - 4.5.4. Calculation and application of the indirect cost rate; and
  - 4.5.5. Application of the appropriate FFP rate.
- 4.6. Cost Pool Construction
  - 4.6.1. The Contractor must comply with all federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement when constructing cost pools.

- 4.6.2. The Contractor is prohibited from including any unallowable costs in any cost pool.
- 4.6.3. The Contractor must include all costs used to calculate the FFP reimbursement to one of these six (6) cost pools:
  - 4.6.3.1. Cost Pool 1: MAC SPMP;
  - 4.6.3.2. Cost Pool 2: MAC Non-SPMP;
  - 4.6.3.3. Cost Pool 3a and 3b: Non-MAC;
  - 4.6.3.4. Cost Pool 4: MAC Direct Charge – enhanced;
  - 4.6.3.5. Cost Pool 5: MAC Direct Charge – non-enhanced; and
  - 4.6.3.6. Cost Pool 6: Allocated.
- 4.6.4. Costs included in the calculation of an indirect cost rate are prohibited from being assigned to any of the six cost pools except by application of the indirect cost rate.
- 4.6.5. All costs assigned to each cost pool must be allowable and comply with cost pool and allowability descriptions in the CAP and Manual.
- 4.7. Calculating Allowable Medicaid Administrative Time
  - The Contractor must:
    - 4.7.1. Use only the RMTS or the Direct Charge method to calculate the percent of reimbursable time.
    - 4.7.2. Use the RMTS for all eligible staff who are not certified as a Single Cost Objective.
    - 4.7.3. Use the RMTS results produced by the System.
    - 4.7.4. Will not alter the RMTS results and will certify the accuracy of the data by signing the A19 by an authorized Contractor representative.
    - 4.7.5. Use only the Direct Charge method for staff who are certified as a Single Cost Objective.
      - 4.7.5.1. These staff are required to document their daily work activities in fifteen (15) minute increments.
        - 4.7.5.1.1. Daily logs must be maintained according to the SOS record's retention schedule.

4.7.5.1.2. All daily logs must have a quarterly summary rolling up all time over the quarter.

4.7.5.2. These staff must complete a single cost objective certification quarterly using an HCA approved form.

4.7.5.3. Each single cost objective staff must be reported individually on the invoice.

4.7.5.4. The invoice must report the name, the actual amount of time spent performing allowable MAC activities, and total dollar amount claimed for reimbursement for each staff.

#### 4.8. Direct Charge for Interpretation Service Contracts

The Contractor may only direct charge for a portion of the Interpretation Service contracts and only for allowable interpretation activities as described in this Agreement.

4.8.1. Services direct charged must be for interpretation activities identified as allowable activities within the Manual, the CAP, and this Agreement. The Contractor is prohibited from including any other portion of an Interpretation Services Contract in the calculation for FFP reimbursement.

4.8.2. Each interpretation activity must be documented to HCA's satisfaction, in fifteen (15) minute increments, using a patient encounter form that includes, at minimum, the following data elements:

4.8.2.1. Appointment time/duration;

4.8.2.2. Client Name/ID/transaction information;

4.8.2.3. Interpreter Agency;

4.8.2.4. Interpreter Name or Employee ID;

4.8.2.5. Language/communication type;

4.8.2.6. Requestor or nurse name; and

4.8.2.7. The forms must be maintained according to SOS Record's retention schedule.

4.8.3. The above data from all patient encounter forms, except Client Name/ID Information, must be transferred onto a single spreadsheet that is searchable and sortable must be available upon request. When requested, the data will be provided in a readable, usable, mutually agreed upon format.

- 4.8.4. The invoice must report a summary for each Interpretation Service contract including the names of the interpreting staff, the total amount of time spent performing allowable MAC activities, and total dollar amount claimed for reimbursement.
- 4.8.5. The Contractor is prohibited from altering the information on the patient encounter forms and certifies the accuracy of the data entered into the spreadsheet and the System by signing the A19 by an Authorized Representative.
- 4.9. Calculation and Application of the Pertinent MER
  - 4.9.1. All MERs must be calculated quarterly and match the methodology outlined in the contractor's annual MER proposal.
  - 4.9.2. All MERs must be based on the quarter claimed.
  - 4.9.3. All MAC activities that benefit the Contractors Clients directly and are performed within a program that identifies Clients may use a Client-based MER as described in the CAP and Manual.
  - 4.9.4. All MAC activities that benefit the Contractor's Clients directly and are performed within a program that operates a primary care or specialty clinic may use a clinic-based MER as described in the CAP and Manual.
  - 4.9.5. All MAC activities that benefit a larger population in the geographical region served by the Contractor, or in programs that do not identify Clients or collect demographic data may use the modified county-wide MER.
  - 4.9.6. The Contractor is required to collect and maintain demographic data used to determine Medicaid enrollment for all Clients served within budget units whose costs are included in the FFP reimbursement. The Contractor is prohibited from including clients from any budget unit that is not allowable within the MAC program.
- 4.10. Demographic Data Requirements for the Client MER:
  - 4.10.1. All data related to Medicaid enrollment and the MER must be maintained according to the SOS records retention schedule.
  - 4.10.2. The information collected must be sufficiently detailed to determine Medicaid enrollment through HCA's ProviderOne System.
  - 4.10.3. The information must be entered in the Contractor's Client information System or database.

- 4.10.4. The Contractor must produce a single electronic list of all unduplicated Clients served over the quarter within thirty (30) business days of the end of the quarter.
- 4.10.5. The Contractor is prohibited from including the same Client more than once (duplicating) on the quarterly list.
- 4.10.6. The Contractor must submit the quarterly list to either their third party System operator or other System operator which calculates the Client-based and clinic-based MER.

#### 4.11. Calculation and Application of the Indirect Cost Rate

All indirect cost rates must be developed in accordance with all applicable regulations and guidelines including the 2 CFR Chapter I, Chapter II, part 200, et al (OMNI Circular).

The Contractor will ensure the following:

- 4.11.1. Have an indirect cost rate proposal approved by their Cognizant Agency;
- 4.11.2. Certify the accuracy of the indirect cost rate annually using HCA form 02-568 Certificate of Indirect Costs;
- 4.11.3. Verify all costs submitted to HCA for reimbursement are not duplicated through the indirect rate or any other mechanism; and
- 4.11.4. The Contractor is prohibited from requesting duplicate FFP for any cost.

#### 4.12. Application of the Appropriate FFP Rate

The Contractor is:

- 4.12.1. Permitted to claim seventy five percent (75%) enhanced FFP only for specific allowable MAC activities accurately reported to SPMP or Interpretation Activity Codes as described in the CAP and Manual;
- 4.12.2. Required to verify the accuracy of activities reported to Activity Codes 12b, 12c, 7c and 7d;
- 4.12.3. Prohibited from claiming seventy five percent (75%) FFP for any other activities.
- 4.12.4. Permitted to claim fifty percent (50%) for all other accurately reported MAC Activity Codes; and
- 4.12.5. Required to certify the accuracy of the FFP claimed for reimbursement by signing the A19.

#### 4.13. Certified Public Expenditures

The MAC invoice must document that there are adequate non-federal, local matching funds to support the costs of allowable MAC activities and be used as CPE.

The Contractor is:

- 4.13.1. Prohibited from using any source of funds as CPE that do not comply with federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement;
- 4.13.2. Required to certify all sources of funds used as for CPE are accurate, allowable, and in compliance with all federal, state, HCA and CMS Regulations, the CAP, Manual, and this Agreement quarterly by completing a Certified Public Expenditure Local Match Certification quarterly and by signing the A19;
- 4.13.3. Required to use the Budgeting, Accounting and Reporting System (BARS manual) prescribed accounting and reporting for local governments to identify and document the revenue account codes for all local matching funds reported as CPE;
- 4.13.4. Required to ensure the source of all CPE funds are not federal tax money and are not used as a match for federal money (by the Contractor or any other agency);
- 4.13.5. Only permitted to use these funds to supplement, not supplant the amount of federal, state and local funds otherwise expended or services provided under this Agreement;
- 4.13.6. Required to have funds available for MAC activities and the funds must be within the Contractor's control and budget;
- 4.13.7. Prohibited from using provider-related donations or impermissible health care related tax source for CPE;
- 4.13.8. Prohibited from using any private donations or non-public funds as a source for CPE without authorization from CMS' Center for Medicaid and State Operations' National Institutional Reimbursement Team (NIRT);
- 4.13.9. Prohibited from requiring or allowing private non-profits to participate in the financing of the non-federal share of expenditures;
- 4.13.10. Prohibited from allowing non-governmental units to voluntarily provide, or be contractually required to provide, any portion of the non-federal share of the Medicaid expenditures;

- 4.13.11. Prohibited from using funds payable under this Agreement for lobbying activities of any nature. The Contractor certifies that no state or federal funds payable under this Agreement shall be paid to any person or organization to influence, or attempt to influence, either directly or indirectly, an officer or employee of a state or federal agency, or an officer or member of any state or federal legislative body or committee regarding the award, amendment, modification, extension, or renewal of a state or federal contract grant;
- 4.13.12. Required to expend the total computable cost to Subcontractors for performance of allowable MAC activities;
- 4.13.13. Prohibited from submitting a request for FFP reimbursement to HCA until they have actually incurred the total computable cost; and
- 4.13.14. Prohibited from requiring the Subcontractor to provide the non-federal share of the payment, or return any portion of the total computable cost to the Contractor.

#### 4.14. Revenue Offset

Federal or other unallowable funds that paid for MAC activities must be offset in the MAC invoice.

The Contractor is:

- 4.14.1. Prohibited from submitting a request for FFP reimbursement to HCA unless all funds are appropriately offset according to all federal, state, HCA and CMS Regulations, the CAP, Manual and this Agreement;
- 4.14.2. Required to certify the accuracy of the funds that are offset and the accuracy of the requested FFP reimbursement by signing the A19;
- 4.14.3. Required to ensure there is no duplication in FFP reimbursement between programs or cost objectives;
- 4.14.4. Financially responsible for repayment of any duplicated funds;
- 4.14.5. Required to provide documentation that Coordinators have been trained and fully understands the scope of work and terms of each funding source; and
- 4.14.6. Required to perform an assessment to determine whether each cost objective contained within the MAC budget unit(s) has potential to overlap with MAC;
- 4.14.7. The Contractor is prohibited from using any source of funds contained within the MAC budget unit until they have been assessed and determined appropriate;

- 4.14.8. The Contractor must complete the assessment as frequently as necessary to ensure proper allocation of cost, but at least annually and must be available upon request.
- 4.14.9. If the assessment determines any portion of the scope of work overlaps with MAC activities, the entire cost objective is deemed to overlap and is prohibited from being used as CPE; and
- 4.14.10. Required to identify costs that must be offset, and verify the remaining net costs are allowable for inclusion in the MAC program and eligible for FFP reimbursement.

## 5. Skilled Professional Medical Personnel (SPMP) Requirements

Contractor staff who have completed a two-or-more-year program leading to an academic degree or certificate in a medically related profession, demonstrated by possession of a medical license, certificate or other document issued by a recognized National or State medical licensure or certifying organization, or a degree in a medical field issued by a college or university certified by a professional medical organization are eligible for a seventy five percent (75%) enhanced reimbursement for specific MAC activities. Years of experience in the administration, direction, or implementation of the Medicaid program is not considered the equivalent of professional training in a field of medical care. The Contractor is permitted to perform SPMP activities as directed by HCA's Chief Medical Officer (CMO) to assist in achieving HCA's goals and administering the Medicaid State Plan.

The Contractor must:

- 5.1. Monitor and ensure that FFP reimbursement for SPMP activities are in compliance with all federal, state, HCA and CMS Regulations, the CAP, Manual and this Agreement. Federal requirements include 42 CFR § 432.2, 432.45, 432.50, and 433.15.
- 5.2. Have all forms and documents supporting the designation of an SPMP entered into the System and retained according to the SOS record's retention schedule.
- 5.3. Not, and is prohibited from, requesting seventy five percent (75%) enhanced reimbursement for:
  - 5.3.1. Any staff who are not certified as an SPMP, as stated above;
  - 5.3.2. Any staff whose position descriptions do not require certified SPMP duties or responsibilities;
  - 5.3.3. Any staff who are not directly employed by the Contractor;
  - 5.3.4. Medical assistance expenditures;

- 5.3.5. Any SPMP activities that are not directed by HCA's CMO and explicitly described in this Agreement (All other allowable MAC activities performed by an SPMP are eligible for 50% FFP); and
- 5.3.6. Any activities that are not directly related to the administration of the State Medicaid plan.
- 5.4. Contribute to a quarterly SPMP report as needed by HCA and/or WSALPHO. Provide details and additional information needed for the report as requested by HCA and/or WSALPHO, within a mutually agreed upon time frame.
- 5.5. Participate in program planning and policy development meetings as requested by HCA.
  - 5.5.1. The meetings will include discussions related to, but not limited to, reviewing the SPMP reports and related topics or the effectiveness of the activities performed in support of HCA's goals and the Medicaid State Plan.
- 5.6. Comply with any changes to the allowable SPMP activities as directed by the CMO.
  - 5.6.1. Failure to comply with CMO directives may result in termination of SPMP participation in the MAC program.
- 5.7. Monitor and ensure that all activities reimbursed at the seventy five percent (75%) enhanced FFP are in support of the Medicaid State Plan and fall within the categories below. All other allowable MAC activities performed by an SPMP are eligible for fifty percent (50%) FFP.
- 5.8. Comply with any changes to allowable SPMP activities as directed by the CMO that may include, but is not limited to the following:
  - 5.8.1. Clinical consultation with medical providers regarding best practices and adequacy of medical care covered by Medicaid. Includes, but is not limited to the following areas:
    - 5.8.1.1. Pediatric immunization issues;
    - 5.8.1.2. Access to Baby and Child Dentistry (ABCD) Emerging treatment/therapies for high risk populations;
    - 5.8.1.3. Coordination of Medicaid-covered medical services for medically at-risk populations;
    - 5.8.1.4. Medically fragile children;
    - 5.8.1.5. High risk pregnant women;

- 5.8.1.6. Homeless individuals; and
- 5.8.1.7. Individuals with multiple medical conditions.
- 5.8.2. Case staffing on the medical aspects of cases requiring Medicaid-covered services including:
  - 5.8.2.1. Medically involved children in foster care;
  - 5.8.2.2. High risk pregnant women; and
  - 5.8.2.3. Individual with communicable diseases requiring extraordinary/non-standard medical care.
- 5.8.3. Planning and coordination with local medical providers to facilitate earlier referrals and treatment for high-risk populations including but not limited to the following:
  - 5.8.3.1. Children in foster care;
  - 5.8.3.2. Homeless individuals; and
  - 5.8.3.3. Children with developmental delays or behavioral challenges.
- 5.8.4. Providing medical consultation to the state regarding the Medicaid state plan including the following:
  - 5.8.4.1. Consultation with medical providers to improve birth outcomes for Medicaid children; and
  - 5.8.4.2. Consultation with school personnel to improve health outcomes for children exhibiting developmental delays or behavioral challenges due to medical condition, family stress, or other factors.
- 5.8.5. Pediatric immunizations including but not limited to:
  - 5.8.5.1. Clinical consultation with providers concerning strategies to improve rates for pediatric immunizations.
- 5.9. Corrective Action Plan
- 5.10. HCA has the authority to require the Contractor to devise a Corrective Action Plan whenever HCA concludes that the Contractor is out of compliance with any MAC program requirements described in the CAP, Manual, or in the terms and conditions of this Agreement. HCA will require a Corrective Action Plan if the Contractor fails to address or correct any problems sufficiently and in a timely manner, as determined by HCA.

- 5.10.1. In the event HCA determines that the Contractor has failed to comply with the terms and conditions of this Contract, HCA will notify the Contractor in writing of the need to take corrective action.
- 5.10.2. The Contractor must develop and submit a Corrective Action Plan to HCA for approval within thirty (30) calendar days of HCA's notification.
  - 5.10.2.1. If corrective action is not taken within the time period agreed to by both parties in writing, the Contract may be terminated per Section 29, *Termination for Cause*.
- 5.10.3. If the Contractor fails to meet the requirements outlined in the Corrective Action Plan, HCA may impose remedial actions including, but not limited to:
  - 5.10.3.1. Conducting more frequent reviews;
  - 5.10.3.2. Delaying or denying payment of MAC claims;
  - 5.10.3.3. Recouping of funds; or
  - 5.10.3.4. Terminating the Contract.
- 5.10.4. Contractor actions that may result in HCA remedial actions include, but are not limited to:
  - 5.10.4.1. Repeated and/or uncorrected errors in financial reporting and MAC invoicing;
  - 5.10.4.2. Failure to maintain or provide adequate documentation;
  - 5.10.4.3. Failure to certify quarterly invoices within 120 days after the end of a quarter;
  - 5.10.4.4. Failure to cooperate with state or federal staff;
  - 5.10.4.5. Failure to provide accurate and timely information to state or federal staff as required;
  - 5.10.4.6. Failure to meet time study minimum RMTS response rates;
  - 5.10.4.7. Failure to meet RMTS statistical validity requirements; and
  - 5.10.4.8. Failure to comply with the terms and conditions of this Agreement.

## **6. Administrative Fee**

HCA charges MAC contractors an Administrative Fee to offset HCA's costs for the administration of the MAC program. The rate is based on the costs associated with the staff effort spent on MAC related work for an entire State Fiscal Year (SFY) and is billed as a line item on the quarterly claim form A-19-1A submitted by the MAC contractor. This cost is divided by the dollar amount of administrative claims submitted by the participating contractors in the MAC program for the same SFY. The calculated rate is used on the claims for the subsequent SFY. At the end of the period, the rate used will be validated using the actual claimed expenditures for that period and any variances will be settled with the contractor during the second quarter of the new SFY.

## **7. HCA Responsibilities**

Health Care Authority is responsible for performing oversight of the Contractor's MAC program to ensure the effective administration of the MAC program and complying with all roles, responsibilities, limitations, restrictions, and documentation requirements described in the CAP, Manual, and this Agreement.

Including but not limited to the following:

- 7.1. Maintain oversight of the Contractor's MAC program and monitoring activities including review of all components of the time study, claiming, training, or anything MAC related.
- 7.2. Direct the MAC activities reimbursable at the enhanced seventy five percent (75%) rate for all Skilled Professional Medical Personnel (SPMP) participating in the Contractor's MAC program.
- 7.3. Review the Contractor's monitoring activities to ensure monitoring is occurring and any identified issues are addressed as deemed appropriate by HCA.

This will include but is not limited to the following:

- 7.3.1. Review of time study responses;
- 7.3.2. Accuracy of coding;
- 7.3.3. Appropriateness of code changes; Sufficiency of backup documentation; and
- 7.3.4. Non-response rates.
- 7.4. Verify the Contractor has entered all necessary data into the System and verify all data entered was certified by the Contractor as accurate.
- 7.5. Review all claimed costs prior to issuing reimbursement to ensure they are allowable, reasonable, and are supported by documentation that is sufficiently detailed to permit HCA, CMS, or others to determine whether the costs are

necessary for the proper and efficient administration of the state plan. This includes but is not limited to; source documentation of staff costs, operating expenses, and subcontracted vendor costs.

- 7.6. Review the RMTS Consortia organization and membership, including the Lead Agency identified, annually and issuing an official notice of approval or denial.
- 7.7. Review all MAC related training materials prior to their use in the MAC program and issuing an official notice of approval or denial. This includes multimedia video, audio, digital, or other electronic sources, and paper based training materials.
- 7.8. Evaluate RMTS and claiming data prior to issuing quarterly reimbursements to ensure the RMTS results and claimed costs are appropriate according to all applicable laws, Regulations and guidelines specific to the MAC program. This evaluation will also be used to identify trends, best practices for the MAC program, quality assurance, training needs, areas in need of improvement, or other concerns related to the MAC program and HCA's oversight responsibilities.
- 7.9. Issue corrective action plans as necessary and determined by HCA's oversight capacity that includes but is not limited to, quarterly reviews of RMTS and claiming data, the Contractor's failure to be in compliance with all applicable laws, Regulations and guidelines specific to the MAC program and this Agreement, or other quality assurance needs.
- 7.10. Produce and update the CAP, Manual, Contracts, training materials, or other MAC related documentation as needed and make it available to the Contractor.



**AGENDA ITEM SUMMARY** FEB 17 2026  
(Must be submitted NLT 3PM Wednesday for next week agenda)

**Department: Finance, Human Resources**

**WORK SESSION**  **Meeting Date:** 2/17/2026

**REGULAR AGENDA**  **Meeting Date:** 2/17/2026

**Required originals approved and attached?**

**Will be provided on:**

**Item summary:**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Call for Hearing | <input checked="" type="checkbox"/> Contract/Agreement/MOU - Contract # 461.26.01 |   |
| <input type="checkbox"/> Resolution       | <input type="checkbox"/> Proclamation   | <input type="checkbox"/> Budget Item          |
| <input type="checkbox"/> Draft Ordinance  | <input type="checkbox"/> Final Ordinance  | <input type="checkbox"/> Other Monthly Review |

Documents exempt from public disclosure attached:

**EXECUTIVE SUMMARY**

In accordance with Collective Bargaining protocols and the expired Corrections Deputy collective bargaining agreement, staff has successfully completed negotiations with the Corrections Deputies Guild bargaining unit. A new bargaining agreement has been reached commencing on the date of ratification by both parties and expiring December 31, 2027.

**Budgetary impact:** (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda) **If a budget action is required, has it been submitted and a copy attached?**

To be discussed and presented at Work Session.

**Recommended action:** (Does the Board need to act? If so, what is the department's recommendation?)

Staff requests BOCC to approve the ratified proposed collective bargaining agreement as negotiated and presented.

**County Official signature & print name:**  Mark Lane

**Name of Employee/Stakeholder attending meeting:** \_\_\_\_\_ Todd Mielke, Mark Lane, Bonnie Denner, Mara Vinnedge \_\_\_\_\_

**Relevant Departments:** \_\_\_\_\_ Human Resources, Finance \_\_\_\_\_

**Date submitted:** February 11, 2026

\* Work Session Meeting - Submit 1 single sided/not stapled copy Agenda Item Summary Clallam County Corrections Deputies Guild CBA 02172026

\*\* Regular Meeting - Submit 1 single sided/not stapled copy and originals (1 or 3 copies)

Revised: 3-04-2019

401.26.01

**COLLECTIVE BARGAINING AGREEMENT**

**by and between**

**CLALLAM COUNTY**

**and**

**CLALLAM COUNTY CORRECTIONS DEPUTIES GUILD**

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## PREAMBLE

This AGREEMENT is made and entered into by and between CLALLAM COUNTY, hereinafter referred to as "County," and the Clallam County Corrections Deputies Guild, hereinafter referred to as "Guild."

The purpose of this Agreement is to comply with all the applicable provisions of RCW 41.56, to assert courteous, efficient, and cost-effective service to the citizens of Clallam County; to promote harmonious relations between the County and its Corrections Deputies Guild employees; to protect the wellbeing and promote the morale of the Corrections Deputies Guild employees; to establish an equitable format for resolving misunderstandings and disputes; and to establish salaries and benefits, hours of work and other terms and conditions of employment.

## ARTICLE 1 – TERM OF AGREEMENT

This AGREEMENT shall supersede all previous agreements signed between the County and the Guild (to include any agreements executed under prior representation) and be effective on the date of ratification and shall continue in full force through December 31, 2027.

## ARTICLE 2 – RECOGNITION

### 2.1 Recognition.

The County recognizes the Guild as the sole and exclusive bargaining representative for all full-time and regular part-time nonsupervisory Corrections Deputies employed by the Clallam County Sheriff's Office, hereinafter referred to as "Employees," excluding confidential employees, Corrections Sergeants, nonuniformed employees, employees in other bargaining units, all other employees, guards and supervisors.

Part-time employee employment is specifically referenced in Article 2.5 relating to *pro rata* benefits, Article 4.4 relating to seniority, and Article 11.15 relating to release time.

### 2.2 Newly Created Positions.

In the event, through Clallam County Civil Service Board and/or County action, duties of the existing job classifications are substantially altered so as to eliminate or substantially add to the essential job functions of the position, negotiations between the County and the Guild shall commence but not necessarily be concluded prior to the establishment of salaries or filling of any positions so created or altered.

### 2.3 Exempt Positions.

The parties recognize that the positions of Sheriff, Undersheriff, Chief Deputy, Administrative Assistant, Operations Sergeant and Administrative Secretary are not represented by the Guild and are not covered by this Agreement. Any question or dispute as to which employees are represented by the Guild, or covered by this Agreement, shall be treated as a grievance and disposed of according to the grievance procedure provided within this Agreement or referred to the Public Employment Commission.

#### 2.4 Excluded Positions.

Temporary, extra help, contract, provisional, casual and seasonal employees shall be excluded from the bargaining unit and from coverage under the Teamster health and Welfare Trust. Work performed by persons in these positions shall not qualify them for health and welfare benefits under Article 12 of this Agreement until and unless the employee becomes a regular employee under the Civil Service Rules applicable to the Sheriff's Office. This Agreement shall have no application to reserve deputies, other Sheriff's employees not in this bargaining unit, or volunteers who may be utilized by the Sheriff periodically only to supplement the existing workforce.

#### 2.5 Benefits Pro Rata for Regular Part-time Employees.

Covered employees who are regularly scheduled to work less than 80 hours per month shall not receive insurance, holiday, vacation or sick leave benefits provided for in this Agreement. The parties shall reopen this Agreement to bargain concerning impacts in the event the Affordable Healthcare Act alters law and regulatory requirements of the *status quo* at the time this Agreement is negotiated, which is that part-time employees who work 80 or more hours per month shall receive holiday, vacation and sick leave benefits pro rata based upon the average hours worked per week in that month, and shall receive fully paid insurance benefits.

### **ARTICLE 3 – NON-DISCRIMINATION**

The parties agree that this Agreement shall be applied equally to all employees in the bargaining unit without discrimination as to age, marital status, race, color, sex, gender, gender identity, genetic information, sexual orientation, religion, mental or physical disability as defined and recognized under federal and Washington law (to the extent reasonable accommodation is possible in view of the duties and responsibilities of the position), sexual orientation, national origin, union affiliation or political affiliation.

### **ARTICLE 4 – GUILD SECURITY**

#### 4.1 Dues Deduction.

The County will provide for payroll deduction of Guild fees upon written authorization by the employee. Payroll deduction authorization cards must be received by the County Human Resources Office by the fifteenth (15th) day of the month to be recognized as effective for that month. The County shall deduct from each paycheck the amount of dues and initiation fees and transmit to the designated representative of the Guild. If an employee is being paid semi-monthly, the deduction will come out of both paychecks equally.

#### 4.2 Indemnification.

The Guild shall indemnify, defend, and hold the County harmless from all suits, actions, proceedings and claims against the County or persons acting on behalf of the County, whether for damages, compensation, reinstatement or any combination thereof arising from the sole application of this Article of this Agreement. In the event that any part of Article 4 shall be declared invalid or that all or any portion of the monthly service fee must be refunded to any non-member, the Guild and its members shall be solely responsible for such reimbursement. The

parties will cooperate in making appropriate adjustments called for in the event error is discovered.

#### 4.3 Duty to Bargain.

The County shall provide fifteen (15) calendar days' notice of a proposed change to a mandatory subject of bargaining or to a change in policy, procedure or practice that will impact a mandatory subject of bargaining. The Guild will have then fifteen (15) calendar days to request to bargain any such changes. Such request shall be made in accordance with Article 5.9. Any decisions relating to safety equipment shall be at the sole discretion of the Sheriff. The County will bargain the impact of any change to working conditions resulting from a decision relating to safety equipment.

#### 4.4 Seniority.

As used in this Agreement, the term "seniority" as applied to benefit accruals shall mean time accumulated from the date of hire as a County employee. Seniority for bidding procedures shall mean the time accumulated from the date of hire as a classified employee in the classification series for which one is appointed. Seniority for part-time employees shall be pro-rated based on hours worked.

### **ARTICLE 5 – GUILD REPRESENTATION ACTIVITY**

#### 5.1 Conducting Guild Business.

No Guild member, officer, representative or agent shall conduct any Guild business during working hours, except as provided herein.

#### 5.2 Adjusting Grievances.

Upon prior notification to the Sheriff or his designee by the Guild, the County shall afford a recognized Guild representative an opportunity to adjust grievances and attend interviews covered under this Agreement in Articles 7, 15, 18 and in accordance with applicable Clallam County Sheriff Policies and Procedures.

#### 5.3 Guild Communications.

Guild officers may transmit messages and information on County premises when off duty, or on duty with permission when the message has been reduced to writing or is of such a routine nature that it can be communicated without interference with County business or the employee's work.

#### 5.4 Guild Expenses.

Except as provided above or with prior authorization of a supervisor, Guild activities shall not result in cost to the County.

5.5 Attendance at Negotiations.

If negotiations sessions are held during regularly scheduled work hours of designated members of the bargaining team, not more than three (3) Guild members may participate in negotiation meetings without loss of pay while on duty. Participation in negotiations shall be subject to call to duty and shall not result in overtime pay for any member(s) attending negotiations.

5.6 Notice of Guild Officers.

The Guild shall inform the County in writing of the identity of Guild officers, periodically and as necessary to keep the County informed of their identity. The County shall recognize only the officers so identified.

5.7 Copies of Labor Agreement.

The Guild shall provide each employee in the bargaining unit with a copy of this Agreement.

5.8 Employment List.

Every January, the County shall furnish the Guild a list of each employee covered by this contract, stating the following: date of hire, adjusted date of hire and current salary.

5.9 Notice of Parties.

Whenever this Agreement requires notice to the Guild, the County shall email notice to the Guild President and Guild Attorney. Notice to the County shall be made to the Sheriff and County Administrator or their designee(s).

5.10 Bulletin Board.

The County shall provide space for one bulletin board, which may be used by the Guild.

## ARTICLE 6 – MANAGEMENT RIGHTS

6.1 Management Prerogatives.

Subject to the terms of this Agreement, it is understood and agreed that the Sheriff possesses the sole right to operate the Department in accordance with the Clallam County Charter and consistent with Clallam County's Administrative Policies, whether heretofore or hereafter exercised and regardless of the frequency or infrequency of their exercise. It is expressly recognized that such rights include, but are not limited to the following:

- A. To determine the Department's mission, policies, and set forth all standards of service offered the public.
- B. To plan, direct, control and determine the operations or services to be conducted by the employees.

- C. To utilize personnel, methods, and means in the most appropriate and efficient manner possible.
- D. To manage and direct the employees of the Sheriff's Office.
- E. To hire, promote, transfer, train, evaluate performance and retain employees in positions of the Sheriff's Office.
- F. To establish work rules and rules of conduct.
- G. To suspend, demote, discharge or take other appropriate disciplinary action against employees.
- H. To determine the size and composition of the work force and to lay off employees in the event of lack of work funds.
- I. To regulate or change shifts, workdays, hours of work, workweek, work locations, and assign all work duties.

6.2 Effect of County Policy and Civil Service Rules.

It is recognized and understood by the County that the above management rights shall be exercised subject to the provisions of Chapter 41.14 RCW, "Civil Service for Sheriff's Office." This Agreement shall control in the event of a conflict between this Agreement and the Clallam County Civil Service Rules.

6.3 Changes.

All matters not specifically treated by the language of this Agreement may be administered for its duration by the Sheriff in accordance with such policy and procedures as the Sheriff may determine, but does not preclude the Guild from seeking review of the exercise of these rights in a particular case in discussion with the Sheriff, or his designee. This clause shall not operate as a waiver of the Guild right to demand to bargain over a change in a mandatory subject of bargaining provided for herein.

**ARTICLE 7 – DISCIPLINARY PROCEDURES**

7.1 "Just Cause" and Relationship to Civil Service.

All discipline for employees covered under this Agreement shall be for just cause. Upon ratification of this Agreement all issues of discipline shall be governed by this Article exclusively, and Civil Service rules shall not apply. Any allegation of a violation of this Article shall be resolved under the Grievance Procedure provided for by this contract. Failure to satisfactorily complete probation is not discipline and is not appealable under the grievance procedure, Article 8.

Verbal Reprimand (documented), Written Reprimand, Suspension Without Pay, Demotion, or Termination will be considered disciplinary actions. The severity of disciplinary action depends

on the nature of the offense and an employee's work record and may range from verbal reprimands to termination.

#### 7.2 Notice of Intent to Discipline.

In the event discipline (excluding verbal and written reprimands) is contemplated, the employer will provide the employee with written notice of the allegations against the employee, the facts upon which the allegations are based, and the degree and discipline being considered, prior to the imposition of disciplinary action. Suspension from duty with pay pending the imposition of discipline shall not be deemed discipline.

#### 7.3 Pre-Discipline Meeting.

After providing an employee with such notice, the employer shall afford the employee an opportunity to respond, verbally and/or in writing. In any pre-disciplinary meeting between the employee and the employer about matters which may result in discipline of suspension, demotion and/or termination, the employee shall have the right to the presence of a Guild shop steward or Guild representative, provided however that any Guild representative or shop steward selected must be capable of responding and attending within a reasonable period of time. Once a Guild representative is requested, further questioning and/or discussion concerning contemplated discipline will not be initiated by the employer. Such meetings and questioning shall occur during normal County business' hours or the employee's normal work shift, unless otherwise agreed. Such meetings and/or discussions shall occur in a reasonably private location and shall not be unreasonably long. The parties shall be entitled to take intermissions for the purpose of attending to personal necessities, meals, telephone calls and rest periods.

#### 7.4 Polygraphs Prohibited.

Employees shall not be required to submit to a polygraph examination as a condition of continued employment. This section shall not be construed as a prohibition barring an employee from volunteering to do so.

#### 7.5 Retention of Records of Discipline.

Verbal or written reprimands are appealable only through Step 2 of the Grievance Procedure. Employees shall be entitled to attach a written reply to any documented discipline being placed into their personnel file. Documented coaching, counseling, and/or corrective action are not considered formal discipline and therefore shall not be placed into the employee's personnel file, but may be referenced in conjunction with an annual evaluation or formal discipline process warranting more severe discipline as a result of a subsequent issue after thirty-six (36) months of service free of counseling or discipline related to job performance, conduct or attendance.

#### 7.6 Use of Deadly Force Investigations.

Employees involved in the use of deadly force investigations shall be advised of their rights to and shall be allowed to consult with a Guild representative and the employee's designated attorney prior to being required to give an oral or written statement about the use of force. Such right to consult with a Guild representative shall not unduly delay the giving of a statement

immediately following an event, including a “walk through” interview designed and intended to enable a thorough and efficient processing of the scene for evidence and detailed interviews of all other witnesses. The investigation will be conducted with due regard to and sensitivity for the deputy’s emotional state following the traumatic incident, and investigators will ensure that formal interview statements or written reports from deputies directly involved in the use of deadly force are obtained at a time when the deputy concerned has confidence in his ability to process and recall. Nothing in this article, however, shall be construed as compelling a deputy to provide a statement or prepare a response. Whether the deputy is ordered to do so will depend upon the circumstances of the particular situation, including whether the deputy is the subject of a criminal investigation, and whether the deputy has requested a *Garrity* waiver.

7.7 Critical Incident Leave.

An employee who is involved in a use of force or other critical incident and the employee is taken out of work, any such leave shall be described as critical incident leave.

**ARTICLE 8 – GRIEVANCE AND ARBITRATION**

8.1 Purpose.

The County and Guild recognize the importance of settling grievances promptly and fairly in the interest of continued good employee relations and morale and to this end the following procedure is outlined. To accomplish this goal, every effort will be made to settle grievances at the lowest possible level of supervision. Employees will be unimpeded and free from restraint, interference, coercion, discrimination or reprisal in seeking adjudication of their grievances in good faith. There shall be no suspension of work or impediment in the operation of the County during the grievance process.

The procedure set forth in this Article shall be the sole procedure to be utilized in processing a grievance. An employee may elect to disclaim the grievance process and proceed as an individual under appeal procedures set forth in the County’s Administrative Personnel Policies. The procedure set forth in this Article is the exclusive method to resolve any dispute arising from the imposition of discipline.

8.2 Definitions.

A. Grievance.

A grievance is an issue initially raised by an employee relating to the rights, responsibilities, benefits or conditions of employment specified by this Agreement, and which relates to the application, meaning or interpretation of this Agreement. In no event shall this contract be interpreted as conferring an arbitrable right related to:

1. Work assignments, unless the complaint arises out of an allegation that the employee was required to work in violation of applicable sections of this Agreement.

2. Work performance evaluations.
  3. Impasses in collective bargaining.
  4. Grievances filed after twenty (20) workdays from date of occurrence, or after twenty (20) workdays from the date the employee had knowledge of an occurrence.
- B. Working Day. Exclusive of Saturday, Sunday and legal holidays.
- C. Employee. Any employee identified in Article 2.1 of the Agreement.
- D. Immediate Supervisor. The person who assigns, reviews, or directs the work of an employee.
- E. Representative. A person who appears on behalf of the Guild.

### 8.3 Procedure.

- A. Informal Grievance Disposition. Within fourteen (14) calendar days from the occurrence of the incident on which a complaint is based, or within fourteen (14) calendar days from the employee's knowledge of the occurrence, the employee will promptly meet to discuss verbally the complaint with their immediate supervisor. In those circumstances where the nature of the complaint involves the immediate supervisor, the employee may verbally discuss the complaint with the next higher level of supervision, provided notification is given to the immediate supervisor by the employee. Such initial discussion shall precede the use of the formal grievance procedure. If the supervisor fails to reply to the employee within fourteen (14) calendar days of the meeting, or if the employee is not satisfied with the decision, the employee may utilize the formal grievance procedure.
- B. Formal Grievance Procedure. The following steps shall be pursued in resolving any grievance:

Step 1. The grievance procedure shall be initiated by the employee, stating the nature of the grievance, the alleged violation of the contract by article and paragraph number, and the desired solution, in writing on the Guild grievance form, together with any supporting documents attached to the grievance form.

The grievance form and supporting documents shall be delivered to the Chief Deputy of Corrections no later than fourteen (14) calendar days from the date of the close of the informal meeting. The Chief Deputy of Corrections shall review the grievance documents to verify that the Guild grievance states a proper grievance under this Agreement. As deemed necessary or appropriate, the grievance documents shall then be forwarded appropriately for thorough investigation by a person designated by the Chief Deputy of Corrections, or shall be investigated by the Chief Deputy. The Chief Deputy for Corrections shall review the investigation and shall hold a formal meeting with the employee and the

Guild representative to review the facts, gather any additional supporting documents, and discuss the complaint and desired solution. The Chief Deputy shall ensure that the grievance file contains all relevant documentation and shall issue a statement of the issues and a decision. If the Guild is dissatisfied with the decision of the Chief Deputy for Corrections, the Guild may forward the grievance file to the Undersheriff within fourteen (14) calendar days of receipt of the grievance decision from the Chief Deputy. The Undersheriff shall review the grievance file and cause further investigation of the facts to occur if necessary. The Undersheriff will issue a written decision on the original grievance form within fourteen (14) calendar days of receipt of the grievance file from the Chief Deputy of Corrections.

Step 2. If the employee feels the Undersheriff has not resolved the grievance, the employee may appeal to the Sheriff within fourteen (14) calendar days. At this time, all supporting documents and evidence relative to the grievance shall be included with the appeal. The Sheriff shall hold a formal meeting with the employee and their Guild representative, if requested, within fourteen (14) calendar days of the date of the appeal receipt and attempt to settle the grievance. The Sheriff shall issue a written decision on the appeal within fourteen (14) calendar days of the date of the formal meeting.

Step 3. Within fourteen (14) calendar days of the Sheriff's decision, the Guild may submit the matter to binding arbitration. After, the matter has been so submitted, the parties or representatives may agree upon an arbitrator, or may jointly request from FMCS or PERC a list of names of eleven (11) Washington and Oregon arbitrators. The parties may select an arbitrator from the list by mutual agreement or shall alternatively strike names from the list until one name remains. For disciplinary matters, the parties shall follow state law in the selection of an arbitrator.

The arbitrator's decision shall be final and binding upon both parties, but the arbitrator shall have no power to alter, amend or change in any way the terms of this Agreement or to impose on either party a limitation or obligation which is inconsistent with this Agreement. The arbitrator shall be requested to issue the decision within thirty (30) calendar days after conclusion of the proceedings, unless the parties otherwise agree to a different time period within which the arbitrator is to issue a decision. Expenses for arbitrator's services in the proceedings shall be borne equally by the County and the Guild. However, each party shall be responsible for any other expenses incurred. Neither party shall be required to pay the attorney fees or expenses of the other in connection with any arbitration.

#### 8.4 Time Periods.

The time limits expressed herein are of the essence of this Agreement. The time period specified in this Article may be extended or modified by mutual consent. Any modification of time limits must be agreed to in writing. If the County fails to meet or answer any grievance within the time

limits prescribed for such action by this Article, the grievance may be advanced to the next step by the Guild. Failure by the Guild to submit or advance a grievance in accordance with the time limits specified, without such a waiver, shall constitute abandonment of the grievance.

#### 8.5 Determination of Merit.

The Guild will proceed in each case in good faith and will not process any grievance that does not meet the standards of a valid contractual issue. This section is not intended to define substantive arbitrability. Neither party will communicate or disclose the existence or nature of any grievance, or comment, except within the Guild and County government as necessary to resolve the dispute.

#### 8.6 Probationary Employees.

Newly appointed employees serve at the pleasure of the employer throughout the probationary process and may not grieve any term or condition of their employment status during the probationary period. The probation period for part-time employees will be computed based on regularly scheduled hours of work (2080 hours equals one (1) year).

#### 8.7 Rights and Restrictions.

- A. A party to the grievance shall have the right to record a formal grievance meeting at the expense of the requesting party.
- B. Nothing within this grievance procedure shall be construed as limiting the right of management to manage the affairs of the Sheriff's Office.
- C. Grievances of an identical nature, involving an alleged violation of the same Article, may be consolidated, provided the issue is the same.
- D. A communication between a member of the Guild and the recognized Guild representative designated to represent the employee regarding a potential or actual employee grievance will be confidential in the context of the discipline and grievance resolution process.
- E. The Guild, as a labor organization, may file a grievance alleging that the County has violated specific rights afforded the labor organization in the Agreement. Such grievance shall be filed at Step 1 and shall be bound by the time limitations and procedures set forth in the grievance procedure.

### **ARTICLE 9 – STRIKES AND LOCKOUTS PROHIBITED**

#### 9.1 Prohibited Conduct.

Employees in the bargaining unit, while acting in the course of their employment, shall not honor any picket line established in the County by any labor organization when called upon to cross such picket line in the line of duty, or initiate, cause, permit, or participate or join in any strike, work stoppage or slowdown, picketing, or any other restriction of work at any location. Disciplinary action, including discharge, may be taken by the County against any employees

engaged in a violation of this Article. Such disciplinary action may be undertaken at the option of the County and shall not preclude or restrict recourse to any other remedies, including an action for damages, which may be available to the County. Exercise of any such rights by an off duty employee shall be in the employee's individual capacity and not in uniform.-duty employee shall be in the employee

#### 9.2 Guild Enforcement Duty.

In the event of a strike, work stoppage, slowdown, picketing, observance of a picket line or other restriction of work in any form, either on the basis of individual choice or collective employee conduct, in violation of this Article, the Guild will, within one (1) hour of notification by the County, attempt to secure an orderly return to work within two (2) hours of such notification. The obligations set forth in paragraph 9.1 above shall not be affected or limited by the subject matter involved in the dispute giving rise to the stoppage or by whether such subject matter is or is not subject to the grievance and arbitration provisions of this Agreement.

#### 9.3 Benefits and Wages.

It is understood that the employees shall not be entitled to any benefits or wages while the employees are engaged in a strike, work stoppage or other interruption of work.

#### 9.4 Lockout.

The employer agrees not to lock out any individual during the term of this Agreement, for any reason except for purposes of discipline, which shall then be subject to Article 8, Grievance Procedure.

#### 9.5 Violation, Interpretation or Application.

A violation of this Article or any disagreement as to the interpretation or application of this Article may immediately be subject to Step 3 of the grievance procedures as described in Article 8 of this collective Bargaining Agreement or may be pursued in an action before the Superior Court of the State of Washington.

### **ARTICLE 10 – PERSONNEL RECORDS**

The County and Guild recognize that effective management requires the maintenance of records regarding an employee's career development. These records shall accompany an employee through succeeding management administrations. To ensure that the doctrine of fairness is applied with respect to these records, the following procedure will be adhered to:

- A. Whenever any paper is entered into an employee's personnel file, a copy of same shall be provided to the employee.
- B. In the case of any paper which reflects unfavorably upon an employee, the employee shall be allowed an opportunity to respond to the content of the paper, in writing, and the employee response shall be included in the personnel file.

- C. Each employee shall be allowed access to their personnel file for review of its contents at reasonable times and upon reasonable notice. Upon reasonable notice by the employee, an employee will be entitled to review the employee's personnel file at any time during normal county business hours.
- D. The Sheriff shall ensure that only persons with a legitimate reason for access, and the employee, have access to the employee's personnel file. The confidentiality of personnel records is acknowledged.

## **ARTICLE 11 – HOURS OF WORK, OVERTIME**

### 11.1 Workweek.

It is intended that the normal workweek for fulltime employees shall be either five (5) consecutive days consisting of eight (8) consecutive hours per day with two days off, or four (4) consecutive days consisting of ten (10) consecutive hours per day with three (3) days off, or four (4) consecutive days consisting of eleven (11) hour days with four (4) days off, or an agreed-upon version of a twelve (12) hour schedule, or such other shift configuration as the parties identify and agree. The workweek shall begin at the beginning of the employee's regularly scheduled shift after days off.

### 11.2 Shift.

A shift shall be that work scheduled during a workday, consisting of eight (8), ten (10), eleven (11) or twelve (12) consecutive hours depending on the workweek as defined above. The shift hours of work for employees required by the County to remain in the corrections facility or otherwise available for call during the meal period shall include a paid thirty (30) minute meal period and be provided a meal from the standard menu (two (2) meals for those employees working a twelve (12) hour shift). Employees who are not required to remain in the facility or available for call during a meal period shall receive an unpaid thirty (30) minute or one (1) hour meal period at the supervisor's discretion. The twelve (12) hour shift shall, as permitted by operational requirements, include three (3) fifteen (15) minute breaks; an eight (8), ten (10) or eleven (11) hour shift shall include two (2) fifteen (15) minute breaks as permitted by operational requirements. An employee's bid shift is subject to change to administrative day shift when necessary or feasible in connection with a training assignment or paid administrative leave.

#### 11.2.1 Daylight Saving Time.

In the Fall, if employees work one (1) hour more than their normal work schedule as a result of an adjustment in daylight savings time, employees shall receive one (1) additional hour of pay at the overtime rate.

In the spring, as a result of an adjustment in daylight savings time, employees will have an option to work a full shift by staying one hour past the normal end time of their shift or use an hour of accrued vacation leave to account for the shortened work shift.

### 11.3 Hours of Work and Shift Adjustments – 4/11 and 12-Hour Work Schedules.

#### 11.3.1 Change to Schedule to a New Team.

Seven (7) calendar days advance notice will be provided to changes to an employee's established schedule. Deputies required to move from one team to the other shall have two (2) consecutive calendar days off between schedule changes. Other rotations may be scheduled upon mutual agreement with the affected Deputy and the Sheriff's Office.

#### 11.3.2 Emergent Shift Adjustments.

Seven (7) calendar days advance notice will be provided to changes to an employee's established schedule, unless an emergent situation requiring a reallocation of personnel exists or a reassignment of personnel due to bereavement, illness, injury, any other qualifying disability, suspension, resignation, or termination of commissioned personnel when less than fourteen (14) calendar days' notice occurs. In such cases, attempts will be made to assign hours of coverage that directly correspond with a Deputy's current schedule.

A Deputy who is required to report back to duty on a new schedule without seven (7) days' advance notice and prior to completing a scheduled four days off, apart from mandatory training days, shall receive overtime for that portion of the work week worked which falls during the previously scheduled four days off unless the shift adjustment is mutually agreed upon. The seven (7) day minimum notification period may be waived by the affected Deputy. This section does not apply to Deputies that are called in to cover unscheduled overtime (i.e., sick leave).

#### 11.3.3 Mandatory Training Days.

Deputies working the 4/11 or 12-hour work schedule will complete at least sixty-seven (67) hours of training throughout the year in addition to their regularly scheduled workdays.

These training days will be assigned based on the agency's needs. These days will be scheduled no later than seven (7) calendar days in advance, are considered part of the employee's regularly scheduled work week during the weeks they occur, will be paid at the regular pay scale, and shall not be included in the calculations of a Deputy's work week for purposes of overtime.

#### 11.3.4 Change of Schedule for Training.

A Deputy who has been assigned to attend training for four (4) or more calendar days may at the discretion of the department, be rotated from their current schedule to their training schedule by receiving two (2) full calendar days off prior to and immediately returning from training unless an alternative work schedule is mutually agreed upon.

#### 11.4 Overtime.

All overtime must be authorized in advance by the Sheriff or his designee, except in the cases of emergency. Payment for authorized overtime shall be at the rate of time and one-half the base hourly rate of pay.

Overtime shall be considered as time worked in excess of an employee's regularly scheduled workday (eight (8) or ten (10) hour shift) or forty (40) hours in a work week and shall be determined, computed and paid in compliance with the Fair Labor Standards Act.

For employees working an eleven (11) hour shift schedule, overtime shall be considered as time worked in excess of an employee's regularly scheduled shift or in excess of forty-four (44) hours in the same work week.

Employees working a twelve-hour shift schedule shall receive overtime when working in excess of their regularly scheduled workday (twelve (12) hour shift) or one hundred seventy-one (171) hours in a twenty-eight (28) day period and the forty (40) hour FLSA threshold shall not apply. For purposes of overtime computation, parties elect the Section 7(k) exemption provided in the Fair Labor Standards Act.

Any deviation from a corrections deputy's regular and scheduled shift hours that extends a work shift for the County's benefit and is directed by a supervisor shall be paid at the FLSA overtime rate.

#### 11.5 Overtime Opportunities.

Overtime opportunities will be covered in the following order of priority: first, by allowing regular employees to volunteer and/or by assigning part-time employees; second, by assignment of provisional employees, if any, and if available and suitable for the assignment as determined solely by the County; and third, by mandatory overtime. In addition, the Corrections Division shall have the right to fill absences due to the FMLA; injury or illness of greater than two (2) weeks; or other leaves of absence with a provisional employee for their duration.

County shall continue to use provisional and temporary employees as defined in the Civil Service rules. These employees are used due to the absence of an employee for a prolonged basis, for vacant positions which the County intends to fill, or for temporary positions such as seasonal, grants, and special projects.

Regular part-time employees may be assigned and scheduled by the County without regard to hours of work or shift or schedule restrictions set forth in this Agreement. Parttime Corrections Deputies shall be assigned hours of work in accordance with Department needs. Parttime employees shall work at least eighty (80) hours per month and shall receive holiday, vacation, and sick leave benefits and seniority and other benefits, including salary adjustments pro rata, based on the hours worked in that month, and shall receive health insurance benefits. -time employees may be assigned and scheduled by the County without regard to hours of work or shift or schedule restrictions set forth in this Agreement. Part-time Corrections -time employees shall work at least eighty (80) hours per month and shall receive holiday, vacation, and sick leave

benefits and seniority and other benefits, including salary adjustments pro rata, based on the hours worked in that month, and shall receive health insurance benefits.

#### 11.6 Shift Bidding.

Corrections Deputies shall bid shift assignments for periods of six (6) months' duration or such other regular rotation as may be adopted for the Corrections Division, using their classification seniority to determine placement. The County has the right to assign an employee to any other shift assignment based upon any legitimate operational or supervisory reason which is explained to the employee without that employee having access to their grievance procedures or other dispute resolution mechanism.

The employer shall post the following information when posting shift assignments for bidding: a) hours per shift; b) workdays; c) days off; and d) other criteria unique to the duty assignment.

Special assignments may be made in the Sheriff's discretion without regard to seniority. This schedule shall be posted prior to vacation bidding and not later than November 21<sup>st</sup> of each year.

#### 11.7 Compensatory Time.

Employees may elect to accrue compensatory time in lieu of payment at the overtime rate of one and one-half hours for each overtime hour worked up to eighty (80) hours which accrual shall be at the overtime rate. Once an employee makes this election the time accrued may thereafter be taken as compensatory time off or the value shall be contributed to the employee's HRA/VEBA account as hereinafter specified and shall not be available for cash payment. The County shall contribute the value of the employee's compensatory time if any such accrual exists during December each year into the employee's HRA/VEBA account. As provided by law, compensatory time value shall not be available to employees as a cash payment.

Use of compensatory time off shall be by mutual agreement with the Sheriff or designee and may be utilized in increments of one (1) hour. It shall be taken at times which do not cause disruption, hardship, or otherwise avoidable overtime expense. The scheduling of compensatory time off shall be made by the mutual agreement of the employee and their immediate supervisor and a denial shall not be grievable. In the event the Employee and the Sheriff or designee cannot reach mutual agreement on the use of compensatory time and the employee does not accept denial and invokes the FLSA claiming an entitlement to use of comp time on a particular day, the Sheriff may cash out accrued comp time at the current rate of pay by payment of the full cash value as a contribution into the employee's HRA/VEBA account.

Compensatory time earned shall be subject to the terms of this compensatory time Article and unavailable as cash.

#### 11.8 Flex-Time.

With the mutual agreement of an employee and their immediate supervisor, an employee who works overtime may adjust scheduled shift hours remaining within the workweek and not receive overtime payments for the hours worked beyond the regular shift. The adjustment of shifts due to flex time will not obligate the employer to additional compensation in any form.

### 11.9 Shift Trades.

Employees in the same classification who have successfully completed FTO training and/or who have been released as qualified to work independently without direct supervision in a solo status may trade shifts with written approval from the affected shift supervisor(s) prior to the trade using a Sheriff's Office shift trade form.

Shift trades are not an entitlement and may be denied in the supervisor's discretion. Both employees' records of hours of work shall be maintained as if each employee worked the regular hours assigned, and shall be paid accordingly; however, the date and hours traded shall be reflected in an explanatory note in the pay and time record which accurately reflects the fact of the trade including the date and hours worked or taken off as the case may be.

Trades are at the sole option of the employees who shall be solely responsible to reciprocate the trade.

### 11.10 Schedule Posting.

Schedules will be posted for periods of a minimum of one calendar month. Schedules shall be posted by the 20<sup>th</sup> day of the month prior to the start of each posting period.

### 11.11 Changes to the Posted Schedule.

Except in emergencies as determined by the Sheriff or designee, an employee will be afforded the notice as stipulated in the previous section. An employee's shift may be altered by mutual agreement of an employee and the County to accommodate employee needs and/or the needs of the Sheriff's office.

### 11.12 Workweek Variance at Shift Rotation.

For employees scheduled on eight (8), ten (10), or eleven (11) hour shifts, the following shall apply at shift rotation. During the seven days prior and subsequent to the shift rotation date, the restrictions of the workweek and work shift paragraphs of this Article shall not apply. Each employee shall receive four (4) days off during the shift rotation period. Overtime shall be paid for hours worked in excess of the consecutive hours of the work shift, or eighty (80) hours of the two-week period.

For employees scheduled on a twelve (12) hour shift, the following shall apply at shift rotation. During the three (3) days prior and subsequent to the shift rotation date, the restrictions of the workweek and work shift paragraphs of this Article shall not apply. Each employee shall receive at least one (1) day off during the shift rotation period. Overtime shall be paid for hours worked in excess of the consecutive hours of the work shift. No employee will be scheduled to work more than one (1) twelve (12) hour shift in the twenty-four (24) hour period during the shift rotation.

### 11.13 On-Call.

On-call designations shall be made for increments of eight (8) hours beginning and ending at the start time of the employee's scheduled work shift. Employees who are designated to be on-call by the Sheriff or his designee shall be paid as follows:

On-call time on a workday for the off duty hours spent on-call shall be compensated by payment of one (1) hour's pay at the straight time rate; three (3) hours of straight time wage shall be paid for remaining in on-call status on a scheduled day off; on-call time on a paid County holiday shall be paid as five (5) hours of straight time wage. "On-call" means that the employee is placed on an on-call status by the Sheriff or the Sheriff's designee. An employee in an on-call status must remain fit for duty response and available to respond promptly from any location within Clallam County. Employees in on-call status must remain in the County and be available for contact by pager, cell phone, and/or a radio. Requirement to carry a cell phone, pager or radio and respond to calls is not "on-call" status when the above restrictions are not applicable. On-call is paid in addition to the call back minimum stated in Article 13.

### 11.14 Stand-by.

When an employee is required to stand-by the office, home or a remote location and remain available for immediate activation to duty response under circumstances which preclude the employee from engaging in ordinary activities and personal pursuits, the time spent shall be compensated at the regular rate of pay.

### 11.15 Part-Time Employee Release Time.

A part-time employee shall not be scheduled or required to work more than twelve (12) consecutive hours. A part-time employee who works twelve (12) consecutive hours shall have at least ten (10) hours of time off between the ending time of that shift and the start time of the next shift worked.

## **ARTICLE 12 – EMPLOYEE BENEFITS**

### 12.1 Corrections Deputies' Holidays.

- A. A Corrections Deputy who regularly works on holidays shall receive credit for one hundred thirty-two (132) hours of floating holidays. Floating holidays are to be used or lost within the same calendar year, except in cases where due to an emergency as declared by the Sheriff, an employee is prevented from using floating holiday hours and is unable to reschedule to fully use such hours prior to the end of the calendar year, in which case such unused hours will be cashed out with the last pay period of the year.
- B. Floating holiday hours shall be scheduled and taken in accordance with Article 12.3, recognizing that floating holidays are approved based on operational need and are scheduled in coordination with vacation requests, sick leave and other absences. In the event an employee terminates employment during the year, prorated holiday shall not be paid upon termination, except in cases where due to

an emergency as declared by the Sheriff, an employee is prevented from using hours and is unable to reschedule to fully use hours prior to the date of termination, in which case such unused hours will be cashed out and included in the employee's final paycheck.

Effective January 1, 2027, the amount of annual floating holiday hours granted to employees shall be one hundred twenty (120) hours.

- C. Special assignments may be designated as having either fixed or floating holidays. A Corrections Deputy in an assignment which has fixed holidays may be required to work on fixed holiday and be awarded an additional floating holiday in lieu of double time and a half specified in Article 12.2 when such mandate is made in order to enable vacation scheduling through the vacation bidding process provided for in Article 12.4.
- D. New employees shall accrue, but not receive, holiday credit until completion of the Training Academy, the FTO Training program, or the satisfactory completion of probation, whichever occurs first. The employee shall receive prorated holiday for the rest of the year upon completion of the Training Academy and the FTO training program. Employees will be granted those holidays recognized by the Criminal Justice Training Commission (CJTC) as allowed under this contract while attending the training academy as time off with pay. The employee's holiday credit will be adjusted appropriately to reflect this. Notwithstanding the foregoing in this sub-paragraph, case-by-case the Sheriff or designee may grant paid time off charged as holiday prior to such time as an individual becomes entitled to use the time off when the Sheriff or designee determines that to do so is in the interest of the Sheriff's Office and the employee.

## 12.2 Recognized Holidays.

All employees who are not required to regularly work calendar holidays shall be granted with eight (8) hours' pay for each of those holidays assigned below:

<u>Event</u>	<u>Date Observed</u>
New Year's Day	January 1
Martin Luther King's Birthday	3rd Monday in January
President's Day	3rd Monday in February
Memorial Day	Last Monday of May
Juneteenth Day	June 19
Independence Day	July 4
Labor Day	First Monday in September
Veterans' Day	November 11
Thanksgiving Day	4th Thursday in November
Day following Thanksgiving Day	4th Friday in November
Christmas Day	December 25
Four (4) Floating Holidays	Employee's Option

When one of the holidays provided for in this Article 12.2 falls on a Saturday, the preceding Friday shall be observed. When one of the holidays falls on a Sunday, affected employees shall observe the holiday on the following Monday. Except as noted above, an employee who is scheduled to take fixed holidays will be paid double time and a half for hours worked on that holiday.

12.3 Floating Holidays.

Time off for a floating holiday shall be selected at the option of the employee with at least one week's prior notice and may be granted, approved or disallowed case by case by the shift supervisor based on operational need. Floating holidays are to be bid first in the priority bid process as outlined in Article 12.4.A and shall be taken in the same increments as vacation, and may be used in any amount of hours to extend any approved vacation or other authorized time off. (Floating holiday may be combined with vacation to equate to a full shift when the holiday balance is insufficient to cover an entire shift.)

12.4 Vacations.

Vacations shall be allowed with pay to each employee as follows:

<u>Months of Service</u>	<u>Earned Working Hours per Month</u>
0 through 48	8
49 through 108	10
109 through 168	12
169 through 204	14
Over 204	16.66

- A. Priority Bids. Corrections Deputies covered by the Agreement may bid use of floating holidays and vacation for one period up to fifteen (15) consecutive workdays (for employees scheduled on eight (8) hour work shifts) and up to twelve (12) consecutive workdays (for employees scheduled on ten (10), eleven (11) or twelve (12) hour work shifts); or three (3) periods of up to five (5) consecutive workdays (for employees scheduled on eight (8) hour work shifts) or four (4) consecutive workdays (for employees scheduled on ten (10), eleven (11) or twelve (12) hour work shifts) for their first priority bid. Floating holiday hours shall be bid first in the priority bid process, followed by vacation. Upon completion of the first round of priority bidding, a second round of bidding shall occur allowing up to an additional five (5) consecutive workdays priority bid. In no event may compensatory time be charged in lieu of a floating holiday or vacation for any portion of a bid vacation/holiday leave. Priority bidding will occur during the month of November of each year. Bids shall be awarded based on seniority by shift. The priority bids will be awarded and the priority vacation schedule will be established on or before November 21<sup>st</sup>. Once the priority bid schedule is established, it is not subject to cancellation except due to emergency declared by the Sheriff, in writing.

The County can assume no involvement in, nor responsibility for, individual or family travel plans and arrangements. However, the Sheriff will intervene in the event of emergency in an attempt to assist in obtaining refunds if necessary. Provided that the shift bid must be resolved before any vacation bid occurs.

B. Non-Priority Reservations for Time Off. Employees may bid use of floating holidays and vacation for a second period up to the total number of remaining floating holidays or vacation days that the employee will accrue that year, provided that no employee may take paid time off before it is earned and accrued. The second bid will occur prior to December 31<sup>st</sup>. Bids shall be awarded based on seniority by shift. Post first and secondary bid requests shall be approved on a timely basis, however, shall be subject to operational needs. Time off bid after the first priority bid shall remain subject to approval and/or cancellation based on operational and staffing needs as these needs become apparent throughout the year. No non-priority reservation of vacation/holiday time off shall be deemed approved before the schedule is posted as described in Article 11.10 related to Schedule Posting. Employees may request additional time off on a first come first served basis.

C. Vacation Time Off Scheduling. Vacation time shall be by mutual agreement between the employee and the Sheriff or his designee. Vacations may be taken at any time during the year, with operational requirements being the determining factor. Employees may split their vacation into as many parts as is mutually agreed to between the employee and Sheriff. In the event scheduled vacation is canceled during the last calendar quarter due to operational needs which causes the employee's balance to exceed the maximum on December 31, the employee shall have the opportunity to use the excess balance during the first calendar quarter of the subsequent year. The parties have a mutual interest in allowing employees flexibility in vacation scheduling to the extent circumstances allow, taking into account the interests of unit employees to take adequate time off and the Sheriff to run the department efficiently and in furtherance of the public interest.

The County will grant use of up to two (2) shifts of accrued vacation in any calendar year on a first-come first-served basis, provided:

- a. The employee is eligible to take the leave requested; and
- b. Such leave will be used in increments of not less than one (1) shift; and
- c. The request is made in writing thirty (30) days or more in advance of the requested day off unless otherwise approved by the supervisor; and
- d. The request is made after the conclusion of the vacation selection process and is for the current calendar year; and
- e. No more than one (1) day will be approved at a time per shift; and

- f. No more than one (1) person is already scheduled off (to include FMLA, scheduled sick leave, training).
- g. The above conditions are subject to change based on operational needs, but a vacation request will not be unreasonably withheld.

The two (2) shifts of accrued vacation leave are part of, and not in addition to, the vacation accruals set forth in this Article.

- D. Accrual Cap. The vacation leave cap shall be four hundred eighty (480) hours in order to match the allowance in County personnel policy which applies to non-represented exempt employees; provided, however, that in no event shall the County pay value for such hours except as stated in this collective bargaining agreement.

Upon separation from employment, an employee may elect to:

1. take vacation accrual in excess of four hundred (400) hours (e.g., up to an additional eighty (80) hours) as vacation leave with pay ending on the last day of employment;
2. receive the full value of the employee's vacation balance as part of final month compensation up to and not in excess of four hundred (400) hours;
3. direct payment of such amount into one (1) or more of the retirement plans as permitted by law and the retirement plan terms;
4. apply accrued vacation up to four hundred (400) hours as vacation leave with such paid leave ending on the employee's last day of employment;
5. and/or any combination of the foregoing which does not result in an increased County cost or employee benefit.

- E. New Employee Accrual. New employees will receive vacation credit from the date of hire, will begin to accrue vacation, and will become eligible to take vacation only upon approved and satisfactory completion of the FTO program or nine (9) months of employment, whichever occurs first, provided that in extraordinary circumstances approved by the Sheriff as warranting an exception in the Sheriff's discretion case by case and on a non-precedent setting basis, vacation use may be approved at any time. Employee's will not be granted use of leave time, other than sick leave, during the employee's mandatory Corrections Basic or Corrections Equivalency Training Program. If no alternative option is available, an employee's vacation bid may be altered in order to facilitate the employee's attendance at the corrections Basic or Equivalency Academy. Vacation accruals earned during an employee's probationary period shall have no cash value and shall not be subject to payment of any value upon termination following failure to satisfactorily complete probation during the initial probation period and any extension thereof. Case-by-case the Sheriff or designee may grant paid time off

charged as vacation prior to such time as an individual becomes entitled to use the time off when the Sheriff or designee determines that to do so is in the interest of the Sheriff's Office and the employee.

- F. Payment Upon Death. In the event of employee death, the County shall pay the full value of the deceased employee's vacation balance in the manner hereinafter provided pertaining to sick leave.

## 12.5 Sick Leave.

### A. Accrual and Use.

Sick leave benefits shall be accrued and taken in accordance with the County practice as set forth in the Personnel Policies and Procedures and in RCW 49.46.180 through 49.46.210 (and all other applicable RCWs and WACs). Sick leave is intended for use when for permissible reasons an employee is unable to attend work. Misuse or abuse of the benefit may be deemed theft or misrepresentation and shall constitute cause sufficient for appropriate discipline. Sick leave is not a benefit which may be used by the employee as paid time off (that is, as a vacation benefit), paid as cash except as explicitly provided for in this Agreement, or regarded as a benefit that the employee is entitled to use for any purpose not described as a proper use of sick leave.

Employees are expected to attend work reliably and regularly, and the ability to do so is an essential job qualification and function.

### B. Reports and Verification.

Deputies shall report illness or injury to the immediate supervisor or the Sheriff or designee. Verification by the health care provider may be obtained in accordance with the County's Personnel Policies and Procedures.

### C. Sick Leave Cash Out.

County sick leave cash out policies shall not apply to any bargaining unit employee. In lieu thereof, the following shall control:

1. Upon line-of-duty death, the County will pay the value of the employee's sick leave bank, as appropriate, (a) to the employee's spouse, dependent or next-of-kin identified in an election form on file with the County Human Resources Department; or (b) to the employee's estate.
2. Upon claim closure and award of a job related disability, or in the event an employee's off-duty injury or serious health condition which is medically determined to be a job disqualifying disability by the County based on proper medical opinion under FMLA certification standards, the County shall pay the value of the employee's sick leave bank (computed as hours

accrued times (x) the employee's base wage rate) as a contribution to the employee's Section 457 Plan or 401(a) Plan.

3. In the event an employee retires with fifteen (15) or more years of service having attained age 53, the County will contribute to the employee's Section 401(a) or 457 retirement account established under Article 13.6 of this Agreement, an amount computed as follows:
  - a) With fifteen (15) years of Clallam County Sheriff's Office service having attained age 53, the value of one (1) hour for every four (4) hours of sick leave accrual valued at the employee's regular rate of pay as defined for FLSA purposes, up to and not in excess of the value of four hundred and eighty (480) hours of pay;
  - b) With twenty (20) years of Clallam County Sheriff's Office service and having attained age 53, the value of one (1) hour for every three (3) hours of sick leave accrual valued at the employee's regular rate of pay as defined for FLSA purposes, up to and not in excess of the value of four hundred and eighty (480) hours of pay;
  - c) With twenty-five (25) years of Clallam County Sheriff's Office service and having attained age 53, the value of one (1) hour for every two (2) hours of sick leave accrual valued at the employee's regular rate of pay as defined for FLSA purposes, up to and not in excess of the value of four hundred and eighty (480) hours of pay.
  - d) An employee who does not meet the three criteria in sub-paragraphs "a," "b," or "c" of this section, but was hired laterally as a retiree to be a corrections deputy and separates from Clallam County service as a retiree shall be entitled to sick leave buy-back computed based on ten percent (10%) of the value if other than as a vested PERS or PSERS retiree at the time of separation.
4. Sick leave will not be paid and is not available for cash payment, except for the legitimate use of sick leave as a short-term disability benefit, other than as specified in this collective bargaining agreement.
5. References to "retirement" in this Article 12.5 related to sick leave buy-back mean that the employee has separated from County employment voluntarily for reasons other than termination imposed administratively or as discipline, and the employee is immediately eligible to collect retirement benefits from the Department of Retirement Systems and the LEOFF or PERS retirement plan(s) in which the employee is enrolled, regardless of the effective date or anticipated future effective date of the employee's election to do so.

12.6 Family Leave.

The County shall provide family leave in accordance with State and Federal law.

12.7 Bereavement Leave.

In the event of the death of a family member recognized for family leave purposes under FMLA and Article 12.6 of this Agreement, an employee eligible under this Article shall, upon written request, be granted up to three (3) working days leave of absence with pay to make household arrangements and to arrange for and attend the funeral. Employees may request additional leave if necessary to extend this three (3) day period. All such additional leave shall be charged to accrued vacation and accumulated comp time; or to leave without pay in the event the employee has no accruals available to draw from.

12.8 Workers' Compensation Supplement.

- A. A workers' compensation supplement shall be paid in accordance with County policy.
- B. Each Corrections Deputy shall be credited with two hundred forty (240) hours of industrial injury leave to be used only in accordance with this paragraph. This leave may be used to supplement the difference between time loss payments through workers, compensation and the employee's straight time base hourly wage (net after taxes) for qualifying injuries sustained as a direct result of an intentional act of aggression constituting an assault on a law enforcement employee who is performing his or her official duties at the time of the assault, as determined by the Sheriff or his designee. This leave may be applied to cover the first three days of a qualifying absence if not covered by time loss payments. This credit and bank of leave shall be provided one time only for each employee and shall be non-accumulating non-renewable, nontransferable, and shall not be payable in any form or manner or considered as a credit for any other purpose at any time. This leave bank shall be extinguished and lost when or if an employee is no longer represented by this bargaining unit.

12.9 Uniform Allowance.

At the time of employment, employees in uniformed positions will be issued, at County expense, the uniform/equipment items for the positions they occupy, as set forth in the Sheriff's Office Policy Manual. Thereafter, the County will replace the uniform and equipment items, at County expense, as needed to maintain the uniform in serviceable condition. The brand, model, style, color, quantity and vendor of all uniform and equipment items shall be approved at the discretion of the Sheriff.

- A. Maintenance and Ownership. The employee agrees to maintain and keep in good condition and repair, all parts of the uniform, and will have available for inspection on due notice, his complete uniform. All purchases shall be through his office's established procedures. All uniform and equipment articles purchased by the County will be the property of the County and will be returned upon request.

- B. Use of Personal Equipment. An employee, while on duty, may utilize personally owned equipment items, including weapons, when approved by the Sheriff. Employees will be provided repair and/or reimbursement of those items when lost or damaged in the line of duty.
- C. Cleaning. Dry clean only uniform items (trouser or shirts) may be dry-cleaned at County expense as needed up to one hundred (100) item cleanings per year, per employee. Dry-clean-only coats or other uniform items may be dry-cleaned at County expense twice (two (2) cleanings) per year.

Effective on the date of ratification, bargaining unit employees will be eligible to be reimbursed up to four hundred fifty dollars (\$450.00) every other year for boot replacement.

#### 12.10 Health Insurance Coverage & Employee Welfare.

- A. During the life of this Agreement, the County will provide health care insurance for employees and their dependents who meet hours of eligibility as specified in Article 2 and in the Teamster Trust. Hours worked in one (1) month qualify an employee for insurance in the following month under the Teamster plan. Lump sum payments made upon termination of employment are not payments, which result in eligibility in the next month.

During the life of this Agreement, the County shall provide the Teamster HMO Plan or the Teamsters Medical Benefits described in pertinent documents of the Washington Teamster Trust, as specified below:

##### TEAMSTER TRUST MEDICAL BENEFIT PLAN:

- Teamsters Medical Plan Z
- Washington Teamsters Dental Plan B
- Teamsters Vision Care Trust

The Employer currently contributes monthly one thousand four hundred eighty-five dollars and sixty cents (\$1,485.60) towards the above medical plans. This is known as the Employer medical contribution cap. The first day of the month following the date of ratification the monthly cap shall increase by fifty dollars (\$50) to one thousand five hundred thirty-five dollars and sixty cents (\$1,535.60). In 2027 the monthly cap shall increase by fifty dollars (\$50) to one thousand five hundred eighty-five dollars and sixty cents (\$1,585.60).

The County shall continue to pay monthly premium costs up to the stated cap(s) plus fifty percent (50%) of stated medical benefit costs in excess of the cap(s). The Employee is responsible for the other fifty percent (50%) in excess of the cap(s), which shall be paid through payroll deduction.

The bargaining unit may reopen this Article periodically to change the specified Teamster medical benefit plans provided to the group to different selection of plans, provided that the change occurs at a time and in a manner which is permissible under Teamster Trust guidelines and the County's participation agreement, provided that, if the cost of such selection exceeds the cost of the plans identified above, 100% of such excess cost shall be paid by the employee. In the course of such bargaining, the parties may also bargain concerning the increase or reduction in the amount of contribution made by the County to the employees' HRA accounts in order to equalize the health and welfare benefits provided and related costs assumed by the County for bargaining unit employees.

The bargaining unit has elected to maintain a monthly HRA/VEBA contribution at no less than seventy-five dollars (\$75.00) per month paid through payroll deduction. If the costs of the above medical plans are less than the County's contribution (cap), then that difference shall be applied and paid by the County towards the seventy-five dollars (\$75.00) HRA/VEBA contribution. The current cost of the bargaining unit elected medical package is one thousand six hundred thirty-five dollars (\$1,635.00). The difference between the Employer cap upon the date of ratification (one thousand five hundred thirty-five dollars and sixty cents (\$1,535.60)) and the bargaining-unit-elected medical benefit package (one thousand six hundred thirty-five dollars (\$1,635.00)) is ninety-nine dollars and forty cents (\$99.40). Of this ninety-nine dollar and forty cent (\$99.40) cost in excess of the stated cap, the County is covering fifty percent (50%) or forty-nine dollars and seventy cents (\$49.70), with the Employee covering the remaining fifty percent (50%) or forty-nine dollars and seventy cents (\$49.70) of medical plan costs in excess of the cap and one hundred percent (100%) of the seventy-five dollars (\$75.00) per month in HRA/VEBA contribution by way of payroll deduction.

- B. Life Insurance. The bargaining unit may elect Teamster Plan A Life and AD&D insurance according to membership wishes through the Teamsters Trust. If any other or additional life insurance benefit is elected, premiums shall be paid one hundred percent (100%) by the employee through payroll deduction.
- C. Long-Term Disability Protection. The bargaining unit may elect LTD coverage, which shall be paid for by employees by payroll deduction.
- D. Line of Duty Death Benefit Contribution. In the event of a line of duty death, the County shall pay the cost of three (3) months of paid continuation of health care benefits for the employee's spouse and dependents through the Washington Teamsters Welfare Trust; provided however, if such benefit plan continuation is not possible under the Trust rules, then the spouse shall be paid as a non-taxable reimbursement of health care premiums paid to a different plan/provider selected and arranged by the spouse up to the amount which the County otherwise would have paid.

#### 12.11 Retirement.

The County shall provide the employees whatever employer retirement benefits that are required to be made by statute.

#### 12.12 Jury Duty.

Employees called for jury duty in any municipal, county, state or federal court shall advise the County upon receipt of such call and, if taken from work for such jury duty, shall be paid his regular compensation. After consultation and approval from their supervisor, employees who work on a swing or graveyard shift who serve on a jury may, in the supervisor's discretion, be relieved from working their regular scheduled work shift on each day of jury service.

#### 12.13 Meal Allowances.

The County will reimburse meals in accordance with County policy.

#### 12.14 Hold Harmless.

- A. Errors and Omissions. The County agrees to provide adequate liability coverage through the use of commercial insurance and/or self-insurance.
- B. Legal Representation. The employer shall provide legal representation of an employee who is sued where such litigation arose because such employee in good faith exercised any authority arising out of the scope and duty of their commission as a Clallam County Sheriff's Deputy and within the course and scope of employment. Private counsel may also be retained by the employee at the employee's expense, provided that the employee retains the duty to cooperate fully in the defense of any claim. In the event a verdict or judgment shall be in favor of the third party, the County shall indemnify and hold the employee harmless from such judgment if the judgment is based on acts done by the employee in good faith in the line-of-duty or in good faith compliance with any order of a superior officer, even though such order may be held invalid by a civil court. Provided however that this Agreement shall not be construed as requiring the County to pay for or reimburse costs related to retaining private legal counsel.
- C. Meaning of Hold Harmless Article. This Article regarding "Hold Harmless" shall be construed in a fashion which is consistent with all of the terms of Clallam County Code Chapter 3.34, including exclusions set forth in Clallam County Code Chapter 3.34.030.

### **ARTICLE 13 – COMPENSATION**

#### 13.1 Wages.

Effective the first of the month following the date of ratification, Corrections Deputies shall be on a nine (9) step wage scale at rates outlined in Appendix A. This wage scale reflects a seventeen and one-half percent (17.5%) COLA adjustment.

- Effective the first pay period after July 1, 2026, an increase to the salary scale of one and one-half percent (1.5%) shall be applied in the form of a Cost of Living Adjustment (COLA).
- Effective the first pay period after January 1, 2027, an increase to the salary scale of four percent (4%) shall be applied in the form of a Cost of Living Adjustment (COLA).

### 13.2 Step Placement.

The County shall implement the following step administration plan for those positions and salaries enumerated under the County's wage and classification plan.

- A. The step increases shall be based solely upon performance and shall not be granted unless supported by satisfactory employee evaluations. Evaluations of employees shall be conducted at least annually and shall be used as a factor in justifying annual step increases.
- B. An employee shall move to the next highest step as specified in Appendix A effective on the first day of the month following the twelve (12) month anniversary except when the anniversary falls on the first day of the month in which case the increase shall be effective on that day. Assignment to a step in a higher range shall be a minimum of five percent (5%) wage increase in the event of advancement due to promotion.
- C. The anniversary date for step increases for part-time employees shall be the first of the month following completion of two thousand eighty (2,080) work hours subsequent to the prior anniversary date.

### 13.3 Call-back.

- A. Employees called back to work, shall be credited with actual time worked.
- B. Such employees shall be compensated for a minimum of two (2) hours if the callback is more than two (2) hours prior to the start of the next scheduled shift, or after the end of a scheduled shift on an assigned workday, or for court.
- C. Employees called out to perform duty on a non-workday except for court, or on an observed holiday which is a scheduled day off, be compensated for a minimum of three (3) hours.
- D. Employees called out to perform duty on a vacation day shall be compensated under Article 11.1 for a minimum of four (4) hours.

### 13.4 Acting Supervisor Differential.

Employees may be assigned as acting supervisors. An employee who is assigned as acting supervisor shall be paid a differential of five percent (5%) per hour for out of class assignments.

Effective for promotions occurring after the date of ratification, for purposes of placement on the Corrections Sergeant's PayScale, Corrections Deputies that are promoted to Corrections Sergeants shall receive credit for all time spent as an acting Sergeant during the prior twelve (12) months immediately preceding the promotion.

### 13.5 Section 401(a) Plan Match.

Effective the 1<sup>st</sup> day of the month following the date of ratification, the County shall match into a 401(a) Plan elected by the employee an amount up to two and one-half percent (2.5%) of base salary provided the employee contributes a like amount into an IRC 457 or 401(a) plan.

### 13.6 Longevity.

Longevity steps occur at the beginning of 10, 15 and 20 years (based on time as a Clallam County Corrections Deputy) as follows:

- 10 Years—Additional one and one-half percent (1.5%) based on top step nine (9)
- 15 Years—Additional three percent (3%) based on top step nine (9)
- 20 Years—Additional four and one-half percent (4.5%) based on top step nine (9).

### 13.7 Spanish and ASL Incentive Pay.

All corrections deputies who are bilingual (Spanish or American Sign Language (ASL) proficient) shall have added to their base pay one percent (1%). Proficiency shall be determined by satisfactorily passing a test selected by the County. The employee shall pay the test fee. Retaking the test is limited to once every six (6) months. Employees must be recertified to retain the one percent (1%) bilingual incentive pay by successfully passing the test once every three (3) years. The County will pay the test fee for recertification.

### 13.8 Premium Pay.

- A. Field Training Officer (FTO) Premium. An employee certified as a Field Training Officer (FTO) and assigned as an FTO who is directly supervising a student corrections deputy in their capacity as an FTO shall receive compensation of five percent (5%) of the employee's base wage for all hours worked while training. This does not include administrative FTO duties such as completion of DORs in the absence of the student corrections deputy. This pay shall not pyramid with the premium pays in Section 13.8.B.
- B. Instructor Premium. An employee assigned by administration as an Instructor (Firearms, Defensive Tactics, and Taser) shall receive compensation of five percent (5%) of the employee's base wage for all hours spent providing training. This pay shall not pyramid with the premium pays in Section 13.8.A.
- C. Special Assignments. (Effective Communications Coordinator and PREA Coordinator as may be assigned) An employee assigned by administration as one

of the listed special assignments shall receive compensation of one percent (1%) of the employee's base wage.

- D. As it relates to assignments outlined in Article 13.8, the Sheriff may assign FTO, instructor or other special assignment duties to Deputies at his/her discretion. The determination of these assignments, their functions, duties and qualifications shall be in the sole discretion of the Sheriff, and the decision to assign a Deputy as to any of these assignments or to remove a Deputy from such assignments resides exclusively in the Sheriff, and decisions in this regard shall not be subject to the grievance procedure. It is agreed that decisions made with regard to these assignments shall be made in good faith.

### 13.9 Educational Incentives.

- A. An employee who has attained or possesses an AA/AS degree from an accredited College or university shall be eligible to receive a monthly educational incentive equivalent to two percent (2%) of the employee's applicable base wage.
- B. An employee who has attained or possesses a BA/BS degree from an accredited college or university shall be eligible to receive a monthly educational incentive equivalent to four percent (4%) of the employee's applicable base wage.

### 13.10 Accreditation Pay.

To recognize the high standards met, and the efforts involved in the accreditation process, as of July 1, 2021, each employee covered under this Agreement shall receive an additional one percent (1%) monthly accreditation premium pay calculated from the employee's base salary. In the event management does not seek accreditation renewal, or fails the accreditation process, the premium pay shall end on the expiration date of the existing accreditation certification. Accreditation premium pay shall remain in place so long as any portion of the Sheriff's Office (patrol or jail) is accredited. Any eligible employee receiving an evaluation having an overall rating less than satisfactory/meets standards/meets expectations shall have accreditation pay suspended until such time as an overall satisfactory/meets standards/meets expectations (or higher) evaluation is received.

## **ARTICLE 14 – DRUG & ALCOHOL POLICY**

### 14.1 Policy.

The County considers its employees its most valuable asset; the Guild and the County share concern for the safety, health and wellbeing of employees and, based on this concern, agree to a drug and alcohol policy, the terms of which are set forth in this Article and the Clallam County Drug and Alcohol Policy and Procedures, which have been bargained and which by this reference are incorporated as if fully set forth herein. Any subject under the policies which is a mandatory subject of bargaining shall not be changed unless the change is bargained.

#### 14.2 Time Spent in Testing is Hours Worked.

The County may require the employee to submit to recognized drug or alcohol test procedures pursuant to the County's drug and alcohol policy. The costs for time spent in testing and the costs of such testing shall be borne by the County. All employee cooperation with the policy shall be work time.

#### 14.3 Time Spent After Refusal is Not Hours Worked.

Any employee refusing to submit to a drug or alcohol test shall be taken off the clock effective with the time of the County's request. Refusal of any employee to fully cooperate with and submit to take a drug or alcohol test upon request in accordance with County policy shall be deemed as a basis for discipline up to and including discharge in the County's discretion.

#### 14.4 Leave Without Pay for Treatment.

If testing should reveal that an employee has used controlled substances or alcohol and the employer believes that appropriate discipline would include a program of treatment and that the health, safety or efficiency of the employee, other employees or the public might be at risk if the employee is permitted to continue to work at his position, in such case the employer may place the employee on leave until the employee has successfully, completed the terms and conditions of the Agreement to Participate in a Rehabilitation Treatment Program, DA Form 12.

#### 14.5 Selection of Testing Labs.

The County shall initially select reputable facilities for base testing and confirmatory testing at County expense. The facility for confirmatory testing must meet all standards set by the U.S. Department of Health and Services for laboratory performance and must employ certified medical technologists and technicians. The Guild will be provided with the testing facilities names, addresses and credentials if requested. The Guild retains the right to demand a change in test procedure or test facility based on reliable information which disproves the accuracy or quality of either. The Guild also retains the right to request a change in test procedure or test facility if a reasonable and superior alternative to either becomes, available.

#### 14.6 Searches for Drugs and Alcohol.

Employees have no expectation to be free from search of a County vehicle, locker, desk or contents of other similar Department controlled spaces. A search of areas used exclusively by an employee (when directed at or against an employee due to suspicion of a violation of this policy) shall be based on reasonable belief that the employee possesses any controlled substance. Such a search shall be approved by the department head or his designee with advice from the Director of Human Resources, and, if possible, notice to the employee and an opportunity to be present shall be given. This Article 14.6 shall not be construed as reducing the prerogatives of the County and the Sheriff to conduct an administrative search unrelated to drug and alcohol purposes in accordance with established law.

## **ARTICLE 15 – FUTURE NEGOTIATIONS**

- 15.1 Negotiations on proposed amendments to this Agreement may be initiated at any time by mutual agreement of the County and the Guild. Any renewed negotiations shall be restricted to the subjects agreed upon in advance in writing and shall not, therefore, open all subjects to negotiations.
- 15.2 In the event Clallam County government experiences a financial crisis, the Guild agrees to meet with the County, upon written notice, to discuss budgeting options for consideration of reopening this Agreement.
- 15.3 Negotiations over the successor agreement shall commence not later than four (4) months prior to CBA expiration.

## **ARTICLE 16 – SHERIFF’S POLICY AND PROCEDURES**

The Guild and County shall refer to the Sheriff’s Office Policies and Procedures and Clallam County Uniform Personnel Policies and Procedures to resolve matters not covered by this Agreement. Should the expressed terms of this Agreement conflict with a County or Sheriff’s policy or procedure, this collective bargaining agreement shall control unless the terms hereof are or have become contrary to law (in which event the unlawful term shall be considered of no effect).

## **ARTICLE 17 – SEVERABILITY AND SUPERIORITY**

In the event that any portion of this Agreement is ruled invalid, the remainder of the Agreement or its application to any other party, person, or circumstances shall not be affected. If any portion is ruled invalid, the Guild and County shall meet and expeditiously proceed to negotiate a replacement provision. Any provisions of this Agreement which contravene any federal, state or local law shall be invalid.

## **ARTICLE 18 – PROBATION**

18.1 To enable the County to exercise a choice in the filling of vacant positions, no appointment, employment, or promotion, in any position shall be deemed complete until after the expiration of a period of one (1) year’s probationary service from the date of hire, appointment or promotion, or successful completion of required Field Training Officer (FTO) training, whichever is later. In the event that the employee’s probationary period is interrupted by a cumulative absence from work for more than three (3) weeks, including activation to military service, the probationary period will be extended upon return to work until the full twelve (12) months of on-the-job probationary period has been completed. The probation period for employees required to receive FTO training shall commence at date of hire, and until one (1) year after successful completion of FTO training. Probation is an extension of the selection process and failure of the probationary period as determined by the Sheriff, shall not be subject to appeal through the grievance procedure or otherwise. The Sheriff may terminate, at will, the employment of any person during probationary period of employment if the Sheriff deems them unfit or unsatisfactory for service in the Sheriff’s Office. Similarly, the Sheriff may revert probationary

employees back to their prior regular civil service rank without cause as defined elsewhere in this Agreement.

18.2 The County agrees that if it believes it is appropriate or necessary to extend probation beyond the twelve (12) months (or probationary term) set forth in the CBA on an individual case, it will notify the Guild of the basis for the desired extension and if the Guild is in agreement, the parties will document the extension in writing. If there is no agreement from the Guild, probation may not be unilaterally extended by the County.

Date Signed  
By Guild: \_\_\_\_\_

Date Signed  
By County: \_\_\_\_\_

THE CLALLAM COUNTY CORRECTIONS  
DEPUTIES GUILD

CLALLAM COUNTY  
BOARD OF COMMISSIONERS

\_\_\_\_\_  
Mark Raemer, President

\_\_\_\_\_  
Mike French, Chair

\_\_\_\_\_  
Randy Johnson

\_\_\_\_\_  
Paige Chrz, Guild Representatives

\_\_\_\_\_  
Mark Ozias

ATTEST:

\_\_\_\_\_  
Loni Gores  
Clerk of the Board

APPROVED AS TO FORM:

CLALLAM COUNTY SHERIFF

  
\_\_\_\_\_  
Mara Vinnedge, Employment Counsel  
Date Signed: February 11, 2026

\_\_\_\_\_  
Brian King  
Date Signed: \_\_\_\_\_

**APPENDIX A – CORRECTIONS DEPUTIES GUILD PAY SCHEDULE**

Effective the first of the month following date of ratification, the wage scale shall be:

<b>STEP</b>	<b>HOURLY</b>	<b>MONTHLY</b>
Year 1	31.26	5,418.65
Year 2	32.83	5,689.63
Year 3	34.47	5,974.04
Year 4	36.19	6,272.81
Year 5	38.00	6,586.48
Year 6	38.57	6,685.27
Year 7	39.15	6,785.55
Year 8	39.74	6,887.34
Year 9	40.33	6,990.64

Effective July 1, 2026, the wage scale shall be:

<b>STEP</b>	<b>HOURLY</b>	<b>MONTHLY</b>
Year 1	31.73	5,499.93
Year 2	33.32	5,774.97
Year 3	34.98	6,063.65
Year 4	36.73	6,366.90
Year 5	38.57	6,685.27
Year 6	39.15	6,785.55
Year 7	39.74	6,887.33
Year 8	40.33	6,990.65
Year 9	40.94	7,095.50

Effective January 1, 2027, the wage scale shall be:

<b>STEP</b>	<b>HOURLY</b>	<b>MONTHLY</b>
Year 1	33.00	5,719.93
Year 2	34.65	6,005.97
Year 3	36.38	6,306.20
Year 4	38.20	6,621.58
Year 5	40.11	6,952.68
Year 6	40.71	7,056.97
Year 7	41.32	7,162.82
Year 8	41.94	7,270.28
Year 9	42.57	7,379.32

Longevity pay occurs at the beginning of ten (10), fifteen (15) and twenty (20) years (based on time as a Clallam County Corrections Deputy) as follows:

At Beginning of 10th Year	Additional one and one-half percent (1.5%) based on top step nine (9)
At Beginning of 15th Year	Additional three percent (3%) based on top step nine (9)
At Beginning of 20th Year	Additional four and one-half percent (4.5%) based on top step nine (9)

**MEMORANDUM OF UNDERSTANDING**  
**Ratification Bonus**

Employees on the active payroll as of the date of ratification shall receive a ratification bonus of one thousand dollars (\$1,000.00), payable the first pay period after the first of the month following the date of ratification.

THE CLALLAM COUNTY CORRECTIONS  
DEPUTIES GUILD

CLALLAM COUNTY  
BOARD OF COMMISSIONERS

\_\_\_\_\_  
Mark Raemer, President

Date Signed: \_\_\_\_\_

\_\_\_\_\_  
Mike French, Chair

Date Signed: \_\_\_\_\_

CLALLAM COUNTY SHERIFF

\_\_\_\_\_  
Brian King

Date Signed: \_\_\_\_\_

**MEMORANDUM OF UNDERSTANDING**  
**Hazard Pay Premium**

The following positions will receive a hazard pay premium of one percent (1%) whenever the County Administrator and/or the Clallam County Board of Commissioners have issued a Declaration of Emergency so long as the Declaration of Emergency remains in effect:

- Corrections Deputy

THE CLALLAM COUNTY CORRECTIONS  
DEPUTIES GUILD

CLALLAM COUNTY  
BOARD OF COMMISSIONERS

\_\_\_\_\_  
Mark Raemer, President

Date Signed: \_\_\_\_\_

\_\_\_\_\_  
Mike French, Chair

Date Signed: \_\_\_\_\_

CLALLAM COUNTY SHERIFF

\_\_\_\_\_  
Brian King

Date Signed: \_\_\_\_\_

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FEB 17 2026



# AGENDA ITEM SUMMARY

(Must be submitted NLT 3PM Wednesday for next week agenda)

Department: **Public Works**

WORK SESSION  Meeting Date: **02/17/2026**

REGULAR AGENDA  Meeting Date: **02/24/2026**

Required originals approved and attached?   
Will be provided on:

**Item summary:**

- Call for Hearing
- Contract/Agreement/MOU - Contract # 415-26-001
- Resolution
- Proclamation
- Budget Item
- Draft Ordinance
- Final Ordinance
- Other

Documents exempt from public disclosure attached:

**Executive summary:**

This agreement is for the continuation of the Clallam Bay/Seki Sewer system Inflow/Infiltration (I/I) pipe replacement project. The collection system piping for the Clallam Bay/Seki Sewer System has reached the end of its serviceable life. Significant Inflow/Infiltration from the aging deteriorated pipes causes excess water to reach the treatment plants resulting in overflows and a reduction in treatment preventing attainment of required parameters set by the NPDES permits.

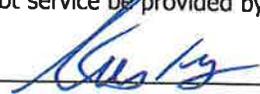
This funding package (WQC-2026-ClaCPW-00271), offered by the Department of Ecology Clean Water State Revolving Fund (CWSRF), is for a total amount of \$10,030,145. It includes \$2,153,369 in Centennial Grant, \$4,011,545 in Forgivable Principal, and up to \$3,865,231 in standard loan. The project phase funded by this agreement includes replacement of approximately 10,704' of sewer main, 33 manholes and 1,720' of side sewer connections.

The Department of Ecology requires a resolution to accept the loan portion of the funding package.

**Budgetary impact:** (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda). **If a budget action is required, has it been submitted and a copy attached?**

This phase of the project is in the 2026 budget and capital improvement plan.

**Recommended action:** (Does the Board need to act? If so, what is the department's recommendation?)  
The Department recommends the Board of County Commissioners sign the Ecology agreement and Resolution accepting the standard loan. The Department recommends the loan debt service be provided by the Opportunity Fund.

County Official signature & print name: 

Name of Employee/Stakeholder attending meeting: Ron Garselman, Steve Gray

Relevant Departments: Public Works

Date submitted: 02/11/2026

\* Work Session Meeting - Submit 1 single sided/not stapled copy  
\*\* Regular Meeting - Submit 1 single sided/not stapled copy and originals (1 or 3 copies)

Agenda Item Summary-iNi-Agreement  
Revised: 3-04-2019



RESOLUTION \_\_\_\_\_, 2026

A RESOLUTION AUTHORIZING ACCEPTANCE OF THE LOAN PROVIDED BY ECOLOGY FUNDING AGREEMENT NUBMER WQC-2026-CLACPW-00271

THE BOARD OF CLALLAM COUNTY COMMISSIONERS finds as follows:

1. Clallam County was awarded a \$3,865,231 standard loan (WQC-2026-ClACPW-00271) from the Department of Ecology, to aid in financing the cost of construction replacing sewer conveyance system components as part of the continuing Inflow/Infiltration sewer pipe replacement project; and,
2. This loan has an interest rate of 1.2%; and
3. This loan has a 20-year term.

NOW, THEREFORE, BE IT RESOLVED by the Board of Clallam County Commissioners, in consideration of the above findings of fact:

1. Does herby accept the Loan # WQC-2026-ClACPW-00271.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_  
20

BOARD OF CLALLAM COUNTY COMMISSIONERS

\_\_\_\_\_  
Mark Ozias

\_\_\_\_\_  
Randy Johnson

ATTEST:

\_\_\_\_\_  
Loni Gores, MMC, Clerk of the Board

\_\_\_\_\_  
Mike French, Chair



Contract #  
415-26-001

## Agreement No. WQC-2026-ClaCPW-00271

### WATER QUALITY COMBINED FINANCIAL ASSISTANCE AGREEMENT

BETWEEN

THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

AND

CLALLAM COUNTY - PUBLIC WORKS

This is a binding Agreement entered into by and between the state of Washington, Department of Ecology, hereinafter referred to as "ECOLOGY," and Clallam County - Public Works, hereinafter referred to as the "RECIPIENT," to carry out with the provided funds activities described herein.

#### GENERAL INFORMATION

Project Title:	Clallam Bay/Sekiou Sewer Improvements
Total Cost:	\$10,030,145.00
Total Eligible Cost:	\$10,030,145.00
Ecology Share:	\$10,030,145.00
Recipient Share:	\$0.00
The Effective Date of this Agreement is:	01/01/2026
The Expiration Date of this Agreement is no later than:	12/31/2030
Project Type:	Wastewater Facility

#### Project Short Description:

This project improves water quality in the Strait of Juan de Fuca through the construction of wastewater collection facilities in Clallam County. This project increases capacity and repairs/replaces existing infrastructure. Benefits include elimination of infiltration and inflow (I&I) sources that contribute to NPDES Permit violations.

#### Project Long Description:

This project improves water quality in the Strait of Juan de Fuca through the construction of wastewater collection facilities in Clallam County. This project increases capacity and repairs/replaces existing infrastructure. Benefits include elimination of I&I sources that contribute to NPDES Permit violations.

The sanitary sewer systems for the communities of Clallam Bay and Sekiou are owned and operated by Clallam County. Although the two communities are located next to each other, and the systems were built by the

Agreement No: WQC-2026-ClaCPW-00271  
Project Title: Clallam Bay/Sekiu Sewer Improvements  
Recipient Name: Clallam County - Public Works

RECIPIENT at the same time, the communities are served by separate collection and treatment systems. The collection and treatment systems were constructed in the 1970s. The collection systems have reached the end of their useful service life as evidenced by the collapse of a major section of the original concrete pipe in January 2018 and the resulting increase of I&I that entered the system through the pipe and manholes. Except for 5,746 feet of 8-inch diameter pipe, 1,473 feet of 6'-inch diameter pipe and 26 manholes, recently replaced with CWSRF funding, the existing sanitary sewer is predominantly concrete pipe.

The project will replace approximately 10,704 feet of 8-inch diameter sanitary sewer, 33 manholes, and 1,720 feet of side sewer connections. The total amount of aged pipe and manholes replaced will be approximately 16,450 feet of 8" diameter pipe, 3,193 feet of 6" diameter pipe and 65 manholes. This includes the existing work currently under construction and the proposed work that will be covered under this agreement.

Overall Goal:

The goal of the Clallam Bay-Sekiu Sewer Improvements project is to replace deteriorated sewers and eliminate I&I sources, thereby reducing hydraulic overloading and NPDES permit limits violations at the Clallam Bay and Sekiu WWTPs.

The Clallam Bay - Sekiu Sewer Improvement project, upon completion, is anticipated to alleviate the hydraulic overloads experienced at the WWTPs and allow the WWTPs to meet the NPDES permit limits, minimize energy costs for pumping and treating I&I sources and prevent the need to make costly emergency pipe repairs.

Agreement No: WQC-2026-ClaCPW-00271  
 Project Title: Clallam Bay/Sekiu Sewer Improvements  
 Recipient Name: Clallam County - Public Works

**RECIPIENT INFORMATION**

Organization Name: Clallam County - Public Works

Federal Tax ID: 91-6001298

Mailing Address: 223 E 4th St., Ste 6  
 Port Angeles, WA 98362

Physical Address: 223 E 4th St., Ste 6  
 Port Angeles, Washington 98362

Organization Email: steve.gray@clallamcountywa.gov

**Contacts**

<p><b>Project Manager</b></p>	<p>Ronald Garcelon                  Utilities Program Manager</p> <p>223 E 4th St., Ste 6                  Port Angeles, Washington 98362                  Email: ron.garcelon@clallamcountywa.gov                  Phone: (360) 417-2441</p>
<p><b>Billing Contact</b></p>	<p>Hilary Steeby                  Accountant</p> <p>223 E 4th St., Ste 6                  Port Angeles, Washington 98362                  Email: hilary.steeby@clallamcountywa.gov                  Phone: (360) 417-2370</p>
<p><b>Authorized Signatory</b></p>	<p>Mike W French                  Commissioner</p> <p>223 East 4th Street                  Port Angeles, Washington 98362                  Email: mike.french@clallamcountywa.gov                  Phone: (360) 417-2000</p>

Agreement No: WQC-2026-ClaCPW-00271  
 Project Title: Clallam Bay/Seki Sewer Improvements  
 Recipient Name: Clallam County - Public Works

**ECOLOGY INFORMATION**

Mailing Address: Department of Ecology  
 Water Quality  
 PO BOX 47600  
 Olympia, WA 98504-7600

Physical Address: Water Quality  
 300 Desmond Drive SE  
 Lacey, WA 98503

**Contacts**

<p><b>Project Manager</b></p>	<p>Carey Cholski</p> <p>PO Box 47775                  Olympia, Washington 98504-7775                  Email: cguru461@ecy.wa.gov                  Phone: (564) 669-3113</p>
<p><b>Financial Manager</b></p>	<p>Sean Mellon</p> <p>PO Box 47600                  Olympia, Washington 98504-7600                  Email: smel461@ecy.wa.gov                  Phone: (360) 628-7318</p>
<p><b>Technical Advisor</b></p>	<p>Isaiah Murrell-Thomas</p> <p>PO Box 47775                  Olympia, Washington 98504-7775                  Email: IMUR461@ecy.wa.gov                  Phone: (564) 669-3115</p>



**SCOPE OF WORK**

Task Number: 1 **Task Cost: \$66,955.87**

Task Title: Grant and Loan Administration

Task Description:

A. The RECIPIENT shall carry out all work necessary to meet ECOLOGY grant or loan administration requirements. Responsibilities include but are not limited to: Maintenance of project records; submittal of requests for reimbursement and corresponding backup documentation; progress reports; and the EAGL (Ecology Administration of Grants and Loans) recipient closeout report (including photos, if applicable). If the RECIPIENT elects to use a contractor to complete project elements, the RECIPIENT shall retain responsibility for the oversight and management of this funding agreement.

B. The RECIPIENT shall keep documentation that demonstrates the project is in compliance with applicable procurement, contracting, and interlocal agreement requirements; permitting requirements, including application for, receipt of, and compliance with all required permits, licenses, easements, or property rights necessary for the project; and submittal of required performance items. This documentation shall be available upon request.

C. The RECIPIENT shall maintain effective communication with ECOLOGY and maintain up-to-date staff contact information in the EAGL system. The RECIPIENT shall carry out this project in accordance with any completion dates outlined in this agreement.

Task Goal Statement:

Properly managed and fully documented project that meets ECOLOGY’s grant or loan administrative requirements.

Task Expected Outcome:

- \* Timely and complete submittal of requests for reimbursement, quarterly progress reports, and Recipient Closeout Report.
- \* Properly maintained project documentation.

**Grant and Loan Administration**

**Deliverables**

Number	Description	Due Date
1.1	Progress Reports that include descriptions of work accomplished, project challenges or changes in the project schedule. Submitted at least quarterly.	
1.2	Recipient Closeout Report (EAGL Form)	

## SCOPE OF WORK

Task Number: 2 **Task Cost: \$9,099,902.49**

Task Title: Construction

### Task Description:

A. The RECIPIENT will execute a contract with a contractor selected in compliance with state law. The RECIPIENT will include ECOLOGY's State Revolving Fund Specification Insert, Contract Clauses, and Pre-Selection Inserts in the construction contract documents as applicable. The RECIPIENT will submit Bid Tabs, the Notice of Award, a copy of the executed contract, and Notice to Proceed before ECOLOGY will provide reimbursement for work performed under this task.

B. The RECIPIENT will complete the construction in accordance with the approved construction contract documents. The construction project will include:

- B.1. Replacement of approximately 10,704 feet of 8-inch diameter sanitary sewer;
- B.2. Replacement of 1,720 feet of 6-inch diameter side sewer; and
- B.3. Replacement of 33 manholes

C. The RECIPIENT will conduct a pre-construction conference and will invite ECOLOGY staff to the meeting.

D. The RECIPIENT will provide ECOLOGY with a plan for increasing user rates necessary to support this loan. This plan will be provided within 180 days of signing the loan agreement. The Plan will include the total revenue requirement and the user rates necessary for the RECIPIENT to operate and maintain the funded utility, to establish reserves to pay for equipment replacement, and to pay debt service. The Plan will identify a schedule of rate increases necessary to achieve the total revenue requirement by the estimated date of loan repayment.

E. All recipients of funding for water pollution control facility projects must comply with the SERP in accordance with WAC 173-98-720.

### Task Goal Statement:

See Overall Goal.

### Task Expected Outcome:

See Overall Goal.

Agreement No: WQC-2026-ClaCPW-00271  
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**Construction**

**Deliverables**

Number	Description	Due Date
2.1	Bid Tabs, the Notice of Award, a copy of the Executed Construction Contract and a copy of the Notice to Proceed	
2.2	The RECIPIENT's Sewer Revenue and User Rate Plan	
2.3	Minutes of the Pre-Construction Meeting	
2.4	Complete SERP EID	
2.5	Ecology Cultural Resources Review Form	
2.6	Inadvertent Discovery Plan (IDP)	

## SCOPE OF WORK

Task Number: 3 **Task Cost: \$863,286.64**

Task Title: Construction Management

### Task Description:

A. The RECIPIENT will provide adequate and competent construction management and inspection for the Project. If professional services are procured, the RECIPIENT will procure them in accordance with state law. The RECIPIENT will include ECOLOGY's State Revolving Fund Specification Insert, Contract Clauses, and Pre-Selection Inserts, in the contract documents as applicable. The RECIPIENT will submit contracts for construction management services before ECOLOGY provides reimbursement for work performed under this task. The RECIPIENT will develop a detailed Construction Quality Assurance Plan (WAC 173-240-075) and submit it to ECOLOGY for approval prior to any ground disturbing activities. This Plan will describe the activities which the RECIPIENT will undertake to achieve adequate and competent oversight of all construction work.

B. The RECIPIENT will ensure construction progresses according to a timely schedule developed to meet completion dates indicated in the construction contract. The RECIPIENT will revise or update the schedule whenever major changes occur and resubmit to ECOLOGY. A significant change in the scope of work may trigger a SERP review and should be discussed and coordinated with ECOLOGY. In the absence of any major changes, the RECIPIENT will describe progress of the construction in the monthly/quarterly progress reports.

C. At completion of construction, the RECIPIENT will provide ECOLOGY's Project Manager with a set of "as-built" plans by the expiration date of this agreement (i.e., record construction drawings which reflect changes, modifications, or other significant revisions made to the project during construction).

D. At substantial completion, the Recipient will notify ECOLOGY and coordinate the project's closeout with ECOLOGY's Project Manager.

E. At project completion, the RECIPIENT will submit the Declaration of Construction Completion form to ECOLOGY in accordance with WAC 173-240-090. The form, when signed by a professional engineer, indicates that the project was completed in accordance with the plans, specifications, and major change orders approved by ECOLOGY, and is accurately shown on the as-built plans.

### Task Goal Statement:

See Overall Goal.

### Task Expected Outcome:

See Overall Goal.

Agreement No: WQC-2026-ClacPW-00271  
 Project Title: Clallam Bay/Seki Sewer Improvements  
 Recipient Name: Clallam County - Public Works

**Construction Management**

**Deliverables**

Number	Description	Due Date
3.1	Executed Contract for Construction Management Services	
3.2	Documentation of the RECIPIENT's Process for Procuring Professional Services	
3.3	Construction Quality Assurance Plan	
3.4	"As-built" Plans	
3.5	Declaration of Construction Completion	

**SCOPE OF WORK**

Task Number: 4 **Task Cost: \$0.00**

Task Title: Change Orders

Task Description:

A. The RECIPIENT will negotiate all change orders to the construction contract necessary for successful completion of the project.

B. The RECIPIENT will submit change orders and associated backup documentation to ECOLOGY for approval. Change orders that are a significant deviation from the approved plans/specifications will be submitted for approval, prior to execution. A significant deviation shall be as defined in the Water Quality Program Orange Book, section G1-4.2.6 and mean a change in the selected treatment process, facility size, design criteria, or performance standards that result in changes in expected facility performance or environmental impacts. All other change orders will be executed and submitted to ECOLOGY within 30 days of execution. If the change order contains engineering content a P.E stamp is required.

Task Goal Statement:

See Overall Goal.

Task Expected Outcome:

See Overall Goal.

**Change Orders**

**Deliverables**

Number	Description	Due Date
4.1	A Copy of all Executed Change Orders	

**BUDGET**

**Funding Distribution EF260448**

**NOTE:** *The above funding distribution number is used to identify this specific agreement and budget on payment remittances and may be referenced on other communications from ECOLOGY. Your agreement may have multiple funding distribution numbers to identify each budget.*

Funding Title: SRF Forgivable Principal  
Funding Type: Forgivable Loan  
Funding Effective Date: 01/01/2026 Funding Expiration Date: 12/31/2030  
Funding Source:

Title: CWSRF - SFY26 (state)

Fund: FD0727

Type: State

Funding Source %: 100%

Description: The Clean Water Act (CWA) (33 U.S.C 1251-1387) established the State Revolving Fund (SRF) low interest loans program (40. C.F.R. Part 31, 35 Sub Part K). Washington State administers the program under Chapter 173-98 WAC. The portion of this project funded with this funding distribution comes from non-federal source and are not subject to Federal Funding Accountability and Transparency Act (FFATA) and Single Audit Act (SAA). However, this project is subject to the federal requirements outlined in Section 4 and 5 of agreement terms and conditions.

Approved Indirect Costs Rate: Approved State Indirect Rate: 30%

Recipient Match %: 0%

InKind Interlocal Allowed: No

InKind Other Allowed: No

Is this Funding Distribution used to match a federal grant? No

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Recipient Name: Clallam County - Public Works

<b>SRF Forgivable Principal</b>	<b>Task Total</b>
Grant and Loan Administration	\$ 0.00
Construction	\$ 4,011,545.00
Construction Management	\$ 0.00
Change Orders	\$ 0.00

**Total: \$ 4,011,545.00**

**BUDGET**

**Funding Distribution EG260449**

**NOTE:** *The above funding distribution number is used to identify this specific agreement and budget on payment remittances and may be referenced on other communications from ECOLOGY. Your agreement may have multiple funding distribution numbers to identify each budget.*

Funding Title: Centennial Grant  
 Funding Type: Grant  
 Funding Effective Date: 01/01/2026 Funding Expiration Date: 12/31/2030  
 Funding Source:

Title: Centennial - SFY26  
 Fund: FD0727  
 Type: State  
 Funding Source %: 100%  
 Description: The Centennial Clean Water Program provides grants for nonpoint source pollution control activity projects and wastewater projects.

Approved Indirect Costs Rate: Approved State Indirect Rate: 30%  
 Recipient Match %: 0%  
 InKind Interlocal Allowed: No  
 InKind Other Allowed: No  
 Is this Funding Distribution used to match a federal grant? No

<b>Centennial Grant</b>	<b>Task Total</b>
Grant and Loan Administration	\$ 0.00
Construction	\$ 2,153,369.00
Construction Management	\$ 0.00
Change Orders	\$ 0.00

**Total: \$ 2,153,369.00**

**BUDGET**

**Funding Distribution EL260447**

**NOTE:** *The above funding distribution number is used to identify this specific agreement and budget on payment remittances and may be referenced on other communications from ECOLOGY. Your agreement may have multiple funding distribution numbers to identify each budget.*

Funding Title: SRF Standard Loan  
Funding Type: Loan  
Funding Effective Date: 01/01/2026 Funding Expiration Date: 12/31/2030  
Funding Source:

Title: CWSRF - SFY26 (state)

Fund: FD0727

Type: State

Funding Source %: 100%

Description: The Clean Water Act (CWA) (33 U.S.C 1251-1387) established the State Revolving Fund (SRF) low interest loans program (40. C.F.R. Part 31, 35 Sub Part K). Washington State administers the program under Chapter 173-98 WAC. The portion of this project funded with this funding distribution comes from non-federal source and are not subject to Federal Funding Accountability and Transparency Act (FFATA) and Single Audit Act (SAA). However, this project is subject to the federal requirements outlined in Section 4 and 5 of agreement terms and conditions.

Approved Indirect Costs Rate: Approved State Indirect Rate: 30%

Recipient Match %: 0%

InKind Interlocal Allowed: No

InKind Other Allowed: No

Is this Funding Distribution used to match a federal grant? No

Effective Interest Rate: 1.2% Interest Rate: 0.7% Admin Charge: 0.5%

Terms: 20 years

Project Start Date: 01/01/2026 Project Completion Date: 12/31/2030

Estimated Initiation of Operation date: 12/31/2030

Loan Security: Revenue Secure Lien Obligation of the Recipient

Final Accrued Interest: \$

Final Loan Amount: \$

Repayment Schedule Number: 1137

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SRF Standard Loan	Task Total
Grant and Loan Administration	\$ 66,955.87
Construction	\$ 2,934,988.49
Construction Management	\$ 863,286.64
Change Orders	\$ 0.00

**Total: \$ 3,865,231.00**

**Funding Distribution Summary**

**Recipient / Ecology Share**

<b>Funding Distribution Name</b>	<b>Recipient Match %</b>	<b>Recipient Share</b>	<b>Ecology Share</b>	<b>Total</b>
SRF Standard Loan	0.00 %	\$ 0.00	\$ 3,865,231.00	\$ 3,865,231.00
SRF Forgivable Principal	0.00 %	\$ 0.00	\$ 4,011,545.00	\$ 4,011,545.00
Centennial Grant	0.00 %	\$ 0.00	\$ 2,153,369.00	\$ 2,153,369.00
<b>Total</b>		<b>\$ 0.00</b>	<b>\$ 10,030,145.00</b>	<b>\$ 10,030,145.00</b>

**AGREEMENT SPECIFIC TERMS AND CONDITIONS**

N/A

**SPECIAL TERMS AND CONDITIONS**

WQC-2024—Water Quality Program Special Terms and Conditions (Update June 2023)

**SECTION 1: DEFINITIONS**

Unless otherwise provided, the following terms will have the respective meanings for all purposes of this agreement: “Administration Charge” means a charge established in accordance with Chapter 90.50A RCW and Chapter 173-98 WAC, to be used to pay Ecology’s cost to administer the State Revolving Fund by placing a percentage of the interest earned in an Administrative Charge Account.

“Administrative Requirements” means the effective edition of ECOLOGY's Administrative Requirements for Recipients of Ecology Grants and Loans at the signing of this agreement.

“Annual Debt Service” for any calendar year means for any applicable bonds or loans including the loan, all interest plus all principal due on such bonds or loans in such year.

“Average Annual Debt Service” means, at the time of calculation, the sum of the Annual Debt Service for the remaining years of the loan to the last scheduled maturity of the loan divided by the number of those years.

“Accrued Interest” means the interest incurred as loan funds are disbursed.

“Acquisition” means the purchase or receipt of a donation of fee or less than fee interests in real property. These interests include, but are not limited to, conservation easements, access/trail easements, covenants, water rights, leases, and mineral rights.

“Build American Buy American (BABA)” means a portion of the Infrastructure Investment and Jobs Act and establishes a domestic content procurement preference for all Federal financial assistance obligated for infrastructure projects after May 14, 2022.

“Bipartisan Infrastructure Law (BIL)” means funding to improve drinking water, wastewater and stormwater infrastructure.

“Centennial Clean Water Program” means the state program funded from various state sources.

“Contract Documents” means the contract between the RECIPIENT and the construction contractor for construction of the project.

“Construction Materials” means an article, material, or supply (other than an item of primarily iron or steel; a

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manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; aggregate binding agents or additives; or non-permanent products) that is or consists primarily of, non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), (including optic glass), lumber, and drywall.

“Cost Effective Analysis” means a comparison of the relative cost-efficiencies of two or more potential ways of solving a water quality problem as described in Chapter 173-98-730 WAC.

“Davis Bacon Prevailing Wage Act” means the federal law mandating on-site workers on public works projects be paid certain wages, benefits, and overtime (also known as “prevailing wage” on all government-funded construction, alteration, and repair projects.

“Defease” or “Defeasance” means the setting aside in escrow or other special fund or account of sufficient investments and money dedicated to pay all principal of and interest on all or a portion of an obligation as it comes due.

“Effective Date” means the earliest date on which eligible costs may be incurred.

“Effective Interest Rate” means the total interest rate established by Ecology that includes the Administrative Charge.

“Estimated Loan Amount” means the initial amount of funds loaned to the RECIPIENT.

“Estimated Loan Repayment Schedule” means the schedule of loan repayments over the term of the loan based on the Estimated Loan Amount and the estimated schedule for completion of the project.

“Equivalency” means the amount of State Revolving Fund (SRF) funding each funding cycle equivalent to the EPA grant to Ecology.

“Equivalency Project” means State Revolving Fund (SRF) funded project(s) designated by ECOLOGY to receive federal funding and meet additional federal requirements.

“Expiration Date” means the latest date on which eligible costs may be incurred.

“Final Accrued Interest” means the interest accrued beginning with the first disbursement of funds to the RECIPIENT through such time as the loan is officially closed out and a final loan repayment schedule is issued.

“Final Loan Amount” means all principal of and accrued interest on the loan from the Project Start Date through the Project Completion Date.

“Final Loan Repayment Schedule” means the schedule of loan repayments over the term of the loan based on the Final Loan Amount and the initiation of operation or completion date, whichever comes first.

“Forgivable Principal” means the portion of a loan that is not required to be paid back by the borrower.

“General Obligation Debt” means an obligation of the RECIPIENT secured by annual ad valorem taxes levied by the RECIPIENT and by the full faith, credit, and resources of the RECIPIENT.

“General Obligation Payable from Special Assessments Debt” means an obligation of the RECIPIENT secured by a valid general obligation of the Recipient payable from special assessments to be imposed within the constitutional and statutory tax limitations provided by law without a vote of the electors of the RECIPIENT on all the taxable property within the boundaries of the RECIPIENT.

“Gross Revenue” means all of the earnings and revenues received by the RECIPIENT from the maintenance and operation of the Utility and all earnings from the investment of money on deposit in the Loan Fund, except (i) Utility Local Improvement Districts (ULID) Assessments, (ii) government grants, (iii) RECIPIENT taxes, (iv) principal proceeds of bonds and other obligations, or (v) earnings or proceeds (A) from any investments in a trust, Defeasance, or escrow fund created to Defease or refund Utility obligations or (B) in an obligation redemption fund or account other than the Loan Fund until commingled with other earnings and revenues of the Utility or (C) held in a special account for the purpose of paying a rebate to the United States Government under the Internal Revenue Code.

“Guidelines” means the ECOLOGY’s Funding Guidelines that that correlate to the State Fiscal Year in which the project is funded.

“Initiation of Operation Date” means the actual date the facility financed with proceeds of the loan begins to operate for its intended purpose. (For loans only)

“Iron and Steel Products” means products made primarily of iron or steel including but may not be limited to: lined or

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unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

“Loan” means the Washington State Water Pollution Control Revolving Fund Loan or Centennial Clean Water Fund (Centennial) Loan made pursuant to this loan agreement.

“Loan Amount” means either an Estimated Loan Amount or a Final Loan Amount, as applicable.

“Loan Fund” means the special fund created by the RECIPIENT for the repayment of the principal of and interest on the loan.

“Loan Security” means the mechanism by which the RECIPIENT pledges to repay the loan.

“Loan Term” means the repayment period of the loan.

“Maintenance and Operation Expense” means all reasonable expenses incurred by the RECIPIENT in causing the Utility to be operated and maintained in good repair, working order, and condition including payments to other parties, but will not include any depreciation or RECIPIENT levied taxes or payments to the RECIPIENT in lieu of taxes.

“Manufactured Products” means, items and construction materials composed in whole or in part of non-ferrous metals such as aluminum plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

“Produced in the United States” means for iron and steel products, that all manufacturing processes, from the initial melting state through the application of coatings, occurred in the United States.

“Net Revenue” means the Gross Revenue less the Maintenance and Operation Expense.

“Original Engineer’s Estimate” means the engineer’s estimate of construction costs included with bid documents.

“Prevailing Wage” means hourly wage, usual benefits, and overtime paid in the largest city in each county, to the majority of workers, laborers, and mechanics performing the same work. The rate is established separately for each county.

“Principal and Interest Account” means, for a loan that constitutes Revenue-Secured Debt, the account created in the loan fund to be first used to repay the principal of and interest on the loan.

“Project” means the project described in this agreement.

“Project Completion Date” means the date specified in the agreement on which the Scope of Work will be fully completed and is the last day eligible costs can be incurred. This term is only used in loan agreements.

“Project Schedule” means that schedule for the project specified in the agreement.

“Revenue-Secured Debt” means an obligation of the RECIPIENT secured by a pledge of the revenue of a utility and one not a general obligation of the RECIPIENT.

“Reserve Account” means, for a loan that constitutes a Revenue Secured Debt and if specifically identified as a term and condition of the funding agreement, the account of that name created in the loan fund to secure the payment of the principal of and interest on the loan.

“Risk-Based Determination” means an approach to sub-recipient monitoring and oversight based on risk factors associated to a RECIPIENT or project.

“Scope of Work” means the tasks and activities constituting the project.

“Section 319” means the section of the Clean Water Act that provides funding to address nonpoint sources of water pollution.

“Senior Lien Obligations” means all revenue bonds and other obligations of the RECIPIENT outstanding on the date of execution of this loan agreement (or subsequently issued on a parity therewith, including refunding obligations) or issued after the date of execution of this loan agreement having a claim or lien on the Gross Revenue of the Utility prior and superior to the claim or lien of the loan, subject only to Maintenance and Operation Expense.

“State Water Pollution Control Revolving Fund (Revolving Fund)” means the water pollution control revolving fund established by Chapter 90.50A.020 RCW.

“Termination Date” means the effective date of ECOLOGY’s termination of the agreement.

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“Termination Payment Date” means the date on which the RECIPIENT is required to repay to ECOLOGY any outstanding balance of the loan and all accrued interest.

“Total Eligible Project Cost” means the sum of all costs associated with a water quality project that have been determined to be eligible for ECOLOGY grant or loan funding, including any required recipient match.

“Total Project Cost” means the sum of all costs associated with a water quality project, including costs that are not eligible for ECOLOGY grant or loan funding.

“Unique Entity Identifier (UEI)” means a 12-character alphanumeric ID assigned by SAM.gov. to an entity doing business with or receiving funds from the federal government. This number replaces the DUNS number.

“ULID” means any utility local improvement district of the RECIPIENT created for the acquisition or construction of additions to and extensions and betterments of the Utility.

“ULID Assessments” means all assessments levied and collected in any ULID. Such assessments are pledged to be paid into the Loan Fund (less any prepaid assessments permitted by law to be paid into a construction fund or account). ULID Assessments will include principal installments and any interest or penalties which may be due.

“Utility” means the sewer system, stormwater system, or the combined water and sewer system of the RECIPIENT, the Net Revenue of which is pledged to pay and secure the loan.

## SECTION 2: CONDITIONS APPLY TO ALL RECIPIENTS OF WATER QUALITY COMBINED FINANCIAL ASSISTANCE FUNDING.

The Water Quality Financial Assistance Funding Guidelines are included in this agreement by reference and are available on ECOLOGY’s Water Quality Program website.

A. Accounting Standards: The RECIPIENT shall maintain accurate records and accounts for the project (PROJECT Records) in accordance with Generally Accepted Accounting Principles (GAAP) as issued by the Governmental Accounting Standards Board (GASB), including standards related to the reporting of infrastructure assets or in accordance with the standards in Chapter 43.09.200 RCW “Local Government Accounting – Uniform System of Accounting.”

B. Architectural and Engineering Services: The RECIPIENT certifies by signing this agreement that the requirements of Chapter 39.80 RCW, “Contracts for Architectural and Engineering Services,” have been, or shall be, met in procuring qualified architectural/engineering services. The RECIPIENT shall identify and separate eligible and ineligible costs in the final architectural/engineering services contract and submit a copy of the contract to ECOLOGY.

C. Acquisition: The following provisions shall be in force only if the project described in this agreement is an acquisition project:

a. Evidence of Land Value and Title. The RECIPIENT shall submit documentation of the cost of the property rights and the type of ownership interest that has been acquired.

b. Legal Description of Real Property Rights Acquired. The legal description of the real property rights purchased with funding assistance provided through this agreement (and protected by a recorded conveyance of rights to the State of Washington) shall be incorporated into the agreement before final payment.

c. Conveyance of Rights to the State of Washington. Upon purchase of real property rights (both fee simple and lesser interests), the RECIPIENT shall execute the document necessary to convey certain rights and responsibilities to ECOLOGY, on behalf of the State of Washington. The documents required will depend on the project type, the real property rights being acquired, and whether or not those rights are being acquired in perpetuity (see options below). The RECIPIENT shall use language provided by ECOLOGY, to record the executed document in the County where the real property lies, and to provide a copy of the recorded document to ECOLOGY.

### Documentation Options:

1. Deed of Right. The Deed of Right conveys to the people of the state of Washington the right to preserve, protect, and/or use the property for public purposes consistent with the fund source. RECIPIENTS shall use this document when acquiring real property rights that include the underlying land. This document may also be applicable for those easements where the RECIPIENT has acquired a perpetual easement for public purposes. The RECIPIENT must

obtain ECOLOGY approval on the draft language prior to executing the deed of right.

2. Assignment of Rights. The Assignment of Rights document transfers certain rights such as access and enforcement to ECOLOGY. The RECIPIENT shall use this document when an easement or lease is being acquired for water quality and habitat conservation. The Assignment of Rights requires the signature of the underlying landowner and must be incorporated by reference in the easement document.

3. Easements and Leases. The RECIPIENT may incorporate required language from the Deed of Right or Assignment of Rights directly into the easement or lease document, thereby eliminating the requirement for a separate document. Language will depend on the situation; therefore, the RECIPIENT must obtain ECOLOGY approval on the draft language prior to executing the easement or lease.

d. Real Property Acquisition and Relocation Assistance.

1. Federal Acquisition Policies. See Section 4 of this agreement for requirements specific to Section 319 and SRF funded projects.

2. State Acquisition Policies. When state funds are part of this agreement, the RECIPIENT agrees to comply with the terms and conditions of the Uniform Relocation Assistance and Real Property Acquisition Policy of the State of Washington, Chapter 8.26 RCW, and Chapter 468-100 WAC.

3. Housing and Relocation. In the event that housing and relocation costs, as required by federal law set out in subsection (1) above and/or state law set out in subsection (2) above, are involved in the execution of this project, the RECIPIENT agrees to provide any housing and relocation assistance required.

e. Hazardous Substances.

1. Certification. The RECIPIENT shall inspect, investigate, and conduct an environmental audit of the proposed acquisition site for the presence of hazardous substances, as defined in RCW 70.105D.020(10), and certify:

i. No hazardous substances were found on the site, or

ii. Any hazardous substances found have been treated and/or disposed of in compliance with applicable state and federal laws, and the site is deemed "clean."

2. Responsibility. Nothing in this provision alters the RECIPIENT's duties and liabilities regarding hazardous substances as set forth in RCW 70.105D.

3. Hold Harmless. The RECIPIENT will defend, protect and hold harmless ECOLOGY and any and all of its employees and/or agents, from and against any and all liability, cost (including but not limited to all costs of defense and attorneys' fees) and any and all loss of any nature from any and all claims or suits resulting from the presence of, or the release or threatened release of, hazardous substances on the property the RECIPIENT is acquiring.

f. Restriction On Conversion Of Real Property And/Or Facilities To Other Uses

The RECIPIENT shall not at any time convert any real property (including any interest therein) or facility acquired, developed, maintained, renovated, and/or restored pursuant to this agreement to uses other than those purposes for which funds were approved without prior approval of ECOLOGY. For acquisition projects that are term limited, such as one involving a lease or a term-limited restoration, renovation or development project or easement, this restriction on conversion shall apply only for the length of the term, unless otherwise provided in written documents or required by applicable state or federal law. In such case, the restriction applies to such projects for the length of the term specified by the lease, easement, deed, or landowner agreement.

D. Best Management Practices (BMP) Implementation: If the RECIPIENT installs BMPs that are not approved by ECOLOGY prior to installation, the RECIPIENT assumes the risk that part or all of the reimbursement for that activity may be delayed or ineligible. For more details regarding BMP Implementation, please reference the Water Quality Financial Assistance Funding Guidelines available on ECOLOGY's Water Quality Program funding website.

E. Electronic Fund Transfers: Payment will be issued through Washington State's Office of Financial Management's Statewide Payee Desk. To receive payment you must register as a statewide vendor by submitting a statewide vendor registration form and an IRS W-9 form at website, <https://ofm.wa.gov/it-systems/statewide-vendorpayee-services>. If you have questions about the vendor registration process or electronic fund transfers, you can contact Statewide Payee Help Desk at (360) 407-8180 or email [PayeeRegistration@ofm.wa.gov](mailto:PayeeRegistration@ofm.wa.gov).

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F. Equipment Purchase: Equipment purchases over \$5,000 and not included in the scope of work or the Ecology approved construction plans and specifications, must be pre-approved by ECOLOGY's project manager before purchase. All equipment purchases over \$5,000 and not included in a contract for work being completed on the funded project, must also be reported on the Equipment Purchase Report in EAGL.

G. Funding Recognition: The RECIPIENT must inform the public about any ECOLOGY or EPA funding participation in this project through the use of project signs, acknowledgement in published materials, reports, the news media, websites, or other public announcements. Projects addressing site-specific locations must utilize appropriately sized and weather-resistant signs. Contact your Ecology Project Team to determine the appropriate recognition for your project.

H. Growth Management Planning: The RECIPIENT certifies by signing this agreement that it is in compliance with the requirements of Chapter 36.70A RCW, "Growth Management Planning by Selected Counties and Cities." If the status of compliance changes, either through RECIPIENT or legislative action, the RECIPIENT shall notify ECOLOGY in writing of this change within 30 days.

I. Interlocal: The RECIPIENT certifies by signing this agreement that all negotiated interlocal agreements necessary for the project are, or shall be, consistent with the terms of this agreement and Chapter 39.34 RCW, "Interlocal Cooperation Act." The RECIPIENT shall submit a copy of each interlocal agreement necessary for the project to ECOLOGY upon request.

J. Lobbying and Litigation: Costs incurred for the purposes of lobbying or litigation are not eligible for funding under this agreement.

K. Post Project Assessment Survey: The RECIPIENT agrees to participate in a brief survey regarding the key project results or water quality project outcomes and the status of long-term environmental results or goals from the project approximately three years after project completion. A representative from ECOLOGY's Water Quality Program may contact the RECIPIENT to request this data. ECOLOGY may also conduct site interviews and inspections, and may otherwise evaluate the project, as part of this assessment.

L. Project Status Evaluation: ECOLOGY may evaluate the status at any time. ECOLOGY's Project Manager and Financial Manager will meet with the RECIPIENT to review spending trends, completion of outcome measures, and overall project administration and performance. If the RECIPIENT fails to make satisfactory progress toward achieving project outcomes, ECOLOGY may change the scope of work, reduce grant funds, or increase oversight measures.

M. Technical Assistance: Technical assistance for agriculture activities provided under the terms of this agreement shall be consistent with the current U.S. Natural Resource Conservation Service ("NRCS") Field Office Technical Guide for Washington State and specific requirements outlined in the Water Quality Funding Guidelines. Technical assistance, proposed practices, or project designs that do not meet these standards may be eligible if approved in writing by ECOLOGY.

### SECTION 3: CONDITIONS APPLY TO SECTION 319 AND CENTENNIAL CLEAN WATER FUNDED PROJECTS BEING USED TO MATCH SECTION 319 FUNDS.

The RECIPIENT must submit the following documents to ECOLOGY before this agreement is signed by ECOLOGY:

1. Federal Funding Accountability and Transparency Act (FFATA) Form is available on the Water Quality Program website and must be completed and submitted to Ecology. (This form is used for Section 319 (federal) funds only)
2. "Section 319 Initial Data Reporting" form must be completed in EAGL.

A. Data Reporting: The RECIPIENT must complete the "Section 319 Initial Data Reporting" form in EAGL before this agreement can be signed by Ecology. This form is used to gather general information about the project for EPA.

B. Funding Recognition and Outreach: In addition to Section 2.F. of these Special Terms and Conditions, the RECIPIENT shall provide signage that informs the public that the project is funded by EPA. The signage shall contain the EPA logo and follow usage requirements available at

<http://www2.epa.gov/stylebook/using-epa-seal-and-logo>. To obtain the appropriate EPA logo or seal graphic file, the

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RECIPIENT may send a request to their Ecology Financial Manager.

To increase public awareness of projects serving communities where English is not the predominant language, RECIPIENTS are encouraged to provide their outreach strategies communication in non-English languages. Translation costs for this purpose are allowable, provided the costs are reasonable. (Applies to both the Section 319 funded projects and the Centennial match projects)

The RECIPIENT shall use the following paragraph in all reports, documents, and signage developed under this agreement: (Applies to Section 319 funded projects only)

“This project has been funded wholly or in part by the United States Environmental Protection Agency under an assistance agreement to the Washington State Department of Ecology. The contents of this document do not necessarily reflect the views and policies of the Environmental Protection Agency, nor does the mention of trade names or commercial products constitute endorsement or recommendation for use.”

C. Load Reduction Reporting: The RECIPIENT shall complete the “Section 319 Annual Load Reduction Reporting” form in EAGL by January 15 of each year and at project close-out. ECOLOGY may hold reimbursements until the RECIPIENT has completed the form. This form is used to gather information on best management practices (BMPs) installed and associated pollutant load reductions that were funded as a part of this project.

D. Time Extension: The RECIPIENT may request a one-time extension for up to 12 months. However, the time extension cannot exceed the time limitation established in EPA’s assistance agreement. In the event a time extension is requested and approved by ECOLOGY, the RECIPIENT must complete all eligible work performed under this agreement by the expiration date. (For Section 319 funded projects only)

#### SECTION 4: CONDITIONS APPLY TO ALL FEDERAL FUNDING AGREEMENTS, INCLUDING SECTION 319, State Revolving Fund (SRF) Equivalency Projects, and SEWER OVERFLOW AND STORMWATER REUSE MUNICIPAL GRANT (OSG)

A. Acquisitions: RECIPIENTS shall comply with the terms and conditions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1970)--Public Law 91-646, as amended by the Surface Transportation and Uniform Relocation Assistance Act, PL 100-17-1987, and applicable regulations and procedures of the federal agency implementing that Act.

B. Audit Requirements: In accordance with 2 CFR 200.501(a), the RECIPIENT agrees to obtain a single audit from an independent auditor, if their organization expends \$750,000 or more in total Federal funds in their fiscal year. The RECIPIENT must submit the form SF-SAC and a Single Audit Report Package within 9 months of the end of the fiscal year or 30 days after receiving the report from an independent auditor. The SF-SAC and a Single Audit Report Package MUST be submitted using the Federal Audit Clearinghouse’s Internet Data Entry System available at: <https://facweb.census.gov/>.

C. Archaeological Resources and Historic Properties (Section 106): This requires completion of the Ecology Cultural Resources Review Form, coordination with Ecology Cultural Resources staff, and receipt of the Ecology Final Determination prior to any property acquisition and above and below ground disturbing activities.

D. Architectural and Engineering Services Procurement: The RECIPIENT must procure architectural and engineering services in accordance with the federal requirements in Chapter 11 of Title 40, U.S.C. (see <https://uscode.house.gov/view.xhtml?path=/prelim@title40/subtitle1/chapter11&edition=prelim>).

E Build America, Buy America (BABA – Pub. L. No. 117-58, 70901-52) (Federally funded SRF Equivalency projects only): The RECIPIENT identified by ECOLOGY as receiving federal equivalency funding agrees to comply with all federal requirements applicable to the assistance received (including those imposed by the Infrastructure Investment and Jobs Act (“IIJA”/BIL), Public Law No. 117-58) which the RECIPIENT understands includes, but is not limited to, the following requirements: that all the iron and steel, manufactured products, and construction materials used in the Project are to be produced in the United States (“Build America, Buy America Requirements”) unless (i) the RECIPIENT has requested and obtained a waiver from the cognizant Agency pertaining to the Project or the Project is otherwise covered by a general applicability waiver; or (ii) all of the contributing Agencies have otherwise advised

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the RECIPIENT in writing that the Build America, Buy America Requirements are not applicable to the project. RECIPIENT shall comply with all record keeping and reporting requirements under all applicable legal authorities, including any reports required by the funding authority (such as EPA and/or a state), such as performance indicators of program deliverables, information on costs and project progress. The RECIPIENT identified by ECOLOGY as receiving federal equivalency funding, understands that (i) each contract and subcontract related to the project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the applicable legal requirements and this Agreement may result in a default hereunder that results in a repayment of the assistance agreement in advance of termination and/or repayment of assistance, and/or other remedial actions.

EPA has granted an adjustment period waiver of the requirements of Section 70914(a) of the BIL, pursuant to Section 70914(b)(1) (public interest waiver), for eligible projects financed by SRF projects that have initiated project design planning prior to May 14, 2022, the statutory effective date of the BABA requirements. This action permits the use of non-domestic manufactured products and construction materials in such projects funded by a Clean Water or Drinking Water SRF that may otherwise be prohibited under the BABA requirements of Section 70914. This action permits the use of non-domestic manufactured products and construction materials in such projects funded by a Clean Water or Drinking Water SRF that may otherwise be prohibited under the BABA requirements of Section 70914. Sections 70917(a) and (b) of BIL provide a savings provision for existing statutory requirements that meet or exceed BABA requirements. The statutory American Iron and Steel (AIS) requirements of Clean Water Act (CWA) Section 608 and Safe Drinking Water Act (SDWA) Section 1452(a)(4) has previously applied to SRF projects and will continue to do so as part of BABA requirements.

Where manufactured products used in the project are required to be produced in the United States, manufactured product shall mean manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation. The manufactured products included cover the majority of potential water infrastructure products, including complex products made up of a variety of material types and components. For water infrastructure projects, commonly manufactured products would include, but not be limited to, pumps, motors, blowers, aerators, generators, instrumentation and control systems, gauges, meters, measurement equipment, treatment equipment, dewatering equipment, actuators, and many other mechanical and electrical items.

F. Disadvantaged Business Enterprise (DBE): General Compliance, 40 CFR, Part 33. The RECIPIENT agrees to comply with the requirements of the Environmental Protection Agency's Program for Utilization of Small, Minority, and Women's Business Enterprises (MBE/WBE) 40CFR, Part 33 in procurement under this agreement.

Six Good Faith Efforts, 40 CFR, Part 33, Subpart C. The RECIPIENT agrees to make the following good faith efforts whenever procuring construction, equipment, services, and supplies under this agreement. Records documenting compliance with the following six good faith efforts shall be retained:

- 1) Ensure Disadvantaged Business Enterprises are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local and Government RECIPIENTS, this shall include placing Disadvantaged Business Enterprises on solicitation lists and soliciting them whenever they are potential sources.
- 2) Make information on forthcoming opportunities available to Disadvantaged Business Enterprises and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by Disadvantaged Business Enterprises in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of thirty (30) calendar days before the bid or proposal closing date.
- 3) Consider, in the contracting process, whether firms competing for large contracts could subcontract with Disadvantaged Business Enterprises. For Indian Tribal, State, and Local Government RECIPIENTS, this shall include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum

participation by Disadvantaged Business Enterprises in the competitive process.

4) Encourage contracting with a consortium of Disadvantaged Business Enterprises when a contract is too large for one of these firms to handle individually.

5) Use services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

6) If the prime contractor awards subcontracts, require the prime contractor to take the five good faith efforts steps in paragraphs 1 through 5 above.

The RECIPIENT agrees to submit ECOLOGY's Contractor Participation Report Form D with each payment request. Contract Administration Provisions, 40 CFR, Section 33.302. The RECIPIENT agrees to comply with the contract administration provisions of 40 CFR, Section 33.302.

Non-discrimination Provision. The RECIPIENT shall not discriminate on the basis of race, color, national origin, or sex in the performance of this agreement. The RECIPIENT shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the RECIPIENT to carry out these requirements is a material breach of this agreement which may result in the termination of this contract or other legally available remedies.

This does not preclude the RECIPIENT from enacting broader nondiscrimination protections.

The RECIPIENT shall comply with all federal and state nondiscrimination laws, including but not limited to, Title VI and VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and Chapter 49.60 RCW, Washington's Law Against Discrimination, and 42 U.S.C. 12101 et seq, the Americans with Disabilities Act (ADA).

In the event of the RECIPIENT's noncompliance or refusal to comply with any applicable nondiscrimination law, regulation, or policy, this agreement may be rescinded, canceled, or terminated in whole or in part and the RECIPIENT may be declared ineligible for further funding from ECOLOGY. The RECIPIENT shall, however, be given a reasonable time in which to cure this noncompliance.

The RECIPIENT shall include the following terms and conditions in contracts with all contractors, subcontractors, engineers, vendors, and any other entity for work or services pertaining to this agreement.

"The Contractor will not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. The Contractor will carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under Environmental Protection Agency financial agreements. Failure by the Contractor to carry out these requirements is a material breach of this Contract which may result in termination of this Contract or other legally available remedies."

Bidder List, 40 CFR, Section 33.501(b) and (c). The RECIPIENT agrees to create and maintain a bidders list. The bidders list shall include the following information for all firms that bid or quote on prime contracts, or bid or quote subcontracts, including both MBE/WBEs and non-MBE/WBEs.

1. Entity's name with point of contact
2. Entity's mailing address, telephone number, and e-mail address
3. The procurement on which the entity bid or quoted, and when
4. Entity's status as an MBE/WBE or non-MBE/WBE

G. Electronic and information Technology (EIT) Accessibility: RECIPIENTS shall ensure that loan funds provided under this agreement for costs in the development or purchase of EIT systems or products provide individuals with disabilities reasonable accommodations and an equal and effective opportunity to benefit from or participate in a program, including those offered through electronic and information technology as per Section 504 of the Rehabilitation Act, codified in 40 CFR Part 7. Systems or products funded under this agreement must be designed to meet the diverse needs of users without barriers or diminished function or quality. Systems shall include usability features or functions that accommodate the needs of persons with disabilities, including those who use assistive technology.

H. Federal Funding Accountability and Transparency Act (FFATA) Form, available on the Water Quality Program

website.

I. Hotel-Motel Fire Safety Act: The RECIPIENT shall ensure that all space for conferences, meetings, conventions, or training seminars funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (15 USC 2225a, PL 101-391, as amended). Recipients may search the Hotel-Motel National Master List at <http://www.usfa.dhs.gov/applications/hotel/> to see if a property is in compliance, or to find other information about the Act. Pursuant to 15 USC 2225a.

J. Prevailing Wage (Davis-Bacon Act): The RECIPIENT agrees, by signing this agreement, to comply with the Davis-Bacon Act prevailing wage requirements. This applies to the construction, alteration, and repair of treatment works carried out, in whole or in part, with assistance made available by the State Revolving Fund as authorized by Section 513, title VI of the Federal Water Pollution Control Act (33 U.S.C. 1372). Laborers and mechanics employed by contractors and subcontractors shall be paid wages not less often than once a week and at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor.

The RECIPIENT shall obtain the wage determination for the area in which the project is located prior to issuing requests for bids, proposals, quotes, or other methods for soliciting contracts (solicitation). These wage determinations shall be incorporated into solicitations and any subsequent contracts. The RECIPIENT shall ensure that the required EPA contract language regarding Davis-Bacon Wages is in all contracts and subcontracts more than \$2,000. The RECIPIENT shall maintain records sufficient to document compliance with the Davis-Bacon Act and make such records available for review upon request. Wage determinations and instructions for their use can be found at <https://sam.gov/>.

The RECIPIENT also agrees, by signing this agreement, to comply with State Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable. Compliance may include the determination whether the project involves “public work” and inclusion of the applicable prevailing wage rates in the bid specifications and contracts. The RECIPIENT agrees to maintain records sufficient to evidence compliance with Chapter 39.12 RCW and make such records available for review upon request. Where conflicts arise between the State prevailing wage rates and Davis-Bacon Act prevailing wage requirements the more stringent requirement shall govern. Washington State prevailing wage rates can be found at <https://www.lni.wa.gov/licensing-permits/public-works-projects/prevailing-wage-rates/>

K. Trafficking in Persons: The RECIPIENT and RECIPIENT employees that are private entities shall not engage in forms of trafficking in persons. This includes, but is not limited to, the procurement of a commercial sex act or forced labor. The RECIPIENT shall notify ECOLOGY immediately of any information received from any source alleging a violation under this provision.

L. Unique Entity Identity Identifier (UEI): The RECIPIENT agrees to register with and make their registration public in the System for Award Management (SAM.gov). The RECIPIENT will be assigned a UEI and agree to include their UEI Number under their organization’s information in EAGL. The UEI number must be entered into EAGL before a funding agreement is signed.

**SECTION 5: CONDITIONS APPLY TO STATE REVOLVING FUND (SRF) LOAN FUNDED PROJECTS ONLY.**  
The RECIPIENT must submit the following documents/forms to ECOLOGY before this agreement is signed by ECOLOGY:

1. Financial Capability Assessment Documentation (upon request)
2. Opinion of RECIPIENT’s Legal Council – Form available on the Ecology website must be completed and uploaded to the General Uploads form in EAGL.
3. Authorizing Ordinance or Resolution – Must be uploaded to the General Uploads form in EAGL.
4. Federal Funding Accountability and Transparency Act (FFATA) Form (Required for all federally funded SRF Equivalency projects – Form available on the Ecology website must be completed and uploaded to the General Uploads form in EAGL.
5. CWSRF Federal Reporting Information form – Must be completed in EAGL.
6. Fiscal Sustainability Plan (Asset Management) Certification Form (Only required if the project includes

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construction of a wastewater or stormwater facility construction) – Must be completed in EAGL.

7. Cost and Effectiveness Analysis Certification Form (Required for all projects receiving SRF Loan funding) – Must be completed in EAGL.

8. State Environmental Review Process (SERP) Documentation (Required for treatment works projects only) – Must be uploaded to the Environmental and Cultural Review form in EAGL.

A. Alteration and Eligibility of Project: During the term of this agreement, the RECIPIENT (1) shall not materially alter the design or structural character of the project without the prior written approval of ECOLOGY and (2) shall take no action which would adversely affect the eligibility of the project as defined by applicable funding program rules and state statutes, or which would cause a violation of any covenant, condition, or provision herein.

B. American Iron and Steel (Buy American – P.L 113-76, Consolidated Appropriations Act 2014, Section 436): This loan provision applies to projects for the construction, alteration, maintenance, or repair of a “treatment works” as defined in the Federal Water Pollution Control Act (33 USC 1381 et seq.) The RECIPIENT shall ensure that all iron and steel products used in the project are produced in the United States. Iron and Steel products means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. The RECIPIENT may request waiver from this requirement from the Administrator of the Environmental Protection Agency. The RECIPIENT must coordinate all waiver requests through ECOLOGY. This provision does not apply if the engineering plans and specifications for the project were approved by ECOLOGY prior to January 17, 2014. ECOLOGY reserves the right to request documentation of RECIPIENT’S compliance with this provision.

C. Authority of RECIPIENT: This agreement is authorized by the Constitution and laws of the state of Washington, including the RECIPIENT’S authority, and by the RECIPIENT pursuant to the authorizing ordinance or resolution. The RECIPIENT shall submit a copy of the authorizing ordinance or resolution to the ECOLOGY Financial Manager before this agreement shall be signed by ECOLOGY.

D. Equivalency Projects: ECOLOGY designated equivalency project and alternative designated equivalency project RECIPIENTs agree to accept federal funds and the federal requirements that accompany the funds. This includes all the requirements in Section 4 and this Section.

E. Fiscal Sustainability Plan Certification: The RECIPIENT shall submit a completed Fiscal Sustainability Plan Certification before this agreement is signed by ECOLOGY. The Fiscal Sustainability Plan Certification is available from the ECOLOGY Financial Manager or on the Water Quality Program website.

F. Funding Recognition and Outreach: The RECIPIENT agrees to comply with the EPA SRF Signage Guidance to enhance public awareness of EPA assistance agreements nationwide. Signage guidance can be found at: <https://ecology.wa.gov/About-us/How-we-operate/Grants-loans/Find-a-grant-or-loan/Water-Quality-grants-and-loans/Facility-project-resources>.

G. Insurance: The RECIPIENT shall at all times carry fire and extended insurance coverage, public liability, and property damage, and such other forms of insurance with responsible insurers and policies payable to the RECIPIENT on such of the buildings, equipment, works, plants, facilities, and properties of the Utility as are ordinarily carried by municipal or privately-owned utilities engaged in the operation of like systems, and against such claims for damages as are ordinarily carried by municipal or privately-owned utilities engaged in the operation of like systems, or it shall self-insure or participate in an insurance pool or pools with reserves adequate, in the reasonable judgment of the RECIPIENT, to protect it against loss.

H. Litigation Authority: No litigation is now pending, or to the RECIPIENT’S knowledge, threatened, seeking to restrain, or enjoin:

- (i) the execution of this agreement; or
- (ii) the fixing or collection of the revenues, rates, and charges or the formation of the ULID and the levy and collection of ULID Assessments therein pledged to pay the principal of and interest on the loan (for revenue secured lien obligations); or

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- (iii) the levy and collection of the taxes pledged to pay the principal of and interest on the loan (for general obligation-secured loans and general obligation payable from special-assessment-secured loans); or
- (iv) in any manner questioning the proceedings and authority under which the agreement, the loan, or the project are authorized. Neither the corporate existence, or boundaries of the RECIPIENT nor the title of its present officers to their respective offices is being contested. No authority or proceeding for the execution of this agreement has been repealed, revoked, or rescinded.

I. Loan Interest Rate and Terms: This loan agreement shall remain in effect until the date of final repayment of the loan, unless terminated earlier according to the provisions herein.

When the Project Completion Date has occurred, ECOLOGY and the RECIPIENT shall execute an amendment to this loan agreement which details the final loan amount (Final Loan Amount), and ECOLOGY shall prepare a final loan repayment schedule. The Final Loan Amount shall be the combined total of actual disbursements made on the loan and all accrued interest to the computation date.

The Estimated Loan Amount and the Final Loan Amount (in either case, as applicable, a "Loan Amount") shall bear interest based on the interest rate identified in this agreement as the "Effective Interest Rate," per annum, calculated on the basis of a 365-day year. Interest on the Estimated Loan Amount shall accrue from and be compounded monthly based on the date that each payment is mailed to the RECIPIENT. The Final Loan Amount shall be repaid in equal installments, semiannually, over the term of this loan "Loan Term" as outlined in this agreement.

J. Loan Repayment:

Sources of Loan Repayment

1. Nature of RECIPIENT's Obligation. The obligation of the RECIPIENT to repay the loan from the sources identified below and to perform and observe all other agreements and obligations on its part, contained herein, shall be absolute and unconditional, and shall not be subject to diminution by setoff, counterclaim, or abatement of any kind. To secure the repayment of the loan from ECOLOGY, the RECIPIENT agrees to comply with all the covenants, agreements, and attachments contained herein.

2. For General Obligation. This loan is a General Obligation Debt of the RECIPIENT.

3. For General Obligation Payable from Special Assessments. This loan is a General Obligation Debt of the RECIPIENT payable from special assessments to be imposed within the constitutional and statutory tax limitations provided by law without a vote of the electors of the RECIPIENT on all the taxable property within the boundaries of the RECIPIENT.

4. For Revenue-Secured: Lien Position. This loan is a Revenue-Secured Debt of the RECIPIENT's Utility. This loan shall constitute a lien and charge upon the Net Revenue junior and subordinate to the lien and charge upon such Net Revenue of any Senior Lien Obligations.

In addition, if this loan is also secured by Utility Local Improvement Districts (ULID) Assessments, this loan shall constitute a lien upon ULID Assessments in the ULID prior and superior to any other charges whatsoever.

5. Other Sources of Repayment. The RECIPIENT may repay any portion of the loan from any funds legally available to it.

6. Defeasance of the Loan. So long as ECOLOGY shall hold this loan, the RECIPIENT shall not be entitled to, and shall not affect, an economic Defeasance of the loan. The RECIPIENT shall not advance refund the loan.

If the RECIPIENT defeases or advance refunds the loan, it shall be required to use the proceeds thereof immediately upon their receipt, together with other available RECIPIENT funds, to repay both of the following:

(i) The Loan Amount with interest

(ii) Any other obligations of the RECIPIENT to ECOLOGY under this agreement, unless in its sole discretion ECOLOGY finds that repayment from those additional sources would not be in the public interest.

Failure to repay the Loan Amount plus interest within the time specified in ECOLOGY's notice to make such repayment shall incur Late Charges and shall be treated as a Loan Default.

7. Refinancing or Early Repayment of the Project. So long as ECOLOGY shall hold this loan, the RECIPIENT shall give ECOLOGY thirty days written notice if the RECIPIENT intends to refinance or make early repayment of the

loan.

#### Method and Conditions on Repayments

1. Semiannual Payments. Notwithstanding any other provision of this agreement, the first semiannual payment of principal and interest on this loan shall be due and payable no later than one year after the project completion date or initiation of operation date, whichever comes first.

Thereafter, equal payments shall be due every six months.

If the due date for any semiannual payment falls on a Saturday, Sunday, or designated holiday for Washington State agencies, the payment shall be due on the next business day for Washington State agencies.

Payments shall be mailed to:

Department of Ecology

Cashiering Unit

P.O. Box 47611

Olympia WA 98504-7611

In lieu of mailing payments, electronic fund transfers can be arranged by working with ECOLOGY's Financial Manager.

No change to the amount of the semiannual principal and interest payments shall be made without a mutually signed amendment to this agreement. The RECIPIENT shall continue to make semiannual payments based on this agreement until the amendment is effective, at which time the RECIPIENT's payments shall be made pursuant to the amended agreement.

2. Late Charges. If any amount of the Final Loan Amount or any other amount owed to ECOLOGY pursuant to this agreement remains unpaid after it becomes due and payable, ECOLOGY may assess a late charge. The late charge shall be one percent per month on the past due amount starting on the date the debt becomes past due and until it is paid in full.

3. Repayment Limitations. Repayment of the loan is subject to the following additional limitations, among others: those on defeasance, refinancing and advance refunding, termination, and default and recovery of payments.

4. Prepayment of Loan. So long as ECOLOGY shall hold this loan, the RECIPIENT may prepay the entire unpaid principal balance of and accrued interest on the loan or any portion of the remaining unpaid principal balance of the Loan Amount. Any prepayments on the loan shall be applied first to any accrued interest due and then to the outstanding principal balance of the Loan Amount. If the RECIPIENT elects to prepay the entire remaining unpaid balance and accrued interest, the RECIPIENT shall first contact ECOLOGY's Revenue/Receivable Manager of the Fiscal Office.

#### K. Loan Security

Due Regard: For loans secured with a Revenue Obligation: The RECIPIENT shall exercise due regard for Maintenance and Operation Expense and the debt service requirements of the Senior Lien Obligations and any other outstanding obligations pledging the Gross Revenue of the Utility, and it has not obligated itself to set aside and pay into the loan Fund a greater amount of the Gross Revenue of the Utility than, in its judgment, shall be available over and above such Maintenance and Operation Expense and those debt service requirements.

Where collecting adequate gross utility revenue requires connecting additional users, the RECIPIENT shall require the sewer system connections necessary to meet debt obligations and expected operation and maintenance expenses.

Levy and Collection of Taxes (if used to secure the repayment of the loan): For so long as the loan is outstanding, the RECIPIENT irrevocably pledges to include in its budget and levy taxes annually within the constitutional and statutory tax limitations provided by law without a vote of its electors on all of the taxable property within the boundaries of the RECIPIENT in an amount sufficient, together with other money legally available and to be used therefore, to pay when due the principal of and interest on the loan, and the full faith, credit and resources of the RECIPIENT are pledged irrevocably for the annual levy and collection of those taxes and the prompt payment of that principal and interest.

Not an Excess Indebtedness: For loans secured with a general obligation pledge or a general obligation pledge on

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special assessments: The RECIPIENT agrees that this agreement and the loan to be made do not create an indebtedness of the RECIPIENT in excess of any constitutional or statutory limitations.

Pledge of Net Revenue and ULID Assessments in the ULID (if used to secure the repayment of this loan): For so long as the loan is outstanding, the RECIPIENT irrevocably pledges the Net Revenue of the Utility, including applicable ULID Assessments in the ULID, to pay when due the principal of and interest on the loan.

Utility Local Improvement District (ULID) Assessment Collection (if used to secure the repayment of the loan): All ULID Assessments in the ULID shall be paid into the Loan Fund and used to pay the principal of and interest on the loan.

L. Maintenance and Operation of a Funded Utility: The RECIPIENT shall, at all times, maintain and keep the funded Utility in good repair, working order, and condition.

M. Opinion of RECIPIENT's Legal Counsel: The RECIPIENT must submit an "Opinion of Legal Counsel to the RECIPIENT" to ECOLOGY before this agreement will be signed. ECOLOGY will provide the form.

N. Prevailing Wage (Davis-Bacon Act): The RECIPIENT agrees, by signing this agreement, to comply with the Davis-Bacon Act prevailing wage requirements. This applies to the construction, alteration, and repair of treatment works carried out, in whole or in part, with assistance made available by the State Revolving Fund as authorized by Section 513, title VI of the Federal Water Pollution Control Act (33 U.S.C. 1372). Laborers and mechanics employed by contractors and subcontractors shall be paid wages not less often than once a week and at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor.

The RECIPIENT shall obtain the wage determination for the area in which the project is located prior to issuing requests for bids, proposals, quotes, or other methods for soliciting contracts (solicitation). These wage determinations shall be incorporated into solicitations and any subsequent contracts. The RECIPIENT shall ensure that the required EPA contract language regarding Davis-Bacon Wages is in all contracts and subcontracts more than \$2,000. The RECIPIENT shall maintain records sufficient to document compliance with the Davis-Bacon Act and make such records available for review upon request.

The RECIPIENT also agrees, by signing this agreement, to comply with State Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable. Compliance may include the determination whether the project involves "public work" and inclusion of the applicable prevailing wage rates in the bid specifications and contracts. The RECIPIENT agrees to maintain records sufficient to evidence compliance with Chapter 39.12 RCW and make such records available for review upon request.

O. Progress Reports: RECIPIENTS funded with State Revolving Fund Loan or Forgivable Principal shall include the following verification statement in the "General Comments" text box of each progress report.

"We verified that we are in compliance with all the requirements as outlined in our funding agreement(s) with the Department of Ecology. This includes but is not limited to:

- The Davis-Bacon Act, 29 CFR , prevailing wage requirements, certified weekly payroll, etc.
- The Disadvantaged Business Enterprise (DBE), 40 CFR, Part 33
- The American Iron and Steel Act (Buy American)
- The Build America Buy America Act (BABA) (equivalency projects only)"

P. Representations and Warranties: The RECIPIENT represents and warrants to ECOLOGY as follows:

Application: Material Information. All information and materials submitted by the RECIPIENT to ECOLOGY in connection with its loan application were, when made, and are, as of the date the RECIPIENT signs this agreement, true and correct. There is no material adverse information relating to the RECIPIENT, the project, the loan, or this agreement known to the RECIPIENT, which has not been disclosed in writing to ECOLOGY.

Existence; Authority. It is a duly formed and legally existing municipal corporation or political subdivision of the state of Washington or a federally recognized Indian Tribe. It has full corporate power and authority to execute, deliver, and perform all of its obligations under this agreement and to undertake the project identified herein.

Certification. Each payment request shall constitute a certification by the RECIPIENT to the effect that all representations and warranties made in this loan agreement remain true as of the date of the request and that no

adverse developments, affecting the financial condition of the RECIPIENT or its ability to complete the project or to repay the principal of or interest on the loan, have occurred since the date of this loan agreement. Any changes in the RECIPIENT's financial condition shall be disclosed in writing to ECOLOGY by the RECIPIENT in its request for payment.

Q. Sale or Disposition of Funded Utility: The RECIPIENT shall not sell, transfer, or otherwise dispose of any of the works, plant, properties, facilities, or other part of the funded Utility or any real or personal property comprising a part of the funded Utility unless:

1. The facilities or property transferred are not material to the operation of the funded Utility, or have become unserviceable, inadequate, obsolete, or unfit to be used in the operation of the funded Utility or are no longer necessary, material, or useful to the operation of the funded Utility; or
2. The aggregate depreciated cost value of the facilities or property being transferred in any fiscal year comprises no more than three percent of the total assets of the funded Utility; or
3. The RECIPIENT receives from the transferee an amount equal to an amount which will be in the same proportion to the net amount of Senior Lien Obligations and this LOAN then outstanding (defined as the total amount outstanding less the amount of cash and investments in the bond and loan funds securing such debt) as the Gross Revenue of the funded Utility from the portion of the funded Utility sold or disposed of for the preceding year bears to the total Gross Revenue for that period.
4. Expressed written agreement by the ECOLOGY.

The proceeds of any transfer under this paragraph must be used (1) to redeem promptly, or irrevocably set aside for the redemption of, Senior Lien Obligations and to redeem promptly the loan, and (2) to provide for part of the cost of additions to and betterments and extensions of the Utility.

R. Sewer-Use Ordinance or Resolution for Funded Wastewater Facility Projects: If not already in existence, the RECIPIENT shall adopt and shall enforce a sewer-use ordinance or resolution. Such ordinance or resolution shall be submitted to ECOLOGY upon request.

The sewer use ordinance must include provisions to:

- 1) Prohibit the introduction of toxic or hazardous wastes into the RECIPIENT's sewer system.
- 2) Prohibit inflow of stormwater into separated sewer systems.
- 3) Require that new sewers and connections be properly designed and constructed.

S. Termination and Default:

Termination and Default Events

1. For Insufficient ECOLOGY or RECIPIENT Funds. ECOLOGY may terminate this loan agreement for insufficient ECOLOGY or RECIPIENT funds.
2. For Failure to Commence Work. ECOLOGY may terminate this loan agreement for failure of the RECIPIENT to commence project work.
3. Past Due Payments. The RECIPIENT shall be in default of its obligations under this loan agreement when any loan repayment becomes 60 days past due.
4. Other Cause. The obligation of ECOLOGY to the RECIPIENT is contingent upon satisfactor

## GENERAL FEDERAL CONDITIONS

**If a portion or all of the funds for this agreement are provided through federal funding sources or this agreement is used to match a federal grant award, the following terms and conditions apply to you.**

### A. CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY

#### EXCLUSION:

1. The RECIPIENT/CONTRACTOR, by signing this agreement, certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT/CONTRACTOR is

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- unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot.
2. The RECIPIENT/CONTRACTOR shall provide immediate written notice to ECOLOGY if at any time the RECIPIENT/CONTRACTOR learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
  3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact ECOLOGY for assistance in obtaining a copy of those regulations.
  4. The RECIPIENT/CONTRACTOR agrees it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under the applicable Code of Federal Regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
  5. The RECIPIENT/CONTRACTOR further agrees by signing this agreement, that it will include this clause titled "CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION" without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
  6. Pursuant to 2CFR180.330, the RECIPIENT/CONTRACTOR is responsible for ensuring that any lower tier covered transaction complies with certification of suspension and debarment requirements.
  7. RECIPIENT/CONTRACTOR acknowledges that failing to disclose the information required in the Code of Federal Regulations may result in the delay or negation of this funding agreement, or pursuance of legal remedies, including suspension and debarment.
  8. RECIPIENT/CONTRACTOR agrees to keep proof in its agreement file, that it, and all lower tier recipients or contractors, are not suspended or debarred, and will make this proof available to ECOLOGY before requests for reimbursements will be approved for payment. RECIPIENT/CONTRACTOR must run a search in <http://www.sam.gov> and print a copy of completed searches to document proof of compliance.

## B. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) REPORTING

### REQUIREMENTS:

CONTRACTOR/RECIPIENT must complete the FFATA Data Collection Form (ECY 070-395) and return it with the signed agreement to ECOLOGY.

Any CONTRACTOR/RECIPIENT that meets each of the criteria below must report compensation for its five top executives using the FFATA Data Collection Form.

- Receives more than \$30,000 in federal funds under this award.
- Receives more than 80 percent of its annual gross revenues from federal funds.
- Receives more than \$25,000,000 in annual federal funds.

Ecology will not pay any invoices until it has received a completed and signed FFATA Data Collection Form.

Ecology is required to report the FFATA information for federally funded agreements, including the required Unique Entity Identifier in [www.sam.gov](http://www.sam.gov) <http://www.sam.gov> within 30 days of agreement signature. The FFATA information will be available to the public at [www.usaspending.gov](http://www.usaspending.gov) <http://www.usaspending.gov>.

For more details on FFATA requirements, see [www.fsrs.gov](http://www.fsrs.gov) <http://www.fsrs.gov>.

## C. FEDERAL FUNDING PROHIBITION ON CERTAIN TELECOMMUNICATIONS OR VIDEO SURVEILLANCE SERVICES OR EQUIPMENT:

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As required by 2 CFR 200.216, federal grant or loan recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

1. Procure or obtain;
2. Extend or renew a contract to procure or obtain; or
3. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment, video surveillance services or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in [Public Law 115-232](#) [\(<https://www.govinfo.gov/content/pkg/PLAW-115publ232/pdf/PLAW-115publ232.pdf>\)](https://www.govinfo.gov/content/pkg/PLAW-115publ232/pdf/PLAW-115publ232.pdf), section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

Recipients, subrecipients, and borrowers also may not use federal funds to purchase certain prohibited equipment, systems, or services, including equipment, systems, or services produced or provided by entities identified in section 889, are recorded in the [System for Award Management \(SAM\)](#) [\(<https://sam.gov/SAM>\)](https://sam.gov/SAM) exclusion list.

## GENERAL TERMS AND CONDITIONS

### Pertaining to Grant and Loan Agreements With the state of Washington, Department of Ecology

#### GENERAL TERMS AND CONDITIONS

For DEPARTMENT OF ECOLOGY GRANTS and LOANS

07/01/2023 Version

#### 1. ADMINISTRATIVE REQUIREMENTS

- a) RECIPIENT shall follow the "Administrative Requirements for Recipients of Ecology Grants and Loans – EAGL Edition." (<https://fortress.wa.gov/ecy/publications/SummaryPages/2301002.html>)
- b) RECIPIENT shall complete all activities funded by this Agreement and be fully responsible for the proper management of all funds and resources made available under this Agreement.
- c) RECIPIENT agrees to take complete responsibility for all actions taken under this Agreement, including ensuring all subgrantees and contractors comply with the terms and conditions of this Agreement. ECOLOGY reserves the right to request proof of compliance by subgrantees and contractors.
- d) RECIPIENT's activities under this Agreement shall be subject to the review and approval by ECOLOGY for the extent and character of all work and services.

#### 2. AMENDMENTS AND MODIFICATIONS

This Agreement may be altered, amended, or waived only by a written amendment executed by both parties. No subsequent modification(s) or amendment(s) of this Agreement will be of any force or effect unless in writing and signed by authorized representatives of both parties. ECOLOGY and the RECIPIENT may change their respective staff contacts and administrative information without the concurrence of either party.

#### 3. ACCESSIBILITY REQUIREMENTS FOR COVERED TECHNOLOGY

The RECIPIENT must comply with the Washington State Office of the Chief Information Officer, OCIO Policy no. 188, Accessibility (<https://ocio.wa.gov/policy/accessibility>) as it relates to "covered technology." This requirement applies to all products supplied under the Agreement, providing equal access to information technology by individuals with disabilities, including and not limited to web sites/pages, web-based applications, software systems, video and audio content, and electronic documents intended for publishing on Ecology's public web site.

#### 4. ARCHAEOLOGICAL AND CULTURAL RESOURCES

RECIPIENT shall take all reasonable action to avoid, minimize, or mitigate adverse effects to archaeological and historic archaeological sites, historic buildings/structures, traditional cultural places, sacred sites, or other cultural resources, hereby referred to as Cultural Resources.

The RECIPIENT must agree to hold harmless ECOLOGY in relation to any claim related to Cultural Resources discovered, disturbed, or damaged due to the RECIPIENT's project funded under this Agreement.

RECIPIENT shall:

- a) Contact the ECOLOGY Program issuing the grant or loan to discuss any Cultural Resources requirements for their project:
  - Cultural Resource Consultation and Review should be initiated early in the project planning process and must be completed prior to expenditure of Agreement funds as required by applicable State and Federal requirements.
  - \* For state funded construction, demolition, or land acquisitions, comply with Governor Executive Order 21-02, Archaeological and Cultural Resources.
  - For projects with any federal involvement, comply with the National Historic Preservation Act of 1966 (Section 106).

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b) If required by the ECOLOGY Program, submit an Inadvertent Discovery Plan (IDP) to ECOLOGY prior to implementing any project that involves field activities. ECOLOGY will provide the IDP form.

RECIPIENT shall:

- Keep the IDP at the project site.
  - Make the IDP readily available to anyone working at the project site.
  - Discuss the IDP with staff, volunteers, and contractors working at the project site.
  - Implement the IDP when Cultural Resources or human remains are found at the project site.
- c) If any Cultural Resources are found while conducting work under this Agreement, follow the protocol outlined in the project IDP.
- Immediately stop work and notify the ECOLOGY Program, who will notify the Department of Archaeology and Historic Preservation at (360) 586-3065, any affected Tribe, and the local government.
- d) If any human remains are found while conducting work under this Agreement, follow the protocol outlined in the project IDP.
- Immediately stop work and notify the local Law Enforcement Agency or Medical Examiner/Coroner's Office, the Department of Archaeology and Historic Preservation at (360) 790-1633, and then the ECOLOGY Program.
- e) Comply with RCW 27.53, RCW 27.44, and RCW 68.50.645, and all other applicable local, state, and federal laws protecting Cultural Resources and human remains.

## 5. ASSIGNMENT

No right or claim of the RECIPIENT arising under this Agreement shall be transferred or assigned by the RECIPIENT.

## 6. COMMUNICATION

RECIPIENT shall make every effort to maintain effective communications with the RECIPIENT's designees, ECOLOGY, all affected local, state, or federal jurisdictions, and any interested individuals or groups.

## 7. COMPENSATION

- a) Any work performed prior to effective date of this Agreement will be at the sole expense and risk of the RECIPIENT. ECOLOGY must sign the Agreement before any payment requests can be submitted.
- b) Payments will be made on a reimbursable basis for approved and completed work as specified in this Agreement.
- c) RECIPIENT is responsible to determine if costs are eligible. Any questions regarding eligibility should be clarified with ECOLOGY prior to incurring costs. Costs that are conditionally eligible require approval by ECOLOGY prior to expenditure.
- d) RECIPIENT shall not invoice more than once per month unless agreed on by ECOLOGY.
- e) ECOLOGY will not process payment requests without the proper reimbursement forms, Progress Report and supporting documentation. ECOLOGY will provide instructions for submitting payment requests.
- f) ECOLOGY will pay the RECIPIENT thirty (30) days after receipt of a properly completed request for payment.
- g) RECIPIENT will receive payment through Washington State's Office of Financial Management's Statewide Payee Desk. To receive payment you must register as a statewide vendor by submitting a statewide vendor registration form and an IRS W-9 form at website, <https://ofm.wa.gov/it-systems/statewide-vendorpayee-services>. If you have questions about the vendor registration process, you can contact Statewide Payee Help Desk at (360) 407-8180 or email [PayeeRegistration@ofm.wa.gov](mailto:PayeeRegistration@ofm.wa.gov).
- h) ECOLOGY may, at its sole discretion, withhold payments claimed by the RECIPIENT if the RECIPIENT fails to satisfactorily comply with any term or condition of this Agreement.
- i) Monies withheld by ECOLOGY may be paid to the RECIPIENT when the work described herein, or a portion thereof, has been completed if, at ECOLOGY's sole discretion, such payment is reasonable and approved according to this Agreement, as appropriate, or upon completion of an audit as specified herein.

j) RECIPIENT must submit within thirty (30) days after the expiration date of this Agreement, all financial, performance, and other reports required by this Agreement. Failure to comply may result in delayed reimbursement.

#### 8. COMPLIANCE WITH ALL LAWS

RECIPIENT agrees to comply fully with all applicable federal, state and local laws, orders, regulations, and permits related to this Agreement, including but not limited to:

- a) RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.
- b) RECIPIENT agrees to be bound by all applicable federal and state laws, regulations, and policies against discrimination.
- c) RECIPIENT certifies full compliance with all applicable state industrial insurance requirements.
- d) RECIPIENT agrees to secure and provide assurance to ECOLOGY that all the necessary approvals and permits required by authorities having jurisdiction over the project are obtained. RECIPIENT must include time in their project timeline for the permit and approval processes.

ECOLOGY shall have the right to immediately terminate for cause this Agreement as provided herein if the RECIPIENT fails to comply with above requirements.

If any provision of this Agreement violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

#### 9. CONFLICT OF INTEREST

RECIPIENT and ECOLOGY agree that any officer, member, agent, or employee, who exercises any function or responsibility in the review, approval, or carrying out of this Agreement, shall not have any personal or financial interest, direct or indirect, nor affect the interest of any corporation, partnership, or association in which he/she is a part, in this Agreement or the proceeds thereof.

#### 10. CONTRACTING FOR GOODS AND SERVICES

RECIPIENT may contract to buy goods or services related to its performance under this Agreement. RECIPIENT shall award all contracts for construction, purchase of goods, equipment, services, and professional architectural and engineering services through a competitive process, if required by State law. RECIPIENT is required to follow procurement procedures that ensure legal, fair, and open competition.

RECIPIENT must have a standard procurement process or follow current state procurement procedures. RECIPIENT may be required to provide written certification that they have followed their standard procurement procedures and applicable state law in awarding contracts under this Agreement.

ECOLOGY reserves the right to inspect and request copies of all procurement documentation, and review procurement practices related to this Agreement. Any costs incurred as a result of procurement practices not in compliance with state procurement law or the RECIPIENT's normal procedures may be disallowed at ECOLOGY's sole discretion.

#### 11. DISPUTES

When there is a dispute with regard to the extent and character of the work, or any other matter related to this Agreement the determination of ECOLOGY will govern, although the RECIPIENT shall have the right to appeal decisions as provided for below:

- a) RECIPIENT notifies the funding program of an appeal request.
- b) Appeal request must be in writing and state the disputed issue(s).
- c) RECIPIENT has the opportunity to be heard and offer evidence in support of its appeal.
- d) ECOLOGY reviews the RECIPIENT's appeal.
- e) ECOLOGY sends a written answer within ten (10) business days, unless more time is needed, after concluding the

review.

The decision of ECOLOGY from an appeal will be final and conclusive, unless within thirty (30) days from the date of such decision, the RECIPIENT furnishes to the Director of ECOLOGY a written appeal. The decision of the Director or duly authorized representative will be final and conclusive.

The parties agree that this dispute process will precede any action in a judicial or quasi-judicial tribunal.

Appeals of the Director's decision will be brought in the Superior Court of Thurston County. Review of the Director's decision will not be taken to Environmental and Land Use Hearings Office.

Pending final decision of a dispute, the RECIPIENT agrees to proceed diligently with the performance of this Agreement and in accordance with the decision rendered.

Nothing in this Agreement will be construed to limit the parties' choice of another mutually acceptable method, in addition to the dispute resolution procedure outlined above.

## 12. ENVIRONMENTAL DATA STANDARDS

a) RECIPIENT shall prepare a Quality Assurance Project Plan (QAPP) for a project that collects or uses environmental measurement data. RECIPIENTS unsure about whether a QAPP is required for their project shall contact the ECOLOGY Program issuing the grant or loan. If a QAPP is required, the RECIPIENT shall:

- Use ECOLOGY's QAPP Template/Checklist provided by the ECOLOGY, unless ECOLOGY Quality Assurance (QA) officer or the Program QA coordinator instructs otherwise.
- Follow ECOLOGY's Guidelines for Preparing Quality Assurance Project Plans for Environmental Studies, July 2004 (Ecology Publication No. 04-03-030).
- Submit the QAPP to ECOLOGY for review and approval before the start of the work.

b) RECIPIENT shall submit environmental data that was collected on a project to ECOLOGY using the Environmental Information Management system (EIM), unless the ECOLOGY Program instructs otherwise. The RECIPIENT must confirm with ECOLOGY that complete and correct data was successfully loaded into EIM, find instructions at: <http://www.ecy.wa.gov/eim>.

c) RECIPIENT shall follow ECOLOGY's data standards when Geographic Information System (GIS) data is collected and processed. Guidelines for Creating and Accessing GIS Data are available at: <https://ecology.wa.gov/Research-Data/Data-resources/Geographic-Information-Systems-GIS/Standards>. RECIPIENT, when requested by ECOLOGY, shall provide copies to ECOLOGY of all final GIS data layers, imagery, related tables, raw data collection files, map products, and all metadata and project documentation.

## 13. GOVERNING LAW

This Agreement will be governed by the laws of the State of Washington, and the venue of any action brought hereunder will be in the Superior Court of Thurston County.

## 14. INDEMNIFICATION

ECOLOGY will in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.

To the extent that the Constitution and laws of the State of Washington permit, each party will indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this Agreement.

## 15. INDEPENDENT STATUS

The employees, volunteers, or agents of each party who are engaged in the performance of this Agreement will continue to be employees, volunteers, or agents of that party and will not for any purpose be employees, volunteers, or agents of the other party.

## 16. KICKBACKS

RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this Agreement to give up any part of the compensation to which he/she is otherwise entitled to or receive any fee, commission, or gift in return for award of a subcontract hereunder.

## 17. MINORITY AND WOMEN'S BUSINESS ENTERPRISES (MWBE)

RECIPIENT is encouraged to solicit and recruit, to the extent possible, certified minority-owned (MBE) and women-owned (WBE) businesses in purchases and contracts initiated under this Agreement.

Contract awards or rejections cannot be made based on MWBE participation; however, the RECIPIENT is encouraged to take the following actions, when possible, in any procurement under this Agreement:

- a) Include qualified minority and women's businesses on solicitation lists whenever they are potential sources of goods or services.
- b) Divide the total requirements, when economically feasible, into smaller tasks or quantities, to permit maximum participation by qualified minority and women's businesses.
- c) Establish delivery schedules, where work requirements permit, which will encourage participation of qualified minority and women's businesses.
- d) Use the services and assistance of the Washington State Office of Minority and Women's Business Enterprises (OMWBE) (866-208-1064) and the Office of Minority Business Enterprises of the U.S. Department of Commerce, as appropriate.

## 18. ORDER OF PRECEDENCE

In the event of inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable federal and state statutes and regulations; (b) The Agreement; (c) Scope of Work; (d) Special Terms and Conditions; (e) Any provisions or terms incorporated herein by reference, including the "Administrative Requirements for Recipients of Ecology Grants and Loans"; (f) Ecology Funding Program Guidelines; and (g) General Terms and Conditions.

## 19. PRESENTATION AND PROMOTIONAL MATERIALS

ECOLOGY reserves the right to approve RECIPIENT's communication documents and materials related to the fulfillment of this Agreement:

- a) If requested, RECIPIENT shall provide a draft copy to ECOLOGY for review and approval ten (10) business days prior to production and distribution.
- b) RECIPIENT shall include time for ECOLOGY's review and approval process in their project timeline.
- c) If requested, RECIPIENT shall provide ECOLOGY two (2) final copies and an electronic copy of any tangible products developed.

Copies include any printed materials, and all tangible products developed such as brochures, manuals, pamphlets, videos, audio tapes, CDs, curriculum, posters, media announcements, or gadgets with a message, such as a refrigerator magnet, and any online communications, such as web pages, blogs, and twitter campaigns. If it is not practical to provide a copy, then the RECIPIENT shall provide a description (photographs, drawings, printouts, etc.) that best represents the item.

Any communications intended for public distribution that uses ECOLOGY's logo shall comply with ECOLOGY's graphic requirements and any additional requirements specified in this Agreement. Before the use of ECOLOGY's logo contact ECOLOGY for guidelines.

RECIPIENT shall acknowledge in the communications that funding was provided by ECOLOGY.

## 20. PROGRESS REPORTING

- a) RECIPIENT must satisfactorily demonstrate the timely use of funds by submitting payment requests and progress

reports to ECOLOGY. ECOLOGY reserves the right to amend or terminate this Agreement if the RECIPIENT does not document timely use of funds.

- b) RECIPIENT must submit a progress report with each payment request. Payment requests will not be processed without a progress report. ECOLOGY will define the elements and frequency of progress reports.
- c) RECIPIENT shall use ECOLOGY's provided progress report format.
- d) Quarterly progress reports will cover the periods from January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. Reports shall be submitted within thirty (30) days after the end of the quarter being reported.
- e) RECIPIENT must submit within thirty (30) days of the expiration date of the project, unless an extension has been approved by ECOLOGY, all financial, performance, and other reports required by the Agreement and funding program guidelines. RECIPIENT shall use the ECOLOGY provided closeout report format.

## 21. PROPERTY RIGHTS

- a) Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property under this Agreement, the RECIPIENT may copyright or patent the same but ECOLOGY retains a royalty free, nonexclusive, and irrevocable license to reproduce, publish, recover, or otherwise use the material(s) or property, and to authorize others to use the same for federal, state, or local government purposes.
- b) Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish ECOLOGY information; present papers, lectures, or seminars involving information supplied by ECOLOGY; or use logos, reports, maps, or other data in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to ECOLOGY.
- c) Presentation and Promotional Materials. ECOLOGY shall have the right to use or reproduce any printed or graphic materials produced in fulfillment of this Agreement, in any manner ECOLOGY deems appropriate. ECOLOGY shall acknowledge the RECIPIENT as the sole copyright owner in every use or reproduction of the materials.
- d) Tangible Property Rights. ECOLOGY's current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans," shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by ECOLOGY in the absence of state and federal statutes, regulations, or policies to the contrary, or upon specific instructions with respect thereto in this Agreement.
- e) Personal Property Furnished by ECOLOGY. When ECOLOGY provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to ECOLOGY prior to final payment by ECOLOGY. If said property is lost, stolen, or damaged while in the RECIPIENT's possession, then ECOLOGY shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.
- f) Acquisition Projects. The following provisions shall apply if the project covered by this Agreement includes funds for the acquisition of land or facilities:
  - 1. RECIPIENT shall establish that the cost is fair value and reasonable prior to disbursement of funds provided for in this Agreement.
  - 2. RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this Agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses intended by this Agreement.
- g) Conversions. Regardless of the Agreement expiration date, the RECIPIENT shall not at any time convert any equipment, property, or facility acquired or developed under this Agreement to uses other than those for which assistance was originally approved without prior written approval of ECOLOGY. Such approval may be conditioned upon payment to ECOLOGY of that portion of the proceeds of the sale, lease, or other conversion or encumbrance which monies granted pursuant to this Agreement bear to the total acquisition, purchase, or construction costs of such property.

## 22. RECORDS, AUDITS, AND INSPECTIONS

RECIPIENT shall maintain complete program and financial records relating to this Agreement, including any engineering documentation and field inspection reports of all construction work accomplished.

All records shall:

- a) Be kept in a manner which provides an audit trail for all expenditures.
- b) Be kept in a common file to facilitate audits and inspections.
- c) Clearly indicate total receipts and expenditures related to this Agreement.
- d) Be open for audit or inspection by ECOLOGY, or by any duly authorized audit representative of the State of Washington, for a period of at least three (3) years after the final grant payment or loan repayment, or any dispute resolution hereunder.

RECIPIENT shall provide clarification and make necessary adjustments if any audits or inspections identify discrepancies in the records.

ECOLOGY reserves the right to audit, or have a designated third party audit, applicable records to ensure that the state has been properly invoiced. Any remedies and penalties allowed by law to recover monies determined owed will be enforced. Repetitive instances of incorrect invoicing or inadequate records may be considered cause for termination.

All work performed under this Agreement and any property and equipment purchased shall be made available to ECOLOGY and to any authorized state, federal or local representative for inspection at any time during the course of this Agreement and for at least three (3) years following grant or loan termination or dispute resolution hereunder.

RECIPIENT shall provide right of access to ECOLOGY, or any other authorized representative, at all reasonable times, in order to monitor and evaluate performance, compliance, and any other conditions under this Agreement.

#### 23. RECOVERY OF FUNDS

The right of the RECIPIENT to retain monies received as reimbursement payments is contingent upon satisfactory performance of this Agreement and completion of the work described in the Scope of Work.

All payments to the RECIPIENT are subject to approval and audit by ECOLOGY, and any unauthorized expenditure(s) or unallowable cost charged to this Agreement shall be refunded to ECOLOGY by the RECIPIENT. RECIPIENT shall refund to ECOLOGY the full amount of any erroneous payment or overpayment under this Agreement.

RECIPIENT shall refund by check payable to ECOLOGY the amount of any such reduction of payments or repayments within thirty (30) days of a written notice. Interest will accrue at the rate of twelve percent (12%) per year from the time ECOLOGY demands repayment of funds.

Any property acquired under this Agreement, at the option of ECOLOGY, may become ECOLOGY's property and the RECIPIENT's liability to repay monies will be reduced by an amount reflecting the fair value of such property.

#### 24. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, and to this end the provisions of this Agreement are declared to be severable.

#### 25. STATE ENVIRONMENTAL POLICY ACT (SEPA)

RECIPIENT must demonstrate to ECOLOGY's satisfaction that compliance with the requirements of the State Environmental Policy Act (Chapter 43.21C RCW and Chapter 197-11 WAC) have been or will be met. Any reimbursements are subject to this provision.

#### 26. SUSPENSION

When in the best interest of ECOLOGY, ECOLOGY may at any time, and without cause, suspend this Agreement or any portion thereof for a temporary period by written notice from ECOLOGY to the RECIPIENT. RECIPIENT shall resume performance on the next business day following the suspension period unless another day is specified by ECOLOGY.

## 27. SUSTAINABLE PRACTICES

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is fully encouraged to implement sustainable practices and to purchase environmentally preferable products under this Agreement.

- a) Sustainable practices may include such activities as: use of clean energy, use of double-sided printing, hosting low impact meetings, and setting up recycling and composting programs.
- b) Purchasing may include such items as: sustainably produced products and services, EPEAT registered computers and imaging equipment, independently certified green cleaning products, remanufactured toner cartridges, products with reduced packaging, office products that are refillable, rechargeable, and recyclable, 100% post-consumer recycled paper, and toxic free products.

For more suggestions visit ECOLOGY's web page, Green Purchasing,  
<https://ecology.wa.gov/Regulations-Permits/Guidance-technical-assistance/Sustainable-purchasing>.

## 28. TERMINATION

### a) For Cause

ECOLOGY may terminate for cause this Agreement with a seven (7) calendar days prior written notification to the RECIPIENT, at the sole discretion of ECOLOGY, for failing to perform an Agreement requirement or for a material breach of any term or condition. If this Agreement is so terminated, 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 termination.

**Failure to Commence Work.** ECOLOGY reserves the right to terminate this Agreement if RECIPIENT fails to commence work on the project funded within four (4) months after the effective date of this Agreement, or by any date mutually agreed upon in writing for commencement of work, or the time period defined within the Scope of Work.

**Non-Performance.** The obligation of ECOLOGY to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this Agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of ECOLOGY, to perform any obligation required of it by this Agreement, ECOLOGY may refuse to pay any further funds, terminate in whole or in part this Agreement, and exercise any other rights under this Agreement. Despite the above, the RECIPIENT shall not be relieved of any liability to ECOLOGY for damages sustained by ECOLOGY and the State of Washington because of any breach of this Agreement by the RECIPIENT. ECOLOGY may withhold payments for the purpose of setoff until such time as the exact amount of damages due ECOLOGY from the RECIPIENT is determined.

### b) For Convenience

ECOLOGY may terminate for convenience this Agreement, in whole or in part, for any reason when it is the best interest of ECOLOGY, with a thirty (30) calendar days prior written notification to the RECIPIENT, except as noted below. If this Agreement is so terminated, 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 termination.

**Non-Allocation of Funds.** ECOLOGY's ability to make payments is contingent on availability of funding. In the event funding from state, federal or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to the completion or expiration date of this Agreement, ECOLOGY, at its sole discretion, may elect to terminate the Agreement, in whole or part, or renegotiate the Agreement, subject to new funding limitations or conditions. ECOLOGY may also elect to suspend performance of the Agreement until ECOLOGY determines the funding insufficiency is resolved. ECOLOGY may exercise any of these options with no notification or restrictions, although ECOLOGY will make a reasonable attempt to provide notice.

In the event of termination or suspension, ECOLOGY will reimburse eligible costs incurred by the RECIPIENT through the effective date of termination or suspension. Reimbursed costs must be agreed to by ECOLOGY and the RECIPIENT. In no event shall ECOLOGY's reimbursement exceed ECOLOGY's total responsibility under the Agreement and any amendments.

Agreement No: WQC-2026-ClacPW-00271  
Project Title: Clallam Bay/Seki Sewer Improvements  
Recipient Name: Clallam County - Public Works

If payments have been discontinued by ECOLOGY due to unavailable funds, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination.

RECIPIENT's obligation to continue or complete the work described in this Agreement shall be contingent upon availability of funds by the RECIPIENT's governing body.

c) By Mutual Agreement

ECOLOGY and the RECIPIENT may terminate this Agreement, in whole or in part, at any time, by mutual written agreement.

d) In Event of Termination

All finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, reports or other materials prepared by the RECIPIENT under this Agreement, at the option of ECOLOGY, will become property of ECOLOGY and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Nothing contained herein shall preclude ECOLOGY from demanding repayment of all funds paid to the RECIPIENT in accordance with Recovery of Funds, identified herein.

29. THIRD PARTY BENEFICIARY

RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this Agreement, the state of Washington is named as an express third party beneficiary of such subcontracts with full rights as such.

30. WAIVER

Waiver of a default or breach of any provision of this Agreement is not a waiver of any subsequent default or breach, and will not be construed as a modification of the terms of this Agreement unless stated as such in writing by the authorized representative of ECOLOGY.

End of General Terms and Conditions

## Estimated loan repayment schedule

Loan number:	EL260447	Loan amount:	\$3,865,231.00
Agreement #:	WQC-2026-ClaCPW-00271	Term of loan:	20 Years
Recipient name:	CLALLAM COUNTY PUBLIC WORKS	Effective interest rate:	1.200%
Amortization method:	Compound-365 D/Y	Interest compounded:	Monthly
Initiation of Operations:	12/31/2030	Loan date:	12/31/2031
Project Completion:	12/31/2030	Schedule creation date:	12/4/2025
Schedule number:	AS-000001137		

Payment number	Due date	Payment amount	Principal amount	Interest amount	Admin amount	Balance amount
1	12/31/2031	109,665.83	63,027.10	27,205.93	19,432.80	3,802,203.90
2	6/30/2032	109,665.83	86,795.50	13,341.03	9,529.30	3,715,408.40
<b>Subtotal</b>	<b>FY 2032</b>	<b>219,331.66</b>	<b>149,822.60</b>	<b>40,546.96</b>	<b>28,962.10</b>	<b>3,715,408.40</b>
3	12/30/2032	109,665.83	87,317.57	13,036.48	9,311.78	3,628,090.83
4	6/30/2033	109,665.83	87,842.79	12,730.11	9,092.93	3,540,248.04
<b>Subtotal</b>	<b>FY 2033</b>	<b>219,331.66</b>	<b>175,160.36</b>	<b>25,766.59</b>	<b>18,404.71</b>	<b>3,540,248.04</b>
5	12/30/2033	109,665.83	88,371.17	12,421.88	8,872.78	3,451,876.87
6	6/30/2034	109,665.83	88,902.72	12,111.81	8,651.30	3,362,974.15
<b>Subtotal</b>	<b>FY 2034</b>	<b>219,331.66</b>	<b>177,273.89</b>	<b>24,533.69</b>	<b>17,524.08</b>	<b>3,362,974.15</b>
7	12/30/2034	109,665.83	89,437.47	11,799.88	8,428.48	3,273,536.68
8	6/30/2035	109,665.83	89,975.44	11,486.06	8,204.33	3,183,561.24
<b>Subtotal</b>	<b>FY 2035</b>	<b>219,331.66</b>	<b>179,412.91</b>	<b>23,285.94</b>	<b>16,632.81</b>	<b>3,183,561.24</b>
9	12/30/2035	109,665.83	90,516.65	11,170.35	7,978.83	3,093,044.59
10	6/30/2036	109,665.83	91,061.10	10,852.76	7,751.97	3,001,983.49
<b>Subtotal</b>	<b>FY 2036</b>	<b>219,331.66</b>	<b>181,577.75</b>	<b>22,023.11</b>	<b>15,730.80</b>	<b>3,001,983.49</b>
11	12/30/2036	109,665.83	91,608.84	10,533.24	7,523.75	2,910,374.65
12	6/30/2037	109,665.83	92,159.87	10,211.81	7,294.15	2,818,214.78
<b>Subtotal</b>	<b>FY 2037</b>	<b>219,331.66</b>	<b>183,768.71</b>	<b>20,745.05</b>	<b>14,817.90</b>	<b>2,818,214.78</b>
13	12/30/2037	109,665.83	92,714.21	9,888.44	7,063.18	2,725,500.57
14	6/30/2038	109,665.83	93,271.89	9,563.13	6,830.81	2,632,228.68
<b>Subtotal</b>	<b>FY 2038</b>	<b>219,331.66</b>	<b>185,986.10</b>	<b>19,451.57</b>	<b>13,893.99</b>	<b>2,632,228.68</b>
15	12/30/2038	109,665.83	93,832.92	9,235.86	6,597.05	2,538,395.76
16	6/30/2039	109,665.83	94,397.33	8,906.62	6,361.88	2,443,998.43
<b>Subtotal</b>	<b>FY 2039</b>	<b>219,331.66</b>	<b>188,230.25</b>	<b>18,142.48</b>	<b>12,958.93</b>	<b>2,443,998.43</b>
17	12/30/2039	109,665.83	94,965.13	8,575.41	6,125.29	2,349,033.30
18	6/30/2040	109,665.83	95,536.35	8,242.20	5,887.28	2,253,496.95

Payment number	Due date	Payment amount	Principal amount	Interest amount	Admin amount	Balance amount
<b>Subtotal</b>	<b>FY 2040</b>	<b>219,331.66</b>	<b>190,501.48</b>	<b>16,817.61</b>	<b>12,012.57</b>	<b>2,253,496.95</b>
19	12/30/2040	109,665.83	96,111.00	7,906.98	5,647.85	2,157,385.95
20	6/30/2041	109,665.83	96,689.11	7,569.75	5,406.97	2,060,696.84
<b>Subtotal</b>	<b>FY 2041</b>	<b>219,331.66</b>	<b>192,800.11</b>	<b>15,476.73</b>	<b>11,054.82</b>	<b>2,060,696.84</b>
21	12/30/2041	109,665.83	97,270.70	7,230.49	5,164.64	1,963,426.14
22	6/30/2042	109,665.83	97,855.78	6,889.20	4,920.85	1,865,570.36
<b>Subtotal</b>	<b>FY 2042</b>	<b>219,331.66</b>	<b>195,126.48</b>	<b>14,119.69</b>	<b>10,085.49</b>	<b>1,865,570.36</b>
23	12/30/2042	109,665.83	98,444.39	6,545.84	4,675.60	1,767,125.97
24	6/30/2043	109,665.83	99,036.53	6,200.42	4,428.88	1,668,089.44
<b>Subtotal</b>	<b>FY 2043</b>	<b>219,331.66</b>	<b>197,480.92</b>	<b>12,746.26</b>	<b>9,104.48</b>	<b>1,668,089.44</b>
25	12/30/2043	109,665.83	99,632.24	5,852.93	4,180.66	1,568,457.20
26	6/30/2044	109,665.83	100,231.53	5,503.34	3,930.96	1,468,225.67
<b>Subtotal</b>	<b>FY 2044</b>	<b>219,331.66</b>	<b>199,863.77</b>	<b>11,356.27</b>	<b>8,111.62</b>	<b>1,468,225.67</b>
27	12/30/2044	109,665.83	100,834.42	5,151.66	3,679.75	1,367,391.25
28	6/30/2045	109,665.83	101,440.94	4,797.85	3,427.04	1,265,950.31
<b>Subtotal</b>	<b>FY 2045</b>	<b>219,331.66</b>	<b>202,275.36</b>	<b>9,949.51</b>	<b>7,106.79</b>	<b>1,265,950.31</b>
29	12/30/2045	109,665.83	102,051.11	4,441.92	3,172.80	1,163,899.20
30	6/30/2046	109,665.83	102,664.95	4,083.85	2,917.03	1,061,234.25
<b>Subtotal</b>	<b>FY 2046</b>	<b>219,331.66</b>	<b>204,716.06</b>	<b>8,525.77</b>	<b>6,089.83</b>	<b>1,061,234.25</b>
31	12/30/2046	109,665.83	103,282.48	3,723.62	2,659.73	957,951.77
32	6/30/2047	109,665.83	103,903.73	3,361.22	2,400.88	854,048.04
<b>Subtotal</b>	<b>FY 2047</b>	<b>219,331.66</b>	<b>207,186.21</b>	<b>7,084.84</b>	<b>5,060.61</b>	<b>854,048.04</b>
33	12/30/2047	109,665.83	104,528.71	2,996.65	2,140.47	749,519.33
34	6/30/2048	109,665.83	105,157.46	2,629.88	1,878.49	644,361.87
<b>Subtotal</b>	<b>FY 2048</b>	<b>219,331.66</b>	<b>209,686.17</b>	<b>5,626.53</b>	<b>4,018.96</b>	<b>644,361.87</b>
35	12/30/2048	109,665.83	105,789.98	2,260.91	1,614.94	538,571.89
36	6/30/2049	109,665.83	106,426.31	1,889.72	1,349.80	432,145.58
<b>Subtotal</b>	<b>FY 2049</b>	<b>219,331.66</b>	<b>212,216.29</b>	<b>4,150.63</b>	<b>2,964.74</b>	<b>432,145.58</b>
37	12/30/2049	109,665.83	107,066.47	1,516.29	1,083.07	325,079.11
38	6/30/2050	109,665.83	107,710.47	1,140.63	814.73	217,368.64
<b>Subtotal</b>	<b>FY 2050</b>	<b>219,331.66</b>	<b>214,776.94</b>	<b>2,656.92</b>	<b>1,897.80</b>	<b>217,368.64</b>
39	12/30/2050	109,665.83	108,358.35	762.70	544.78	109,010.29
40	6/30/2051	109,665.99	109,010.29	382.49	273.21	0.00
<b>Subtotal</b>	<b>FY 2051</b>	<b>219,331.82</b>	<b>217,368.64</b>	<b>1,145.19</b>	<b>817.99</b>	<b>0.00</b>
<b>Grand total</b>		<b>4,386,633.36</b>	<b>3,865,231.00</b>	<b>304,151.34</b>	<b>217,251.02</b>	<b>0.00</b>

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**AGENDA ITEM SUMMARY** FEB 17 2026  
(Must be submitted NLT 3PM Wednesday for next week agenda)

**Department: Public Works**

**WORK SESSION**  **Meeting Date 02/17/2026**

**REGULAR AGENDA**  **Meeting Date: 02/24/2026**

**Required originals approved and attached?**   
**Will be provided on:**

**Item summary:**

- Call for Hearing
  - Resolution
  - Draft Ordinance
  - Contract/Agreement/MOU
  - Proclamation
  - Final Ordinance
  - Budget Item
  - Other Certification
- Documents exempt from public disclosure attached:

**Executive summary:**

The Certification of the 2026 Road Levy and Estimated Revenue Produced is completed by the County to submit the annual amount of road levy and the amount budgeted for traffic policing and traffic law enforcement. This document requires electronic signatures by the County Engineer and the Chair of the Board.

**Budgetary impact:** (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda) **If a budget action is required, has it been submitted and a copy attached?**

The form is due to CRAB each year as required by RCW 36.33.220. The Assessor's Office and Public Works provide amounts needed for calculations on the form.

**Recommended action:** (Does the Board need to act? If so, what is the department's recommendation?)

We recommend the Board approve this item and authorize Commissioner French, Chair of the Board to sign the electronic document.

**County Official signature & print name:**  Hilary Steeby for Joe Donisi  
**Name of Employee/Stakeholder attending meeting:** Joe Donisi

**Relevant Departments:** Public Works

**Date submitted:** 02/09/26

\* Work Session Meeting - Submit 1 single sided/not stapled copy2026 Certification of the Road Levy and Estimated Revenue Produced  
\*\* Regular Meeting - Submit 1 single sided/not stapled copy and originals (1 or 3 copies) Revised: 3-04-2019

# Certification of the Road Levy and Estimated Revenue Produced Clallam 2026

<b>Total County Valuation:</b>	\$17,256,940,521.00
<b>Road District Valuation:</b>	\$11,495,202,841.00
<b>Highest Lawful Road Levy:</b> Page 1, Line K, highest Lawful Levy Calculation form, DOR form REV 64-0007	\$8,628,211.02
<b>County Road Levy Shifted to Current Expense</b> per RCW 84.52.043	
<b>Adjusted Highest Lawful Road Levy:</b>	\$8,628,211.02
<b>Actual Certified Road Levy:</b> The Road Levy amount certified by the County Assessor for the Road District on or before January 15th, per RCW 84.52.080(4), and transmitted to the County Treasurer for collection. <u>(Do not include any refund levy amounts)</u>	\$8,628,211.02
<b>Banked Capacity</b> Road District Only	\$0.00

## County Road Property Tax Revenues Diverted For Other Unincorporated Purposes in Accordance with RCW 36.33.220, RCW 39.89, or RCW 84.55.050

Service to be Provided	Diverted Levy Amount
<b>Total Diverted Road Levy:</b>	\$0.00
<b>Road Levy Revenue Remaining for Roads:</b>	\$8,628,211.02

Copy of Authorizing Resolution/Ordinance:

## Road Funds Budgeted to Be Used for Traffic Law Enforcement

<b>Traffic Law Enforcement Funded Through Operating Transfer (per agreement)</b>	\$0.00
<b>Traffic Law Enforcement Funded Through Direct Payment (cost reimbursement)</b>	\$500,000.00
<b>Total Budgeted Road Fund Expenditures for Traffic Enforcement</b>	\$500,000.00