

**CITY OF SULTAN
COUNCIL MEETING – COMMUNITY CENTER
December 3, 2015**

7:00 PM CALL TO ORDER - Pledge of Allegiance and Roll Call

CHANGES/ADDITIONS TO THE AGENDA

PRESENTATIONS

- 1) Staff Introductions

COMMENTS FROM THE PUBLIC: Citizens are requested to keep comments to a 3 minute maximum to allow time for everyone to speak. It is also requested that you complete a comment form for further contact.

COUNCILMEMBER COMMENTS

CITY ADMINISTRATOR COMMENTS

STAFF REPORTS – Written Reports Submitted

PUBLIC HEARINGS:

- 1) 2015 Budget Amendments
- 2) Amended Six Year Transportation Improvement Plan

CONSENT AGENDA: The following items are incorporated into the consent agenda and approved by a single motion of the Council.

- 1) Minutes of the November 19, 2015 Council Meeting
- 2) Voucher Approval
- 3) Contract Renewal – Aimee Trua, Public Defender
- 4) Contract Renewal – Thom Graafstra – Special Counsel
- 5) Contract Renewal – Kenyon Disend, City Attorney
- 6) Contract Renewal – Goldbar Geek , IT Service

ACTION ITEMS:

- 1) Ordinance 1224-15 – 2015 Budget Amendments
- 2) Ordinance 1225-15 - 2016 Budget
- 3) Ordinance 1226-15 – 2016 Salary Schedule
- 4) Resolution 15-16 – 2016 Salary Allocation
- 5) Resolution 15-18 Amended Six Year Transportation Improvement Plan
- 6) Accounts Payable – Advanced Payment Approval
- 7) Chamber Lease and Service Contract

DISCUSSION ITEMS:

Executive Session:

Adjournment - 10:00 PM or at the conclusion of Council business.

ADA NOTICE: City of Sultan Community Center is accessible. Accommodations for persons with disabilities will be provided upon request. Please make arrangements prior to the meeting by calling City Hall at 360-793-2231. For additional information please contact the City at cityhall@ci.sultan.wa.us or visit our web site at www.ci.sultan.wa.us

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM #: Public Hearing PH 1
DATE: December 3, 2015
SUBJECT: 2015 Budget Amendments
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is to hold a public hearing on proposed budget amendments to the 2015 Budget.

SUMMARY STATEMENT:

Staff recommends the following amendments to the funds:

Fund	Revenue Increase	Expenditures Increase
103 Cemetery	\$8,243	\$7,900
501 Equipment Fund	\$0	\$31,000
109 Community Fund	\$346,700	\$353,740
113 Building Maintenance	\$80,000	\$46,948
115 Insurance Claim Fund	\$5,300	\$5,300
303 Street Improvement	\$354,616	\$325,000
403 Water/Sewer Bond	\$1,799,920	\$1,799,920
404 Sewer Reserve	\$174,360	\$132,360
407 Sewer Capital	\$281,503	\$165,000
Total	\$3,050,642	\$2,867,168

103 Cemetery Operating Fund

In 2015 there was an increase in the number of burials at the Sultan Cemetery. The city contracts with Wilbur Vault for the actual burial services.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning fund balance	\$2,757	\$4,000	\$1,243
Revenues	\$25,250	\$32,250	\$7,000
Total Fund Revenue	\$28,007	\$36,250	\$8,243
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Expense	\$28,007	\$35,907	\$7,900
Total Fund Expenditures	\$28,007	\$35,907	\$7,900

501 Equipment Reserve Fund

The Council authorized the purchase of a mower in the amount \$21,000 (\$6,000 over the budget amount). The vactor truck also required maintenance and repair work in 2015.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning fund balance	\$0	\$0	\$0
Operating Transfer In	\$75,000	\$75,000	\$0
Total Fund Revenue	\$75,000	\$75,000	\$0
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Capital Expense	\$15,000	\$46,000	\$31,000
Total Fund Expenditures	\$15,000	\$46,000	\$31,000

109 Community Improvement Fund

The city received funding for a FEMA Buyout project in 2015 in the amount of \$273,700. The balance of the PUD funds for emergency preparedness are being transferred to the Building Maintenance fund for the upgrades to the city phone systems and to purchase additional security cameras in 2016.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning fund balance	\$7,000	\$80,000	\$73,000
Operating Transfer In	\$1,500	\$275,200	\$273,700
Total Fund Revenue	\$8,500	\$355,200	\$346,700
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Capital Expense	\$8,500	\$282,240	\$273,740
Transfers Out	\$0	\$80,000	\$80,000
Total Fund Expenditures	\$8,500	\$362,240	\$353,740

113 Building Maintenance Fund

The Building Maintenance fund is used for minor repairs and routine maintenance of city buildings. As buildings age additional repairs become necessary. In 2015, the city had building issue at the Visitor Center (windows) and the Post Office (roof). The city also updated the 20+year old phone system at all the building locations.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning fund balance	\$36,600	\$36,600	\$0
Revenues	\$13,600	\$13,600	
Operating Transfer In	\$0	\$80,000	\$80,000
Total Fund Revenue	\$50,200	\$130,200	\$80,000
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Capital Expense	\$15,000	\$61,948	\$46,948
Total Fund Expenditures	\$15,000	\$61,948	\$46,948

115 Insurance Claim Fund

The Insurance Claim fund is used to track insurance claims filed by the city for damage to city property or equipment. The adopted budget does not anticipate claims during the year.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning fund balance	\$0	\$0	\$0
Insurance Recovery	\$0	\$5,300	\$5,300
Total Fund Revenue	\$0	\$5,300	\$5,300
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Prof/Capital	\$0	\$5,300	\$5,300
Total Fund Expenditures	\$0	\$5,300	\$5,300

303 Street Improvement Fund

The Alder, High and 4th Avenue project reimbursements and some expense carried over into 2015. The city received a grant for Date Avenue construction.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning Fund Balance	\$22,500	\$22,500	\$0
Grants	\$349,800	\$572,616	\$222,816
Transfer In	\$83,200	\$215,000	\$131,800
Total Fund Revenue	\$455,500	\$810,116	\$354,616
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Capital Projects	\$399,500	\$724,500	\$325,000
Total Fund Expenditures	\$399,500	\$724,500	\$325,000

403 Water/Sewer Revenue Bonds

The city issued water/sewer revenue bonds in 2014 to cover the cost of system improvements and the Water booster pump and sewer lift station. The projects will be constructed in 2015 and 2016.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning Fund Balance	0	\$1,799,920.00	\$1,799,920
Revenue	\$700	\$700	\$0
Transfer In	\$343,400	\$343,400	\$0
Total Fund Revenue	\$344,100	\$2,144,020	\$1,799,920
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Debt Service	\$342,891	\$342,891	\$0
Professional Service	\$700	\$700	\$0
Transfer Out to Capital	\$0	\$1,799,920	\$1,799,920
Total Fund Expenditures	\$343,591	\$2,143,511	\$1,799,920

404 Sewer Reserve Funds

Due to building construction activity, connection fees were greater than anticipated. The city received a Department of Commerce Energy grant for improvements to the Wastewater Plant and for construction on Date Avenue.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning Fund Balance	\$0	\$0	\$0
Revenue	\$225,640	\$400,000	\$174,360
Total Fund Revenue	\$225,640	\$400,000	\$174,360
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Transfer Out	\$225,640	\$358,000	\$132,360
Total Fund Expenditures	\$225,640	\$358,000	\$132,360

407 Sewer Construction Fund

The city received a Department of Commerce Energy grant for improvements to the Wastewater Plant and for construction on Date Avenue.

Revenue	Original Budget	Amended Budget	Increase/Decrease
Beginning Fund Balance	0	\$0.00	\$0
Revenue	\$0	\$196,583	\$196,583
Transfer In	\$485,000	\$569,920	\$84,920
Total Fund Revenue	\$485,000	\$766,503	\$281,503
Expenditure	Original Budget	Amended Budget	Increase/Decrease
Professional Service	\$0	\$90,000	\$90,000
Capital Construction	\$485,000	\$560,000	\$75,000
Total Fund Expenditures	\$485,000	\$650,000	\$165,000

Utility fund surplus:

Staff also recommends that any surplus funds in the Water, Sewer, Garbage and Storm operating funds be transferred to the reserve funds. In accordance with RCW 35.37.020 surplus in utility funds must be transferred to the general fund unless the legislative body finds the money necessary for certain utility fund purpose. The total amount of transfer will be determined during the year end closeout process.

RECOMMENDATION:

Close the public hearing on the 2015udget Amendments.

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: H-2

DATE: December 3, 2015

SUBJECT: Amended 2016-2021 Transportation Improvement Plan
Hold a Public Hearing for December 3, 2015

CONTACT PERSON: Mick Matheson, P.E. Public Works Director



ISSUE:

The issues before the City Council are twofold. The first issue is to review the staff recommended amendment to the 2016-2021 Transportation Improvement Plan (TIP). The second issue is to hold the public hearing to take comment on the Amended 2016-2021 Transportation Improvement Plan.

STAFF RECOMMENDATION:

City staff recommends the City Council review the staff recommended changes to the Amended 2016-2021 Transportation Improvement Plan (TIP), and hold the public hearing on December 3, 2015 to take public comment on the Amended 2016-2021 Transportation Improvement Plan.

SUMMARY:

Project T-45 (5th Street Reconstruction) was included as a proposed project adopted with the 2016-2021 Transportation Improvement Plan (TIP) by the city council on June 11, 2015.

Since the adoption of the 2016-2021 TIP, the City met with the Washington State Transportation Improvement Board (TIB) engineer and developed a grant application to improve 4th Street and 5th Street from US 2 to Alder Avenue. The City received notification on November 20, 2015 that the TIB had awarded the grant for this project.

As a result, it is necessary for the City to amend the 2016-2021 TIP to reflect the expanded scope for this project.

RECOMMENDATION

Accept the proposed changes to the 6-year TIP recommended by staff and hold the public hearing to take public comment on the Amended 2016-2021 Transportation Improvement Plan.

ATTACHMENTS:

Attachment A – 2016-2021 Transportation Improvement Plan

Attachment B – RCW 35.77.010

Attachment C – Capital Facilities Plan

Attachment D – Figure 8-O: Recommended Arterial Improvement Projects

Attachment E – Figure 8-P: Recommended Non-motorized Improvement Projects

2016-2021 Transportation Improvement Plan (by year)

ATTACHMENT A

2016-2021 Expenditures By Year										
Project Number	Project Name	Project Description	Total Project Cost 20-yr CFP	2016	2017	2018	2019	2020	2021	2016-2021 Total Expenditure
T-39	Pavement Overlay & Chip seal Program	Overlay or chip seal streets within the city limits	\$550,000	\$12,000	\$12,500	\$12,500	\$12,500	\$12,500	\$13,000	\$75,000
T-45	4th & 5 th Street Reconstruction	Reconstruct 4th & 5th Street from Alder Avenue to US2	\$421,200	\$421,200						\$421,200
T-46	Date Avenue Reconstruction	Reconstruct Date Avenue from 4 th Street to 150 feet east of 5 th Place (Sullian Elementary frontage).	\$285,500							\$285,500
T-51	3rd Street Reconstruction	Reconstruct 3rd Street from US2 to High Avenue.	\$1,456,000		\$218,400	\$1,237,600				\$1,456,000
T-70	1 st Street Sidewalk	Construct a sidewalk from Osprey Park to Willow Avenue.	\$260,000		\$39,000	\$221,000				\$260,000
NM-3	Sidewalk Spot Improvements	Repair, replace and construct missing sidewalks within the city.	\$130,000		\$289,000					\$289,000
NM-4	Sidewalk /Trail Construction & Enhancements	Construct or renovate public sidewalks and trails. Stand alone projects not associated with road renovation.	\$310,000		\$100,000	\$100,000	\$110,000			\$310,000
NM-8	US-2 Pedestrian Crossing	Construct a non-motorized bridge crossing north of US 2 to provide increased ped/bike safety	\$4,000,000	\$3,000,000	\$1,400,000					\$4,400,000
NM-9	Sullian River Trail	Acquire property & construct a trail adjacent to Sullian River from Osprey Park to River Park.	\$747,000	\$81,000	\$666,000					\$747,000
		TOTAL EXPENDITURES	\$8,159,700	\$3,799,700	\$2,724,900	\$1,571,100	\$122,500	\$12,500	\$13,000	\$8,243,700

2016-2021 Transportation Improvement Plan (by fund)

ATTACHMENT A

2016-2021 Expenditures By Fund									
Motorized & Nonmotorized Projects	General Fund	Street Fund	REET	Transportation Impact Fee	Grant	Debt	Surface Water Management	Rev Totals	
Project Number	Project Name	Project Description	Revenues					Expenditures	
T-39	Pavement Overlay & Chip Seal Program	Overlay or chip seal streets within the City limits	\$75,000	\$5,700,000	\$8,036,290	\$0	\$0	\$75,000	\$14,385,317
T-45	4th and 5th Street Reconstruction	Reconstruct 4th Street and 5th Street from Alder Avenue to US 2.	\$21,060		\$400,140			\$421,200	
T-46	Date Avenue Reconstruction	Reconstruct Date Avenue from 4th Street to 150 feet east of 5th Place (Sultan Elementary frontage).	\$28,550		\$256,950			\$285,500	
T-51	3rd Street Reconstruction	Reconstruct 3rd Street from US2 to High Avenue	\$72,800		\$1,383,200			\$1,456,000	
T-70	1st Street Sidewalk	Overlay SBR from Timber Ridge north to 132nd Ave			\$260,000			\$260,000	
NM-3	Sidewalk Spot Improvements	Repair, replace and construct missing sidewalks within the city			\$289,000			\$289,000	
NM-4	Sidewalk Enhancements	Construct or renovate public sidewalks. Stand alone projects not associated with road renovation.	\$10,000		\$300,000			\$310,000	
NM-8	US-2 Pedestrian Crossing	Construct a non-motorized bridge crossing on US 2 to provide increase ped/bike safety			\$4,400,000			\$4,400,000	
NM-9	Sultan River Trail	Acquire property & construct a trail adjacent to Sultan River from Osprey Park to River Park.			\$747,000			\$747,000	
		Total Expenditures	\$75,000		\$136,250	\$0	\$8,036,290	\$0	\$8,247,540

RCW 35.77.010

Perpetual advanced six-year plans for coordinated transportation program expenditures – Non-motorized transportation -- Railroad right-of-way.

(1) The legislative body of each city and town, pursuant to one or more public hearings thereon, shall prepare and adopt a comprehensive transportation program for the ensuing six calendar years. If the city or town has adopted a comprehensive plan pursuant to chapter 35.63 or 35A.63 RCW, the inherent authority of a first-class city derived from its charter, or chapter 36.70A RCW, the program shall be consistent with this comprehensive plan. The program shall include any new or enhanced bicycle or pedestrian facilities identified pursuant to RCW 36.70A.070(6) or other applicable changes that promote non-motorized transit.

The program shall be filed with the secretary of transportation not more than thirty days after its adoption. Annually thereafter the legislative body of each city and town shall review the work accomplished under the program and determine current city transportation needs. Based on these findings each such legislative body shall prepare and after public hearings thereon adopt a revised and extended comprehensive transportation program before July 1st of each year, and each one-year extension and revision shall be filed with the secretary of transportation not more than thirty days after its adoption. The purpose of this section is to assure that each city and town shall perpetually have available advanced plans looking to the future for not less than six years as a guide in carrying out a coordinated transportation program. The program may at any time be revised by a majority of the legislative body of a city or town, but only after a public hearing.

The six-year plan for each city or town shall specifically set forth those projects and programs of regional significance for inclusion in the transportation improvement program within that region.

(2) Each six-year transportation program forwarded to the secretary in compliance with subsection (1) of this section shall contain information as to how a city or town will expend its moneys, including funds made available pursuant to chapter 47.30 RCW, for non-motorized transportation purposes. (3) Each six-year transportation program forwarded to the secretary in compliance with subsection (1) of this section shall contain information as to how a city or town shall act to preserve railroad right-of-way in the event the railroad ceases to operate in the city's or town's jurisdiction.

Transportation Element 2011 Comprehensive Plan
Table 8-10: Planning Level Cost Estimates for Recommended Transportation Improvements

Project #	Project Name	Project Description	Future Number of Lanes	Project Type	Arterial Functional Classification	Project Cost Estimate
NM-1	East Main St. Trail	Construct multipurpose trail from the east end of E. Main St north on Cascade View Dr to US 2 for nonmotorized and emergency access.	n/a	Non-motorized	n/a	\$500,000
NM-3	Sidewalk Spot Improvements	Repair, replace and construct missing sidewalks within the City	n/a	Existing Deficiency	n/a	\$130,000
NM-4	Sidewalk Enhancement	Renovate public sidewalks. Stand alone projects not associated with road renovation.	n/a	Existing Deficiency	n/a	\$310,000
NM-5	US-2 Route Corridor Trail	Construct multipurpose trail to provide nonmotorized safety and connectivity as part of US-2 RDP reconstruction/widening.	n/a	Nonmotorized	n/a	\$1,672,000
NM-6	Willow/Bryant Trail	Acquire land and develop property to provide nonmotorized travel to and from residential, commercial, parks and natural areas.	n/a	Non-motorized	n/a	\$390,000
NM-7	High/Kessler/140th Trail	Acquire land and develop property to provide nonmotorized travel to and from residential, commercial, parks and natural areas.	n/a	Nonmotorized	n/a	\$887,000
NM-8	US-2 Pedestrian Overcrossing	Construct a nonmotorized bridge crossing on US 2 to provide increased safety for pedestrians and improved traffic flow. Joint Project with WSDOT	n/a	Non-motorized	n/a	\$4,000,000
T-23	Alder St Reconstruction	Reconstruct Alder Street from 5th St. to 8th St.	2	Existing Conditions	Collector Arterial	\$728,000
T-24	New East/West Collector	Construct new east/west collector between 339th Ave SE and Sultan Basin Rd in the north section of the City (approx. location between 132nd and 124th St SE).	2	Circulation	Collector Arterial	\$11,040,000
T-25	Foundry Road Reconstruction	Reconstruct road to Collector arterial standards to serve industrial employment and residential areas.	2	Circulation	Collector Arterial	\$1,300,000
T-26	New North Industrial Park Collector	Provide east/west access and traffic collector through the Industrial Park from Rice Rd (339th) to Sultan Basin Rd. and US-2	2	Circulation	Collector Arterial	\$15,510,000
T-27	East Main St Road Extension	Extend East Main St. east to connect to 149th St. SE within the Economic Development Zone south of US-2.	2	Circulation	Local Street	\$2,000,000

Project #	Project Name	Project Description	Future Number of Lanes	Project Type	Arterial Functional Classification	Project Cost Estimate
T-29A	Kessler Drive Extension	Extend Kessler Dr. north from Bryant Rd. to UGA Boundary	2	Circulation	Proposed Collector Arterial	\$3,452,000
T-29B	Kessler Drive Extension Non UGA portion	Extend Kessler Dr. north from UGA Boundary to 124th St.	2	Circulation	Proposed Collector Arterial	n/a
T-31a	New 330th Ave Arterial	Construct a new north-south arterial from US-2 through the Industrial Park north to 124th St SE. CITY LIMIT/UGA PORTION ONLY	2	Circulation	Proposed Collector Arterial	\$2,800,000
T-32a	Rice Rd. (339th) St Extension	Extend Rice Rd. (339th Ave) north to 124th St. SE at County Rural Arterial road standards to provide arterial connectivity and access to US-2. Proposed joint project with Snohomish County. CITY LIMIT/UGA PORTION ONLY	2	Circulation	Proposed Minor Arterial	\$2,942,500
T-33	229th Ave Extension or Highland Ave Extension	Develop an interior access arterial from Old Owen Rd. east to Sportsmans Park to provide access to existing roadside commercial properties and reduce curb cuts on US-2.	2/3	Circulation	Collector Arterial	\$2,720,000
T-34	US-2 RDP City Access Revisions	Downtown access to US 2 will be focused on 3rd, 5th, 8th, and Main Streets to reduce congestion.		Circulation		Awaiting WSDOT Estimate
T-35	Cascade View Drive Reconstruction	Reconstruct Cascade View Dr to Collector arterial standard and provide intersection improvements at US-2	2	Circulation	Collector Arterial	\$560,000
T-36	138th St Extension	Reconstruct and extend 138th St. between Sultan Basin Rd. and 339th Ave SE.	2	Circulation	Collector Arterial	\$2,833,600
T-38	1st Street Reconstruction Phase II	Reconstruct 1st St from High Ave to Trout Farm Rd. Project includes water, sewer and storm water utilities construction.	3	Capacity	Minor Arterial	\$2,800,000
T-40	US-2/Rice Rd (339th Ave) Signalization	Signalize existing intersection of US-2 at 339th Ave SE.	3	Capacity	Principal Arterial	\$1,400,000
T-41	Rice (339th Ave SE) Reconstruction	Reconstruct 339th Ave from Sultan Startup Rd. north to 132nd St. SE to arterial standard with curbs gutter and sidewalks.	2/3	Circulation	Proposed Minor Arterial	\$8,350,000
T-42A	Sultan Basin Rd. Reconstruction Phase IV	Continue Sultan Basin Rd. improvements north to UGA Boundary	3	Capacity	Minor Arterial	\$6,092,724
T-43	Walburn Rd. Rerouting	Redesign the road to remove access from US-2 rerouting access to Sultan Basin Rd. north of Wagley Creek	2	Circulation	Collector Arterial	\$1,400,000

Project #	Project Name	Project Description	Future Number of Lanes	Project Type	Arterial Functional Classification	Project Cost Estimate
T-44	Pine Street Extension	Extend Pine St. East to Walburn to provide east west access from Sultan Basin Rd to downtown Sultan. Emergency Evacuation Route	2	Circulation	Collector Arterial	\$840,000
T-45	Alder St Improvements	Install traffic signal and improvements from the intersection of 4th and Alder St to the intersection of 5th and US-2. Reconstruct Street to 8th St. Proposed joint project with Community Transit and Sultan School District	2	Circulation	Collector Arterial	\$650,000
T-46	Date Avenue Traffic Calming	Install traffic calming treatment to Date Ave. from 8th St west to the Elementary School	2	Existing Deficiency	Local Street	\$124,000
T-47	Trout Farm Rd Reconstruction	Reconstruct Trout Farm Rd. from 1st St. north to 125th St SE. Proposed joint City/County Project	2/3	Capacity	Collector Arterial	\$9,050,000
T-48	Gohr Rd Reconstruction	Reconstruct Gohr Rd to arterial standard from 1st St north to 311th Ave SE	2	Circulation	Collector Arterial	\$4,704,000
T-49	Gohr Rd Extension	Extend Gohr Rd north to the proposed 132nd Ave. Extension.	2	Circulation	Collector Arterial	\$3,920,000
T-51	3rd St. Reconstruction	Repair, replace, and construct as necessary asphalt, sidewalks, and bike lanes. Project is combined with water, sewer, and stormwater system projects.	2	Existing Deficiency	Local Street	\$1,456,000
T-52	8th St. Sidewalks	Install sections of missing sidewalks on 8th St.		Circulation	Collector Arterial	\$310,000
T-53	10th St. Railroad Crossing Improvement	Reconstruct the 10th St. crossing with the BNSF Rail Line Within the Economic Development zone.	2	Circulation	Local Street	\$100,000
T-55	Industrial Park Rail Spur Construction	Petition BNSF and contribute to construct a rail spur access to the Industrial Park	n/a	Circulation	n/a	\$1,000,000
T-57	132nd Ave Arterial Extension	Extend 132nd St from Sultan Basin Rd. northwest connecting to Trout Farm Rd. near 307th St.	3	Capacity	Minor Arterial	\$17,480,000
T-58	132nd Ave Reconstruction	Reconstruct 132nd St SE to arterial standard	2	Circulation	Proposed Minor Arterial	\$12,432,000
T-59	US 2/ 1st Avenue Interchange	Provide grade-separated ramp access to US-2 from 1st St.	2	Capacity	Minor Arterial	\$6,470,000
T-60	Sultan Basin Road Improvements Phase III	Realign Cascade View Drive and its intersection with US-2 to align with the recently improved Sultan Basin Rd.	2	Circulation	Proposed Collector Arterial	\$2,800,000
T-61	6th Street Reconstruction	Reconstruct 6th St. to urban standards	2	Existing Deficiency	Local Access	\$1,680,000
T-62A	124th St. SE Reconstruction Phase 1	Reconstruct 124th St SE to urban standards from west terminus to UGA Boundary	2	Circulation	Collector Arterial	\$4,312,000

Project #	Project Name	Project Description	Future Number of Lanes	Project Type	Arterial Functional Classification	Project Cost Estimate
T-65	124th St. Extension	Extend 124th Ave. west to Trout Farm Rd. intersecting at aprox. 125th St	2	Circulation	Collector Arterial	\$11,984,000
Total Project Costs						\$153,129,824

ATTACHMENT D

Adopted November 10, 2011 (Ordinance 1113-11)

Chapter 8: Transportation

Project #	Project Name	Project Description	Future Number of Lanes	Project Type	Arterial Functional Classification	Bicycle Facility	Transit Street
T-65	124th St. Extension	Extend 124th Ave. west to Trout Farm Rd. intersecting at approx. 125th St.	2	Circulation	Collector Arterial	Multi Purpose Trail	No

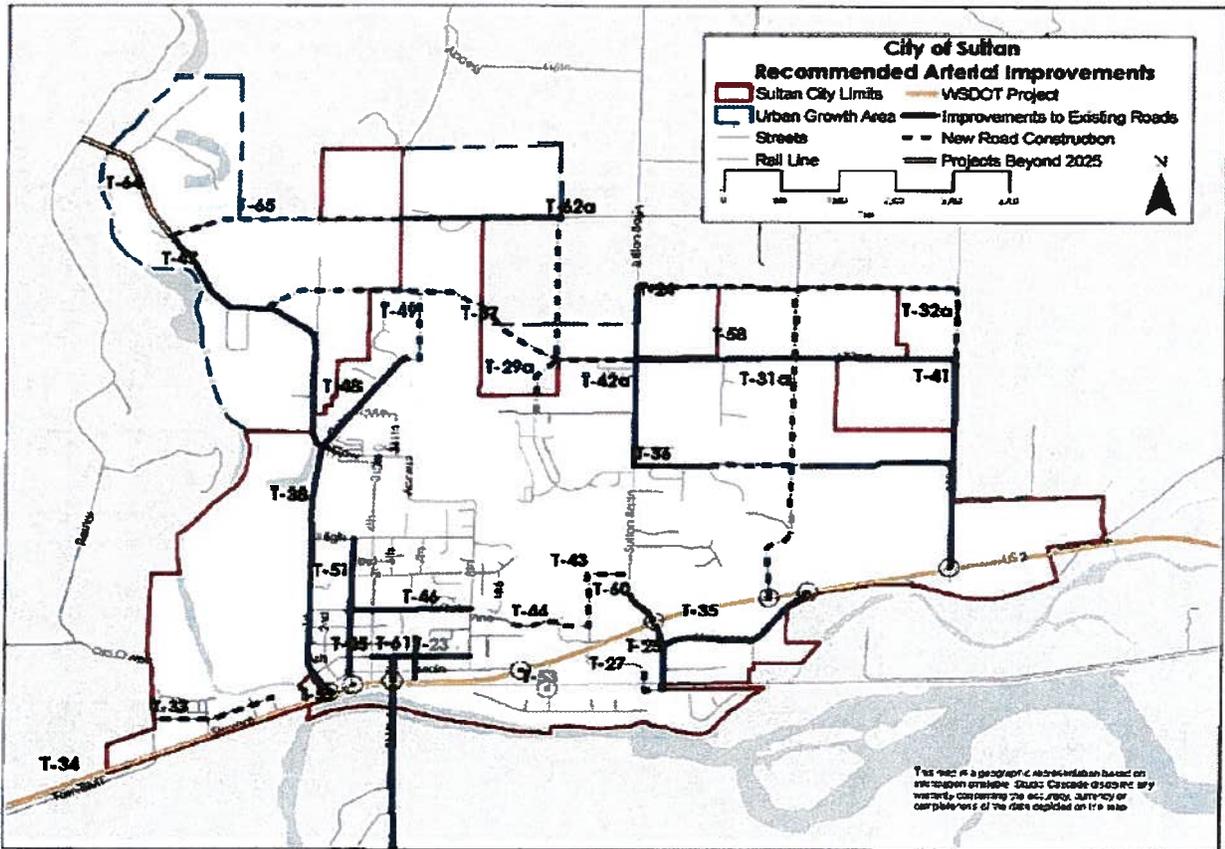


Figure 8-O: Recommended Arterial Improvement Projects

Table 8-8: Conceptual Improvement Project

Project No.	Project Name	Project Description	Number of Lanes	Project Type	Arterial Functional Classification	Project Cost Estimate
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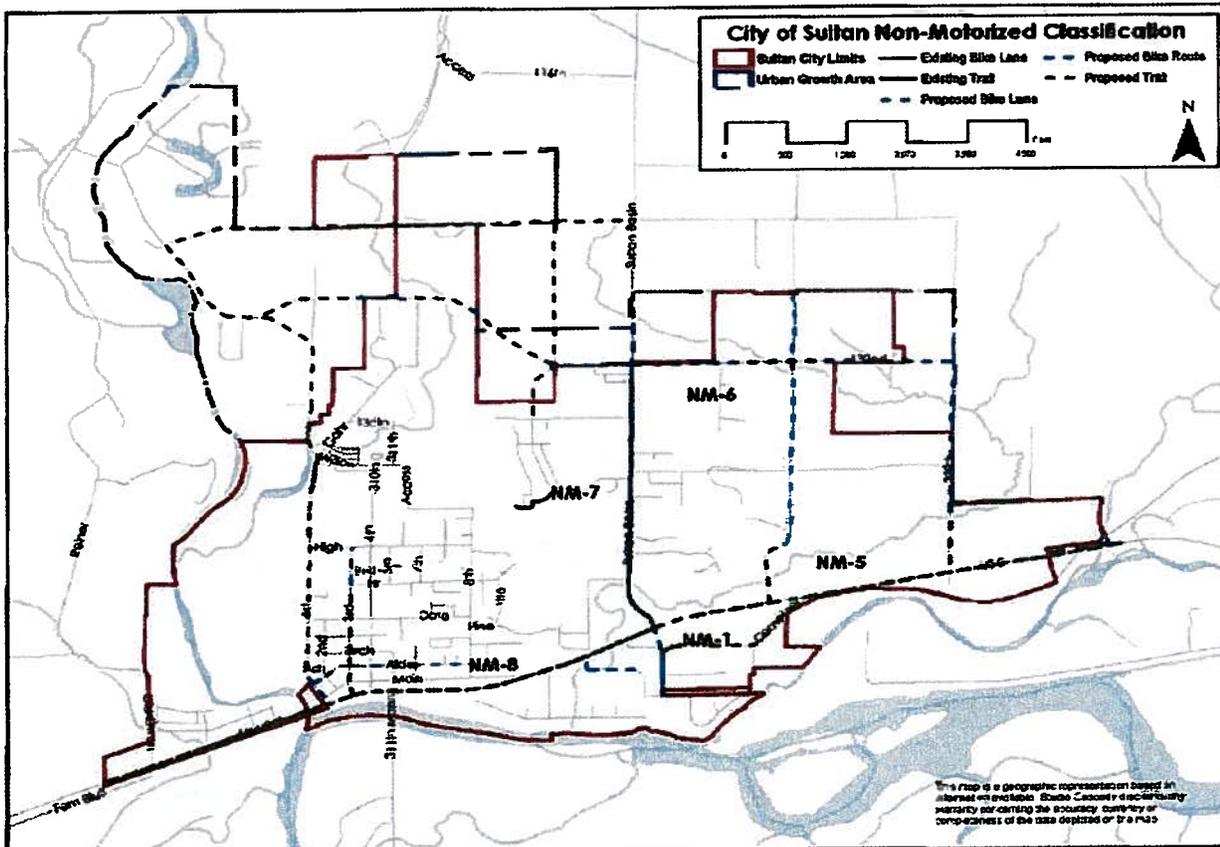


Figure 8-P. Recommended Non-motorized Improvement Projects

8.15 Financial Plan

Planning level cost estimates for each of the recommended City transportation improvement projects was prepared in 2007 and 2010. These estimates analyzed the cost of constructing the improvements as well as estimates for right-of-way purchase, project design costs, and environmental costs and mitigation. Table 8-10 provides the planning level cost estimates for the recommended 2011 – 2030 transportation improvements. A financial plan establishes how transportation improvements can be funded over the planning horizon year 2030.

The financial plan includes a long-range financial strategy that identifies the capacity of the City to fund its transportation needs described in this transportation element, a six-year capital improvement program for transportation and a reassessment strategy. Each year the City shall examine whether the City can fund the projects necessary to maintain required service levels set in this element. In the event the City cannot fund the improvements needed to maintain required service levels, the City shall consider and take one or a combination of actions that may include phasing of proposed developments, finding additional funding or instituting new financial measures, modifying the City’s adopted level of service standards to reflect service levels that can be maintained given known financial resources, and modifying the Future Land Use Map as it affects the need for services.

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 1

DATE: December 3, 2015

SUBJECT: Council Meeting Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

SUMMARY:

Attached are the minutes of the November 19, 2015 Council meeting as on file in the office of the City Clerk.

RECOMMENDED ACTION:

Approve as submitted.

CITY OF SULTAN COUNCIL MEETING – November 19, 2015

Mayor Eslick called the regular meeting of the Sultan City Council to order in the Sultan Community Center. Councilmembers present: Seehuus, Walker, Davenport-Smith, Neigel, and Beeler. Absent: McCarty, Naslund

CHANGES/ADDITIONS TO THE AGENDA:

Consent: Add excused absence of Councilmember Naslund

PRESENTATIONS:**Business Spotlight – Down to Earth Farm**

The issue before the Council is to recognize Jeff Kyle and his local business, Down to Earth Farm as the City of Sultan's Business Spotlight for November 2015. Down to Earth Farm is located at 37003 Mann Road on 16 acres of land.

Owner, Jeff Kyle moved to Seattle in 1996 where he attended Seattle Arts Institute and learned audio engineering. Later he became an Information Technologist (IT), but after 15 years the passion for technology had run its course, so he set his sights on working nearer the community and country life. While planning to start up a restaurant that supplied its own farm grown food, his wife Molli suggested that he should just grow vegetables being that it was becoming a favorite hobby.

Jeff and Molli moved to the Sultan area from Gold Bar and started preparing their land in 2012.

In 2014, Brandy Lipscomb of Sky Valley Natural Health told him that her customers would love to have fresh, organic food and encouraged him to grow produce for the public that summer. In 2015, after spending a year working on a business plan, studying farming practices and taking a couple farming classes, Jeff went into full production meeting his target of 37 subscribed customers.

Currently produce is sold by the box to his customers (CSA) who pay a monthly fee to have it delivered to several pick-up locations around town. On the two productive acres, Jeff uses a variety of sustainable farming methods to grow pesticide/herbicide-free crops on 1 acre, and berries and grapes on another. In the next 2-3 years Jeff wants to increase his growing area to 3 ½ acres, double his CSA subscriptions to 80, add berry and grape sales in the form of U-Pick, Roadside, and wholesale, and partner with other local farmers to provide cheeses, farm fresh honey and eggs.

Mayor Eslick presented a Certificate of Recognition.

Jeff Kyle: Thank everyone for their help and support. Is grateful and honored to be considered part of the community. He loves serving the community and hopes to expand his business. They will proceed slowing with the business and not go into debt – hope to be around for a long time.

Volunteer Spotlight – Ann Marie Bunch

The Council recognized Ann Marie Bunch as the City of Sultan's Volunteer Spotlight for November 2015. Ann Marie McGoff grew up in Sandwich on Cape Cod, Mass. She joined the US Air Force after graduation. At 18, her first duty was as an Administrative Assistant in the Pentagon and then as a Flight Attendent in support of President Bush and Clinton for 10 years. After she left the Air Force, Ann Marie worked another 10 years as a Flight Attendent for Vulcan Inc/Paul Allen here in Seattle. Flying the family worldwide plus sports teams (Trailblazers, Mariners, Seahawks) throughout the US.

In 2005 Ann Marie moved to Sultan with her husband Steven and their children Ashlie and Ryann. Callum was born one year later. Before her kids were out of diapers, Ann Marie was in the business of volunteering for her community. Over the past ten years she has volunteered with the Sky Valley and Gold Bar Elementary for their Backpack Program; work on the fire Department levy; Gold Bar Elementary; Sultan Senior Center, Sultan Boys and Girls Club

CITY OF SULTAN COUNCIL MEETING – November 19, 2015

International Cooking Class, Sultan Harvest, VFW, Sultan Tree Lighting and Giving Tree, National Night Out, Shindig, Cinco-de-Mayo, Vol Appreciation Dinner, Memorials, Reunions, Fundraisers, Meetings, etc

Ann Marie had an epiphany years ago that gave birth to a phrase you may have heard her say; “Stand up and DO SOMETHING or sit down and shut up”. I believe that you, as an individual, can make a difference. If you don’t like something, change it. Stop standing with your hand out and make a difference; put that hand to work and show your children what caring is all about.....others! Strength comes in numbers, unite together to make this a better town to grow up in; VOLUNTEER!

Currently, Ann Marie is the Kitchen Coordinator at the Senior Center in Sultan; although this is a paid position for 10 hours per week, she’s been known to put in up to 50 hours per week for no additional pay. Ann Marie says she’s not going anywhere as long as her kids are school age. This is their community where they live and she’ll continue to volunteer to make it better for them.

Mayor Eslick presented a Certificate of Appreciation. Ann Marie thanked everyone for the recongition and thanked Kalli Vaughn (VOA) and the VFW Post for letting her be a part of the community.

COMMENTS FROM THE PUBLIC:

Debbie Copple: The city, Fire Department and everyone worked well together during the flood. A new resident was impressed with the community effort and wants to be part of this type of community. There are some great ideas for training for first responders. In their building, they chipped the floor out, left a four-inch trench around the wall, and installed a sump pump to keep the water out and they had no property damage.

Kalli Vaughn: VOA is providing hotel vouchers for flood victims and help to find friends and family to help. They are also working with the churches for funding. Block Watch meeting is scheduled and they will have information for first responders and for mental health services. Community Alliance will meet again in December. Tony Redding is still doing park cleanup; Everett community college working with the youth.

Inessa Pearce: Is a long time community member and part of the Sky Valley Environmental and Economic Alliance. Owns a Bed & Breakfast and people come for the natural beauty and recreation available in the valley. Asked the Council to consider policies and encourage development of the downtown to encourage tourist activities.

COUNCILMEMBER COMMENTS

Seehuus: Met with State representatives to discuss the transportation and funding issues for Highway (US) 2. There is support of the completion of the SR 522 project. They also discussed a cable barrier between Snohomish and Sultan to prevent head on collusions.

Walker: Over the last couple of years and during the election, he heard about all the funds the city spent on lawsuits. The city is required to defend itself against lawsuits and the allegations and the Council should not be coerced into an action in exchange for settlement. He will not tolerate those types of pressures.

Davenport-Smith: Thanked the community for all the help during the flood. Thanked Inessa for the report. Security guard at the Library is picking up CO2 capsules which are used by kids to get high and only sold at a couple of stores in the city. Is there something the city can do to prevent sales? Rock Church in Monroe is giving away turkeys and Thanksgiving dinners this week. Her last meeting is December 17th and she would like some extra time to speak.

CITY OF SULTAN COUNCIL MEETING – November 19, 2015

Beeler: The City has discussed creating an image for the city to promote tourism, however, they need to get the businesses behind what they are doing for it to succeed. Thanked John Seehuus for going to Olympia to discuss transportation needs with the representative. There is a need to fund the SR 522 project. SR 203 was closed during the flood and SR 522 was the only road available. The Council's position is they are to protect the city's investments and people can sue to try to get the Council to do what they want. If the city needs to spend money to defend the Council action, they should and not give into pressure.

Ken Walker: There will be flood debrief Monday at 9 AM and they are looking for everyone's input on what went right or wrong. The report from the TIP meeting is that the reopening US 2 is top priority for WSDOT; may put in a portable bridge if needed.

Vernon Johnson: Basketball and wrestling are starting. There is interest from the students in becoming part of the first responders group.

Mayor Eslick: Sky Wall Drive residents would like some help with removal of mud on the street. CO2 canisters are being used by the kids and the city can look into controls, however there are legitimate uses for them. The US 2 closure is a concern and WSDOT is hoping to have one lane open within the week.

STAFF REPORTS – Written Reports Submitted and are on file in the Office of the City Clerk.

- 1) Public Works Report
- 2) Police Report
- 3) Code Enforcement

CONSENT AGENDA: The following items are incorporated into the consent agenda and approved by a single motion of the Council. On a motion by Councilmember Beeler, seconded by Councilmember Davenport-Smith, the consent agenda was approved as amended. Seehuus – aye; Walker – aye; Davenport-Smith – aye; Neigel – aye; Beeler - aye.

- 1) Minutes of the November 5, 2015 Council Meeting
- 2) Minutes of the October 22, 2015 and November 5, 2015 Public Hearings on the 2016 Budget
- 3) Voucher Approval in the amount of \$555,443.88 and payroll through November 6, 2015 in the amount of \$64,410.20 to be drawn and paid on the proper accounts.
- 4) Excused absence of Councilmember Naslund from the November 19, 2015 Council meeting.

ACTION ITEMS:**Bid Award – VIC Windows**

The issue before the council is to authorize the Mayor to sign a contract with Polar Bear Energy Solutions to furnish and install triple pane windows for the Visitor Information Center for an amount not to exceed \$11,200 (including sales tax and an approximate ten percent contingency) without prior written authorization from city council.

The windows at the Visitor Information Center were budgeted to be replaced in 2015 with an estimated expenditure of \$15,000. Staff received one quote for the window replacement.

On a motion by Councilmember Seehuus, seconded by Councilmember Walker, the Mayor was authorized to sign a contract with Polar Bear Energy Solutions to furnish and install triple pane windows for the Visitor Information Center for an amount not to exceed \$11,200 (including sales tax and an approximate ten percent contingency) without prior written authorization from city council. All ayes.

CITY OF SULTAN COUNCIL MEETING – November 19, 2015**Ordinance 1225-15 - 2016 Budget**

The issue before the Council is the introduction of Ordinance 1225-15 to adopt a budget for the 2016 fiscal year. The detailed budget and department reports were prepared and submitted to the Council during the public hearing process on October 22, 2015, November 5, 2015.

As a part of the budget process, staff reviews the 2016 work plan for each fund. A review of current job responsibilities, the proposed work program for the next year and the actual hours worked is used to determine the appropriate fund to charge for the salaries and benefits. Staff time must be appropriated to the fund for which the employee performs the work. Allocation of Council time is based on agenda items. All salary allocations are based on recognized accounting practices identified by Audit Report 1006136.

On a motion by Councilmember Davenport-Smith, seconded by Councilmember Walker, Ordinance 1225-15 adopting the 2016 Budget, was introduced for a first reading. All ayes.

Multi Use Roadway Safety Program Grant

The issue before the Council is to authorize the Mayor to sign the necessary documents to submit a grant application requesting approximately \$2,050 to fund four signs for ATV usage on City Streets.

Washington State Department of Transportation (WSDOT) has called for projects for their Multiuse Roadway Safety Grant Program. The goal of this grant program is to provide local governments funding to install signs providing notice to the motoring public that wheeled all-terrain vehicles (WATV) are present, or wheeled all-terrain vehicles may be crossing. The highest priority will be given to projects involving the design and installation of signage.

The City of Sultan has Ordinance 10.30 in place that allows Motorized Recreation Vehicles and Wheeled All-Terrain Vehicles and Golf Carts to drive on City streets. There is no match requirement with this grant program. City staff time installing the signs is the only commitment.

On a motion by Councilmember Neigel, seconded by Councilmember Davenport-Smith, staff was directed to apply for a WSDOT Multiuse Roadway Safety Grant Program in the amount of \$2,050 to fund four signs for ATV usage on City streets. All ayes.

Date Avenue Final Acceptance

The issue before the City Council is final acceptance of the Date Avenue Reconstruction project completed by SRV Construction, Inc.

The council awarded the base bid and authorized the Mayor to sign a contract with SRV Construction, Inc. not to exceed \$384,000 (which included a five percent contingency) to construct the Date Avenue Reconstruction project on May 28, 2015. SRV Construction's contract was for \$365,690.17. There were no change orders issued for this project.

The Schedule A (Road & Storm Drainage Improvements) were primarily funded with a Transportation Improvement Board (TIB) grant. The quantities on some bid items (namely cement for cement treated base and unsuitable foundation excavation) under ran the original planned quantities resulting in Schedule A finishing under budget.

The Schedule B (Water & Sewer Improvements) were funded with City capital funds. The quantities on some bid items (namely control density fill and removal of unsuitable trench material) under ran the original planned quantities resulting in Schedule B finishing under budget.

On a motion by Councilmember Walker, seconded by Councilmember Seehuus, the Council accepted the Date Avenue Reconstruction project as completed by SRV Construction, Inc. All ayes.

CITY OF SULTAN COUNCIL MEETING – November 19, 2015**Bid Award - Post Office Roof Repair**

The issue before the council is to authorize the Mayor to sign a contract with Axis Roof and Gutter to repair the metal roof on the Post Office building located at 102 4th Street in Sultan, Washington for an amount not to exceed \$5,000 without prior written authorization from City Council.

The estimate from Axis Roof and Gutter for the repair is \$1,650.72, however their quote does not include the replacement of any wood decking or other materials once the sealant is removed and it is prudent and critical that the repair proceed regardless of the damage discovered. By authorizing a larger expenditure, change orders can be prepared and implemented without additional council approval. The roof at the Post Office building is damaged and must be repaired. Staff has had trouble getting bidders to respond with quotes to repair the roof.

On a motion by Councilmember Walker, seconded by Councilmember Davenport-Smith, the Mayor was authorized to sign a contract with Axis Roof and Gutter to repair the metal roof on the Post Office building located at 102 4th Street in Sultan, Washington for an amount not to exceed \$5,000 without prior written authorization from City Council. All ayes.

Executive Session: On a motion by Councilmember Seehuus, seconded by Councilmember Davenport-Smith, the council adjourned to executive session at 8:30 PM for fifteen minutes to discuss property acquisition. All ayes. The Council returned to regular session at 8:45 PM.

Adjournment: On a motion by Councilmember Walker, seconded by Councilmember Davenport-Smith, the meeting adjourned at 8:45 PM. All ayes.

Carolyn Eslick, Mayor

Laura J. Koenig, City Clerk

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM #: Consent 2
DATE: December 3, 2015
SUBJECT: Voucher Approval - 2015
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

SUMMARY:

Attached are the vouchers for approval in the amount of \$332,165.06 and payroll through November 20, 2015 in the amount of \$76,811.01 to be drawn and paid on the proper accounts.

FISCAL IMPACT: \$408,976.07

RECOMMENDATION:

Approve the payment of vouchers as submitted.

**City Of Sultan
Voucher Approval
December 3, 2015**

I, the undersigned, do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered, or the labor performed as described hereon, and that the claim is just, due and an unpaid obligation against the City of Sultan, and that I am authorized to authenticate and certify to said claim.

Laura J. Koenig, Clerk/Deputy Finance Director

We, the undersigned City Council of Sultan Washington, do hereby certify that the merchandise or services hereinafter specified have been received and the claims are approved for payment in the following amounts:

Payroll Check #31163-65	\$ 4,227.90
Direct Deposit #24	\$ 26,917.62
Benefits Check #31157-61	\$ 32,770.43
Tax Deposit #23	\$ 12,895.06
Accounts Payable Checks #31162, 66-208	\$ 322,493.84
ACH Transactions - DOR	\$ 9,671.22
 TOTAL	 \$ 408,976.07

Bob McCarty, Councilmember

John Seehuus, Councilmember

Rocky Walker, Councilmember

Sarah Davenport-Smith, Councilmember

Joe Neigel, Councilmember

Marianne Naslund, Councilmember

Jeffrey Beeler, Councilmember

Accounts Payable

Check Register Totals Only

User: laura.koenig
 Printed: 11/25/2015 - 3:00 PM



Check	Date	Vendor No	Vendor Name	Amount	Voucher
31166	12/03/2015	jaddingt	Julie Addington	32.95	0
31167	12/03/2015	amtest	AM Test	215.00	0
31168	12/03/2015	Aramark	Aramark Uniform Services - AUS We:	581.55	0
31169	12/03/2015	App	Associated Petroleum Products Inc	739.00	0
31170	12/03/2015	ciaw	Cities Insurance Association of Washi	182,421.36	0
31171	12/03/2015	cos	City of Sultan	170.37	0
31172	12/03/2015	Corin	Correctional Industries	491.78	0
31173	12/03/2015	DJIndust	D & J Industries	1,194.60	0
31174	12/03/2015	DOE	Department of Ecology - Cashiering S	90.00	0
31175	12/03/2015	DNR	Department of Natural Resources	119.41	0
31176	12/03/2015	FireProt	Fire Protection Inc.	597.01	0
31177	12/03/2015	Frontier	Frontier	538.57	0
31178	12/03/2015	Harmsen	Harmsen & Associates Inc	145.00	0
31179	12/03/2015	HoneyB	Honey Bucket	535.15	0
31180	12/03/2015	lakeside	Lakeside Industries	337.97	0
31181	12/03/2015	machorro	Kenda Machorro	930.58	0
31182	12/03/2015	dmurphy	Donna Murphy	42.55	0
31183	12/03/2015	NCMACHIN	NC MACHINERY CO.	6,997.28	0
31184	12/03/2015	NorthSta	Northstar Chemical, Inc.	551.20	0
31185	12/03/2015	OASYS	Oasys Office Automation Systems	43.36	0
31186	12/03/2015	OfcDepot	Office Depot	196.31	0
31187	12/03/2015	OfcMinWo	Office of Minority & Women	100.00	0
31188	12/03/2015	PUD 1	PUD	5,439.39	0
31189	12/03/2015	PSE	Puget Sound Energy	48.02	0
31190	12/03/2015	QBS	QualityBusinesss Systems Inc	38.20	0
31191	12/03/2015	rh2	RH2 Engineering, Inc.	6,388.47	0
31192	12/03/2015	Robinson	Robinson Noble	1,764.90	0
31193	12/03/2015	SCcorrec	Snohomish County Corrections	5,854.25	0
31194	12/03/2015	SnoPlan	Snohomish County Planning and Deve	2,943.00	0
31195	12/03/2015	SRDTF	Snohomish County Sheriff	75,147.58	0
31196	12/03/2015	Auditor	State Auditor's Office	3,333.50	0
31197	12/03/2015	SSC	Sultan Senior Center	132.00	0
31198	12/03/2015	Summit	Summit Research Labs	4,247.98	0
31199	12/03/2015	PartWork	The Part Works, Inc.	419.42	0
31200	12/03/2015	trane	Trane US Inc	11,233.51	0
31201	12/03/2015	VerizonW	Verizon Wireless	673.63	0
31202	12/03/2015	visa	Visa	2,148.65	0
31203	12/03/2015	visa	Visa	33.20	0
31204	12/03/2015	visa	Visa	87.72	0
31205	12/03/2015	visa	Visa	241.85	0
31206	12/03/2015	apwa	WA State Chapter APWA	465.00	0
31207	12/03/2015	win911	Win-911 Software	395.00	0
31208	12/03/2015	whreilly	Wm. H. Reilly & Co.	142.67	0
Check Total:				318,248.94	

Accounts Payable

Check Register Totals Only

User: laura.koenig
Printed: 11/12/2015 - 4:14 PM



Check	Date	Vendor No	Vendor Name	Amount	Voucher
31157	11/12/2015	Retire	Department of Retirement	1,112.50	0
31158	11/12/2015	Retire	Department of Retirement	7,817.16	0
31159	11/12/2015	AWCben	AWC Employee Benefit Trust	21,926.57	0
31160	11/12/2015	AWCben	AWC Employee Benefit Trust	24.00	0
31161	11/12/2015	WATeamTr	Washington Teamsters Welfare Trust	1,890.20	0
				<hr/> <hr/>	
Check Total:				32,770.43	
				<hr/> <hr/>	

Accounts Payable

Computer Check Register

User: julie.addington
Printed: 11/17/2015 - 1:58PM
Batch: 00007.11.2015
Bank Account: TREAS



Check	Vendor No	Vendor Name	Date	Invoice No	Amount
31162	LeMaster	LeMaster Auto Body, Inc.	11/17/2015		
				2362	4,244.90
Check 31162 Total:					<hr/> 4,244.90
Report Total:					<hr/> <hr/> 4,244.90

Payroll

ACH Check Register

User: 'julie.addington'
Printed: 11/23/2015 - 3:03PM
Batch: 3-11-2015
Include Partial: FALSE

PK 21



Check Date	Check Number	Employee No	Employee Name	Amount
11/25/2015	0	001	Laura Koenig	1,978.84
11/25/2015	0	002	Tami Pevey	1,094.34
11/25/2015	0	004	Donna Murphy	956.95
11/25/2015	0	007	Julie Addington	1,516.50
11/25/2015	0	010	Cynthia Sparks	1,476.81
11/25/2015	0	011	Janice Mann	1,130.64
11/25/2015	0	015	Kenneth Walker	2,901.34
11/25/2015	0	019	Michael Matheson	2,762.25
11/25/2015	0	020	Connie Dunn	1,989.27
11/25/2015	0	025	John Harris	2,397.21
11/25/2015	0	028	Todd Strom	1,859.88
11/25/2015	0	049	Victoria Forte	1,521.18
11/25/2015	0	120	Matthew Wood	1,560.84
11/25/2015	0	121	Jason Strauss	1,435.62
11/25/2015	0	125	Riley Edwards	1,194.10
11/25/2015	0	127	Michael Rains	1,141.85

Total Employees:

16

Total:

26,917.62

Payroll

Computer Check Register

User: julie.addington
Printed: 11/23/2015 - 2:55PM
Batch: 00003-11-2015 Computer



Check No	Check Date	Employee Information	Amount
31163	11/25/2015	024 Michael Williams	2,508.65
31164	11/25/2015	029 James Barns	1,471.93
31165	11/25/2015	128 Fred Stecher II	247.32

Total Number of Employees: 3

Total for Payroll Check Run:

4,227.90

Check Number	Check Date	Fund Name	Account Name	Vendor Name	Amount
31157	11/12/2015	GENERAL FUND	Deferred Comp Payable	Department of Retirement	49.76
31157	11/12/2015	STREET FUND	Deferred Comp Payable	Department of Retirement	21.49
31157	11/12/2015	CEMETERY FUND	Deferred Comp Payable	Department of Retirement	2.00
31157	11/12/2015	BUILDING MAINTENANCE FUND	Deferred Comp Payable	Department of Retirement	6.38
31157	11/12/2015	UTILITY WATER FUND	Deferred Comp Payable	Department of Retirement	39.25
31157	11/12/2015	UTILITY SEWER FUND	Deferred Comp Payable	Department of Retirement	36.25
31157	11/12/2015	UTILITY GARBAGE FUND	Deferred Comp Payable	Department of Retirement	24.86
31157	11/12/2015	STORMWATER UTILITY FUND	Deferred Comp Payable	Department of Retirement	20.01
31157	11/12/2015	GENERAL FUND	Deferred Comp Payable	Department of Retirement	210.12
31157	11/12/2015	STREET FUND	Deferred Comp Payable	Department of Retirement	74.24
31157	11/12/2015	CEMETERY FUND	Deferred Comp Payable	Department of Retirement	6.69
31157	11/12/2015	BUILDING MAINTENANCE FUND	Deferred Comp Payable	Department of Retirement	13.89
31157	11/12/2015	UTILITY WATER FUND	Deferred Comp Payable	Department of Retirement	201.18
31157	11/12/2015	UTILITY SEWER FUND	Deferred Comp Payable	Department of Retirement	296.88
31157	11/12/2015	UTILITY GARBAGE FUND	Deferred Comp Payable	Department of Retirement	66.12
31157	11/12/2015	STORMWATER UTILITY FUND	Deferred Comp Payable	Department of Retirement	43.38
31158	11/12/2015	UTILITY SEWER FUND	PERS Payable	Department of Retirement	1,234.09
31158	11/12/2015	UTILITY WATER FUND	PERS Payable	Department of Retirement	1,427.46
31158	11/12/2015	GENERAL FUND	PERS Payable	Department of Retirement	230.04
31158	11/12/2015	GENERAL FUND	PERS Payable	Department of Retirement	102.88
31158	11/12/2015	GENERAL FUND	PERS Payable	Department of Retirement	400.11
31158	11/12/2015	STREET FUND	PERS Payable	Department of Retirement	172.41
31158	11/12/2015	CEMETERY FUND	PERS Payable	Department of Retirement	27.45
31158	11/12/2015	BUILDING MAINTENANCE FUND	PERS Payable	Department of Retirement	29.18
31158	11/12/2015	UTILITY WATER FUND	PERS Payable	Department of Retirement	781.38
31158	11/12/2015	UTILITY SEWER FUND	PERS Payable	Department of Retirement	675.52
31158	11/12/2015	UTILITY GARBAGE FUND	PERS Payable	Department of Retirement	365.90
31158	11/12/2015	STORMWATER UTILITY FUND	PERS Payable	Department of Retirement	195.64
31158	11/12/2015	GENERAL FUND	PERS Payable	Department of Retirement	730.86
31158	11/12/2015	STREET FUND	PERS Payable	Department of Retirement	315.02
31158	11/12/2015	CEMETERY FUND	PERS Payable	Department of Retirement	50.11
31158	11/12/2015	BUILDING MAINTENANCE FUND	PERS Payable	Department of Retirement	53.29
31158	11/12/2015	STORMWATER UTILITY FUND	PERS Payable	Department of Retirement	357.41
31158	11/12/2015	UTILITY GARBAGE FUND	PERS Payable	Department of Retirement	668.41
31159	11/12/2015	STREET FUND	PERS Payable	Department of Retirement	3.43
31159	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	51.67
31159	11/12/2015	STREET FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	12.17
31159	11/12/2015	CEMETERY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	1.08

31159	11/12/2015	BUILDING MAINTENANCE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	2.91
31159	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	25.71
31159	11/12/2015	UTILITY SEWER FUND	Med/Dental/Vis Payable	AWC Employee Benefit Trust	23.33
31159	11/12/2015	UTILITY GARBAGE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	17.90
31159	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	12.61
31159	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	178.33
31159	11/12/2015	STREET FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	36.09
31159	11/12/2015	CEMETERY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	4.05
31159	11/12/2015	BUILDING MAINTENANCE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	0.53
31159	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	252.88
31159	11/12/2015	UTILITY SEWER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	145.68
31159	11/12/2015	UTILITY GARBAGE FUND	Med/Dental/Vis Payable	AWC Employee Benefit Trust	73.56
31159	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	60.84
31159	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	0.24
31159	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	0.76
31159	11/12/2015	UTILITY SEWER FUND	Med/Dental/Vis Payable	AWC Employee Benefit Trust	0.56
31159	11/12/2015	UTILITY GARBAGE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	0.71
31159	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	0.73
31159	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	2,600.86
31159	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	51.66
31159	11/12/2015	STREET FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	12.15
31159	11/12/2015	CEMETERY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	1.08
31159	11/12/2015	BUILDING MAINTENANCE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	2.92
31159	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	25.73
31159	11/12/2015	UTILITY SEWER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	23.33
31159	11/12/2015	UTILITY GARBAGE FUND	Med/Dental/Vis Payable	AWC Employee Benefit Trust	17.89
31159	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	12.62
31159	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	181.28
31159	11/12/2015	STREET FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	37.91
31159	11/12/2015	CEMETERY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	4.71
31159	11/12/2015	BUILDING MAINTENANCE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	0.86
31159	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	254.65
31159	11/12/2015	UTILITY SEWER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	147.06
31159	11/12/2015	UTILITY GARBAGE FUND	Med/Dental/Vis Payable	AWC Employee Benefit Trust	81.76
31159	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	61.21
31159	11/12/2015	STREET FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	480.05
31159	11/12/2015	CEMETERY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	139.70
31159	11/12/2015	BUILDING MAINTENANCE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	33.22
31159	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	5,163.69
31159	11/12/2015	UTILITY SEWER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	3,137.11
31159	11/12/2015	UTILITY GARBAGE FUND	Med/Dental/Vis Payable	AWC Employee Benefit Trust	2,330.74

31159	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	1,256.35
31159	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	1,330.75
31159	11/12/2015	STREET FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	410.76
31159	11/12/2015	CEMETERY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	35.91
31159	11/12/2015	BUILDING MAINTENANCE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	105.86
31159	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	821.79
31159	11/12/2015	UTILITY SEWER FUND	Med/Dental/Vis Payable	AWC Employee Benefit Trust	751.15
31159	11/12/2015	UTILITY GARBAGE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	531.43
31159	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	411.71
31159	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	10.44
31159	11/12/2015	CEMETERY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	0.66
31159	11/12/2015	BUILDING MAINTENANCE.FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	0.53
31159	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	13.97
31159	11/12/2015	UTILITY SEWER FUND	Med/Dental/Vis Payable	AWC Employee Benefit Trust	10.83
31159	11/12/2015	UTILITY GARBAGE FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	7.80
31159	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	AWC Employee Benefit Trust	3.34
31159	11/12/2015	GENERAL FUND	Benefits - Disability Insuranc	AWC Employee Benefit Trust	515.33
31160	11/12/2015	GENERAL FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	3.59
31160	11/12/2015	UTILITY WATER FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	2.28
31160	11/12/2015	UTILITY SEWER FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	1.80
31160	11/12/2015	UTILITY GARBAGE FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	2.16
31160	11/12/2015	STORMWATER UTILITY FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	2.17
31160	11/12/2015	GENERAL FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	3.61
31160	11/12/2015	UTILITY WATER FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	2.28
31160	11/12/2015	UTILITY SEWER FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	1.80
31160	11/12/2015	UTILITY GARBAGE FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	2.16
31160	11/12/2015	STORMWATER UTILITY FUND	Miscellaneous Payroll Ded	AWC Employee Benefit Trust	2.15
31161	11/12/2015	BUILDING MAINTENANCE FUND	Med/Den/Vision/Life Payable	Washington Teamsters Welfare Trust	7.28
31161	11/12/2015	UTILITY WATER FUND	Med/Den/Vision/Life Payable	Washington Teamsters Welfare Trust	578.99
31161	11/12/2015	UTILITY SEWER FUND	Med/Dental/Vis Payable	Washington Teamsters Welfare Trust	423.54
31161	11/12/2015	UTILITY GARBAGE FUND	Med/Den/Vision/Life Payable	Washington Teamsters Welfare Trust	340.68
31161	11/12/2015	STORMWATER UTILITY FUND	Med/Den/Vision/Life Payable	Washington Teamsters Welfare Trust	134.63
31161	11/12/2015	GENERAL FUND	Med/Den/Vision/Life Payable	Washington Teamsters Welfare Trust	299.12
31161	11/12/2015	STREET FUND	Med/Den/Vision/Life Payable	Washington Teamsters Welfare Trust	81.71
31161	11/12/2015	CEMETERY FUND	Med/Den/Vision/Life Payable	Washington Teamsters Welfare Trust	24.25
31162	11/17/2015	INSURANCE CLAIMS FUND	Med/Den/Vision/Life Payable	Washington Teamsters Welfare Trust	4,244.90
31166	12/03/2015	GENERAL FUND	Capital Outlay	LeMaster Auto Body, Inc.	32.95
31167	12/03/2015	UTILITY WATER FUND	Travel and Seminars	Julie Addington	70.00
31167	12/03/2015	UTILITY WATER FUND	Water - Testing	AM Test	120.00
31167	12/03/2015	UTILITY WATER FUND	Water - Testing	AM Test	25.00
31168	12/03/2015	STORMWATER UTILITY FUND	Water - Testing	AM Test	4.83
			Uniforms	Aramark Uniform Services	

31168	12/03/2015	UTILITY WATER FUND	Uniforms	Aramark Uniform Services	22.53
31168	12/03/2015	UTILITY SEWER FUND	Uniforms	Aramark Uniform Services	22.53
31168	12/03/2015	UTILITY GARBAGE FUND	Uniforms	Aramark Uniform Services	20.91
31168	12/03/2015	STREET FUND	Uniforms	Aramark Uniform Services	4.83
31168	12/03/2015	GENERAL FUND	Uniforms	Aramark Uniform Services	4.83
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	1.24
31168	12/03/2015	STORMWATER UTILITY FUND	Uniforms	Aramark Uniform Services	1.26
31168	12/03/2015	UTILITY WATER FUND	Uniforms	Aramark Uniform Services	5.86
31168	12/03/2015	UTILITY SEWER FUND	Uniforms	Aramark Uniform Services	5.86
31168	12/03/2015	UTILITY GARBAGE FUND	Uniforms	Aramark Uniform Services	5.44
31168	12/03/2015	STREET FUND	Uniforms	Aramark Uniform Services	1.25
31168	12/03/2015	GENERAL FUND	Uniforms	Aramark Uniform Services	1.26
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	1.24
31168	12/03/2015	STORMWATER UTILITY FUND	Uniforms	Aramark Uniform Services	3.02
31168	12/03/2015	UTILITY WATER FUND	Uniforms	Aramark Uniform Services	14.08
31168	12/03/2015	UTILITY SEWER FUND	Uniforms	Aramark Uniform Services	14.09
31168	12/03/2015	UTILITY GARBAGE FUND	Uniforms	Aramark Uniform Services	13.07
31168	12/03/2015	STREET FUND	Uniforms	Aramark Uniform Services	3.02
31168	12/03/2015	GENERAL FUND	Uniforms	Aramark Uniform Services	3.02
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	1.24
31168	12/03/2015	UTILITY WATER FUND	Operating Supply	Aramark Uniform Services	4.09
31168	12/03/2015	UTILITY SEWER FUND	Operating Supplies	Aramark Uniform Services	4.10
31168	12/03/2015	UTILITY GARBAGE FUND	Operating Supplies	Aramark Uniform Services	4.09
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	4.10
31168	12/03/2015	STREET FUND	Office/Operating Supplies	Aramark Uniform Services	4.09
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	1.24
31168	12/03/2015	UTILITY WATER FUND	Operating Supply	Aramark Uniform Services	12.71
31168	12/03/2015	UTILITY SEWER FUND	Operating Supplies	Aramark Uniform Services	12.72
31168	12/03/2015	UTILITY GARBAGE FUND	Operating Supplies	Aramark Uniform Services	12.71
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	12.72
31168	12/03/2015	STREET FUND	Office/Operating Supplies	Aramark Uniform Services	12.71
31168	12/03/2015	STORMWATER UTILITY FUND	Uniforms	Aramark Uniform Services	2.10
31168	12/03/2015	UTILITY WATER FUND	Uniforms	Aramark Uniform Services	9.77
31168	12/03/2015	UTILITY SEWER FUND	Uniforms	Aramark Uniform Services	9.78
31168	12/03/2015	UTILITY GARBAGE FUND	Uniforms	Aramark Uniform Services	9.08
31168	12/03/2015	STREET FUND	Uniforms	Aramark Uniform Services	2.09
31168	12/03/2015	GENERAL FUND	Uniforms	Aramark Uniform Services	2.10
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	1.24
31168	12/03/2015	UTILITY WATER FUND	Operating Supply	Aramark Uniform Services	14.44
31168	12/03/2015	UTILITY SEWER FUND	Operating Supplies	Aramark Uniform Services	14.43
31168	12/03/2015	UTILITY GARBAGE FUND	Operating Supplies	Aramark Uniform Services	14.44

31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	14.43
31168	12/03/2015	STREET FUND	Office/Operating Supplies	Aramark Uniform Services	14.44
31168	12/03/2015	STORMWATER UTILITY FUND	Uniforms	Aramark Uniform Services	1.23
31168	12/03/2015	UTILITY WATER FUND	Uniforms	Aramark Uniform Services	5.73
31168	12/03/2015	UTILITY SEWER FUND	Uniforms	Aramark Uniform Services	5.73
31168	12/03/2015	UTILITY GARBAGE FUND	Uniforms	Aramark Uniform Services	5.32
31168	12/03/2015	STREET FUND	Uniforms	Aramark Uniform Services	1.23
31168	12/03/2015	GENERAL FUND	Uniforms	Aramark Uniform Services	1.23
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	1.24
31168	12/03/2015	UTILITY WATER FUND	Operating Supply	Aramark Uniform Services	24.10
31168	12/03/2015	UTILITY SEWER FUND	Operating Supplies	Aramark Uniform Services	24.11
31168	12/03/2015	UTILITY GARBAGE FUND	Operating Supplies	Aramark Uniform Services	24.10
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	24.11
31168	12/03/2015	STREET FUND	Office/Operating Supplies	Aramark Uniform Services	24.10
31168	12/03/2015	STORMWATER UTILITY FUND	Uniforms	Aramark Uniform Services	1.53
31168	12/03/2015	UTILITY WATER FUND	Uniforms	Aramark Uniform Services	7.13
31168	12/03/2015	UTILITY SEWER FUND	Uniforms	Aramark Uniform Services	7.14
31168	12/03/2015	UTILITY GARBAGE FUND	Uniforms	Aramark Uniform Services	6.62
31168	12/03/2015	STREET FUND	Uniforms	Aramark Uniform Services	1.53
31168	12/03/2015	GENERAL FUND	Uniforms	Aramark Uniform Services	1.53
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	1.24
31168	12/03/2015	UTILITY WATER FUND	Operating Supply	Aramark Uniform Services	12.71
31168	12/03/2015	UTILITY SEWER FUND	Operating Supplies	Aramark Uniform Services	12.72
31168	12/03/2015	UTILITY GARBAGE FUND	Operating Supplies	Aramark Uniform Services	12.71
31168	12/03/2015	GENERAL FUND	Office/Operating Supplies	Aramark Uniform Services	12.72
31168	12/03/2015	STREET FUND	Office/Operating Supplies	Aramark Uniform Services	12.71
31169	12/03/2015	UTILITY GARBAGE FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	419.65
31169	12/03/2015	UTILITY SEWER FUND	Vehicle Operation Maintenance	Associated Petroleum Products Inc	51.22
31169	12/03/2015	UTILITY WATER FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	192.99
31169	12/03/2015	CEMETERY FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	12.63
31169	12/03/2015	STREET FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	12.63
31169	12/03/2015	GENERAL FUND	Vehicle Maintenance	Associated Petroleum Products Inc	12.63
31169	12/03/2015	UTILITY GARBAGE FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	22.28
31169	12/03/2015	UTILITY SEWER FUND	Vehicle Operation Maintenance	Associated Petroleum Products Inc	2.71
31169	12/03/2015	UTILITY WATER FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	10.25
31169	12/03/2015	CEMETERY FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	0.67
31169	12/03/2015	STREET FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	0.67
31169	12/03/2015	GENERAL FUND	Vehicle Maintenance	Associated Petroleum Products Inc	0.67
31170	12/03/2015	CEMETERY FUND	Insurance	Cities Insurance Association of Washington	1,445.66
31170	12/03/2015	UTILITY WATER FUND	Insurance	Cities Insurance Association of Washington	40,478.54
31170	12/03/2015	UTILITY SEWER FUND	Insurance	Cities Insurance Association of Washington	53,971.39

31170	12/03/2015	UTILITY GARBAGE FUND	Insurance	Cities Insurance Association of Washington	27,949.47
31170	12/03/2015	STORMWATER UTILITY FUND	Insurance	Cities Insurance Association of Washington	8,673.97
31170	12/03/2015	GENERAL FUND	Insurance	Cities Insurance Association of Washington	42,963.15
31170	12/03/2015	STREET FUND	Insurance	Cities Insurance Association of Washington	6,959.18
31171	12/03/2015	GENERAL FUND	Travel and Seminars	City of Sultan	131.24
31171	12/03/2015	PARK IMPROVEMENT FUND	General Park Improvements	City of Sultan	33.64
31171	12/03/2015	UTILITY WATER FUND	Operating Supply	City of Sultan	2.49
31171	12/03/2015	UTILITY WATER FUND	Operating Supply	City of Sultan	3.00
31172	12/03/2015	UTILITY WATER FUND	Operating Supply	Correctional Industries	86.05
31172	12/03/2015	UTILITY SEWER FUND	Operating Supplies	Correctional Industries	86.05
31172	12/03/2015	UTILITY GARBAGE FUND	Operating Supplies	Correctional Industries	86.05
31172	12/03/2015	STORMWATER UTILITY FUND	Operating Supplies	Correctional Industries	28.67
31172	12/03/2015	UTILITY WATER FUND	Office Supplies	Correctional Industries	40.99
31172	12/03/2015	UTILITY SEWER FUND	Office Supplies	Correctional Industries	40.99
31172	12/03/2015	UTILITY GARBAGE FUND	Office Supplies	Correctional Industries	40.99
31172	12/03/2015	STREET FUND	Office Supplies	Correctional Industries	40.99
31172	12/03/2015	GENERAL FUND	Office/Operating Supplies	Correctional Industries	41.00
31173	12/03/2015	PARK IMPROVEMENT FUND	General Park Improvements	D & J Industries	1,194.60
31174	12/03/2015	UTILITY SEWER FUND	Miscellaneous	Department of Ecology - Cashiering Section	90.00
31175	12/03/2015	UTILITY WATER FUND	Miscellaneous	Department of Ecology - Cashiering Section	119.41
31176	12/03/2015	BUILDING MAINTENANCE FUND	Professional Service	Department of Natural Resources	597.01
31177	12/03/2015	UTILITY SEWER FUND	Communication	Fire Protection Inc.	522.61
31177	12/03/2015	GENERAL FUND	Communication	Frontier	3.19
31177	12/03/2015	STREET FUND	Communication	Frontier	3.19
31177	12/03/2015	UTILITY WATER FUND	Communication	Frontier	3.20
31177	12/03/2015	UTILITY SEWER FUND	Communication	Frontier	3.19
31177	12/03/2015	UTILITY GARBAGE FUND	Communication	Frontier	3.19
31178	12/03/2015	PARK IMPROVEMENT FUND	Professional Service	Harmsen & Associates Inc	145.00
31179	12/03/2015	UTILITY SEWER FUND	Rentals	Honey Bucket	111.65
31179	12/03/2015	UTILITY SEWER FUND	Rentals	Honey Bucket	240.00
31179	12/03/2015	UTILITY SEWER FUND	Rentals	Honey Bucket	183.50
31180	12/03/2015	STREET FUND	Office/Operating Supplies	Lakeside Industries	337.97
31181	12/03/2015	GENERAL FUND	Volunteer Program	Kenda Machorro	930.58
31182	12/03/2015	GENERAL FUND	Volunteer Program	Donna Murphy	42.55
31183	12/03/2015	CR EQUIPMENT FUND	Capital - Equipment	NC MACHINERY CO.	6,997.28
31184	12/03/2015	UTILITY WATER FUND	Operating Supply	Northstar Chemical, Inc.	551.20
31185	12/03/2015	UTILITY WATER FUND	Repair and Maintenance	Oasys Office Automation Systems	7.23
31185	12/03/2015	UTILITY WATER FUND	Repair and Maintenance	Oasys Office Automation Systems	7.23
31185	12/03/2015	UTILITY SEWER FUND	Repair and Maintenance	Oasys Office Automation Systems	7.22
31185	12/03/2015	UTILITY GARBAGE FUND	Repair and Maintenance	Oasys Office Automation Systems	7.23
31185	12/03/2015	STORMWATER UTILITY FUND	Repair and Maintenance	Oasys Office Automation Systems	7.23
31185	12/03/2015	UTILITY WATER FUND	Repair and Maintenance	Oasys Office Automation Systems	7.23

31185	12/03/2015	GENERAL FUND	Office/Operating Supplies	Oasys Office Automation Systems	7.22
31186	12/03/2015	UTILITY WATER FUND	Office Supplies	Office Depot	7.10
31186	12/03/2015	UTILITY SEWER FUND	Office Supplies	Office Depot	7.11
31186	12/03/2015	UTILITY GARBAGE FUND	Office Supplies	Office Depot	7.10
31186	12/03/2015	STREET FUND	Office Supplies	Office Depot	7.11
31186	12/03/2015	GENERAL FUND	Office/Operating Supplies	Office Depot	28.41
31186	12/03/2015	UTILITY WATER FUND	Office Supplies	Office Depot	6.24
31186	12/03/2015	UTILITY SEWER FUND	Office Supplies	Office Depot	6.24
31186	12/03/2015	UTILITY GARBAGE FUND	Office Supplies	Office Depot	6.23
31186	12/03/2015	STREET FUND	Office Supplies	Office Depot	6.24
31186	12/03/2015	GENERAL FUND	Office/Operating Supplies	Office Depot	24.95
31186	12/03/2015	UTILITY WATER FUND	Office Supplies	Office Depot	11.20
31186	12/03/2015	UTILITY SEWER FUND	Office Supplies	Office Depot	11.20
31186	12/03/2015	UTILITY GARBAGE FUND	Office Supplies	Office Depot	11.19
31186	12/03/2015	STREET FUND	Office Supplies	Office Depot	11.20
31186	12/03/2015	GENERAL FUND	Office/Operating Supplies	Office Depot	44.79
31187	12/03/2015	GENERAL FUND	Organization Dues	Office of Minority & Women	100.00
31188	12/03/2015	GENERAL FUND	Utilities	PUD	57.44
31188	12/03/2015	UTILITY WATER FUND	Utilities	PUD	1,383.99
31188	12/03/2015	UTILITY SEWER FUND	Utilities	PUD	2,972.16
31188	12/03/2015	GENERAL FUND	Utilities	PUD	38.92
31188	12/03/2015	GENERAL FUND	Utilities	PUD	77.93
31188	12/03/2015	UTILITY SEWER FUND	Utilities	PUD	362.80
31188	12/03/2015	GENERAL FUND	Utilities	PUD	125.94
31188	12/03/2015	STREET FUND	Utilities	PUD	17.42
31188	12/03/2015	STREET FUND	Utilities	PUD	342.53
31188	12/03/2015	GENERAL FUND	Utilities	PUD	17.98
31188	12/03/2015	GENERAL FUND	Utilities	PUD	42.28
31189	12/03/2015	GENERAL FUND	Utilities	Puget Sound Energy	31.70
31189	12/03/2015	GENERAL FUND	Utilities	Puget Sound Energy	16.32
31190	12/03/2015	GENERAL FUND	Office/Operating Supplies	QualityBusiness Systems Inc	7.64
31190	12/03/2015	STREET FUND	Office Supplies	QualityBusiness Systems Inc	7.64
31190	12/03/2015	UTILITY WATER FUND	Office Supplies	QualityBusiness Systems Inc	7.64
31190	12/03/2015	UTILITY SEWER FUND	Office Supplies	QualityBusiness Systems Inc	7.64
31190	12/03/2015	UTILITY GARBAGE FUND	Office Supplies	QualityBusiness Systems Inc	7.64
31191	12/03/2015	UTILITY SEWER FUND	Professional Service	RH2 Engineering, Inc.	2,438.10
31191	12/03/2015	UTILITY SEWER FUND	Professional Service	RH2 Engineering, Inc.	1,997.31
31191	12/03/2015	UTILITY SEWER FUND	Professional Service - General	RH2 Engineering, Inc.	1,953.06
31192	12/03/2015	TIMBER RIDGE SETTLEMENT FUND	Professional - Legal	Robinson Noble	1,764.90
31193	12/03/2015	GENERAL FUND	Miscellaneous - Jail Fees	Snohomish County Corrections	5,854.25
31194	12/03/2015	GENERAL FUND	SnoCty Plan/Building Service	SnoCounty Planning/Development Services	308.00

31201	12/03/2015	UTILITY GARBAGE FUND	Communication	Verizon Wireless	12.10
31201	12/03/2015	STREET FUND	Communication	Verizon Wireless	12.11
31201	12/03/2015	GENERAL FUND	Communication	Verizon Wireless	12.10
31201	12/03/2015	UTILITY WATER FUND	Communication	Verizon Wireless	7.49
31201	12/03/2015	UTILITY SEWER FUND	Communication	Verizon Wireless	7.50
31201	12/03/2015	UTILITY GARBAGE FUND	Communication	Verizon Wireless	7.49
31201	12/03/2015	GENERAL FUND	Communication	Verizon Wireless	7.50
31201	12/03/2015	STREET FUND	Communication	Verizon Wireless	7.49
31201	12/03/2015	GENERAL FUND	Communication	Verizon Wireless	55.47
31202	12/03/2015	UTILITY WATER FUND	Travel and Seminars	Visa	302.44
31202	12/03/2015	UTILITY SEWER FUND	Travel and Seminars	Visa	302.44
31202	12/03/2015	STREET FUND	Travel and Seminars	Visa	75.60
31202	12/03/2015	STORMWATER UTILITY FUND	Travel and Seminars	Visa	75.61
31202	12/03/2015	GENERAL FUND	Small Tools/Minor Equipment	Visa	68.26
31202	12/03/2015	STREET FUND	Small Tools/Minor Equipment	Visa	68.26
31202	12/03/2015	UTILITY WATER FUND	Small Tools/Minor Equipment	Visa	68.26
31202	12/03/2015	UTILITY SEWER FUND	Small Tools/Minor Equipment	Visa	68.26
31202	12/03/2015	UTILITY GARBAGE FUND	Small Tools/Minor Equipment	Visa	68.25
31202	12/03/2015	STORMWATER UTILITY FUND	Small Tools/Minor Equipment	Visa	68.25
31202	12/03/2015	STREET IMPROVEMENT FUND	Street Construction - Other	Visa	901.38
31202	12/03/2015	UTILITY WATER FUND	Uniforms	Visa	81.64
31203	12/03/2015	GENERAL FUND	Travel and Seminars	Visa	33.20
31204	12/03/2015	GENERAL FUND	Travel and Seminars	Visa	87.72
31205	12/03/2015	GENERAL FUND	Travel and Seminars	Visa	241.85
31206	12/03/2015	UTILITY WATER FUND	Travel and Seminars	WA State Chapter APWA	186.00
31206	12/03/2015	UTILITY SEWER FUND	Travel and Seminars	WA State Chapter APWA	186.00
31206	12/03/2015	STREET FUND	Travel and Seminars	WA State Chapter APWA	46.50
31206	12/03/2015	STORMWATER UTILITY FUND	Travel and Seminars	WA State Chapter APWA	46.50
31207	12/03/2015	UTILITY SEWER FUND	Miscellaneous	Win-911 Software	395.00
31208	12/03/2015	UTILITY SEWER FUND	Repair and Maintenance	Wm. H. Reilly & Co.	142.67

355,264.27

CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM NO: Consent C 3
DATE: November 20, 2014
SUBJECT: Public Defender – Contract for Services with Aimee Trua
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is authorizing the Mayor to sign a renewal contract with Aimee Trua for Public Defender services. There are no changes to the contract service monthly fee.

SUMMARY:

The City is required to provide Public Defenders to indigent criminal defendants charged under ordinances of the City. The Court is responsible for interviews and screening of defendants to determine if they qualify for indigent defense.

In 2004, the City entered into a contract with Aimee Trua to provide these services. The contract calls for a set dollar amount of \$1,700 per month for services provided without consideration to the number of cases handled. The total annual cost is \$20,400. There is an additional charge if a case goes to trial. There will be no increase in the monthly fee for 2014.

A second option available to the City is to have the courts assign Public Defenders from their pool. The issue with using court appointed Public Defenders from a pool is that each attorney has a different rate for billing. Instead of paying one attorney, the city would pay multiple attorneys.

A third option would be for the City to issue a Request for Proposals for Public Defense services.

ALTERNATIVES:

1. Authorize the Mayor to sign the revised contract for Public Defender services.
2. Do not authorize the Mayor to sign the contract and direct staff to either enter an Interlocal Agreement with Snohomish County for public defense or issue a request for proposal for Public Defender services.

STAFF RECOMMENDATION

Staff recommends that the Mayor be authorized to sign a contract with Aimee Trua for Public Defender services for 2015.

Attachments: A. Contract for Services

**AGREEMENT FOR SERVICES
BETWEEN THE CITY OF SULTAN ANDAIMEE TRUA**

THIS AGREEMENT, is made this ____day of_____, 2014 by and between the City of Sultan (hereinafter referred to as "City"), a Washington Municipal Corporation, and Aimee Trua, Attorney at Law (hereinafter referred to as "Service Provider"), doing business at Everett, Washington.

WHEREAS, Service Provider is in the business of providing certain services specified herein; and

WHEREAS, the City desires to contract with Service Provider for the provision of such services for Public Defender, and Service Provider agrees to contract with the City for same;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

TERMS

1. **Description of Work.** Service Provider shall perform work as described in Attachment A, Scope of Work, which is attached hereto and incorporated herein by this reference, according to the existing standard of care for such services. Service Provider shall not perform any additional services without the written permission of the City.
2. **Payment.**
 - A. The City shall pay Service Provider at the hourly rate set forth in Attachment B, but not more than a total of Twenty thousand four hundred dollars (\$20,400) for the services described in this Agreement. This is the maximum amount to be paid under this Agreement.
 - B. Service Provider shall submit monthly payment invoices to the City after such services have been performed, and the City shall make payment within four (4) weeks after the submittal of each approved invoice. Such invoice shall detail the hours worked, a description of the tasks performed, and shall separate all charges for clerical work and reimbursable expenses.
 - C. If the City objects to all or any portion of any invoice, it shall so notify Service Provider of the same within five (5) days from the date of receipt and shall pay that portion of the invoice not in dispute. The parties shall immediately make every effort to settle the disputed portion.
3. **Relationship of Parties.** The parties intend that an independent contractor - client relationship will be created by this Agreement. As Service Provider is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or subcontractor of Service Provider shall be or shall be deemed to be the employee, agent, representative or subcontractor of the City. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the City to the Service Provider or her employees, agents, representatives or subcontractors. Service Provider will be solely and entirely responsible for her acts and for the acts of Service Provider's agents, employees, representatives and subcontractors during the performance of this Agreement. The City may, during the term of this Agreement, engage

other independent contractors to perform the same or similar work that Service Provider performs hereunder.

4. **Scope of Services.** Represents those indigent criminal defendants charged under ordinances of the City who qualify for appointed counsel. The Public Defender shall provide Legal representation for each of these defendants from the time of screening for eligibility through trial, sentencing and appeals to the superior court, if necessary.
5. **Term of the agreement.** Provisions of services pursuant to this agreement shall commence January 1, 2015 and the agreement shall remain in full force and effect through December 31, 2015 unless terminated earlier by either party pursuant to the provisions herein.
6. **Termination.**
 - A. Termination Upon the City's Option. The City shall have the option to terminate this Agreement at any time. Termination shall be effective upon ten (10) days written notice to the Service Provider.
 - B. Termination for Cause. If Service Provider refuses or fails to complete the tasks described in Attachment A, or to complete such work in a manner satisfactory to the City, then the City may, by written notice to Service Provider, give notice of its intention to terminate this Agreement. After such notice, Service Provider hasten (10) days to cure, to the satisfaction of the City or its representative. If Service Provider fails to cure to the satisfaction of the City, the City shall send Service Provider a written termination letter which shall be effective upon deposit in the United States mail to Service Provider's address as stated below.
 - C. Rights upon Termination. In the event of termination, the City shall only be responsible to pay for all services satisfactorily performed by Service Provider to the effective date of termination, as described in the final invoice to the City. The City Administrator shall make the final determination about what services have been satisfactorily performed.
7. **Nondiscrimination.** In the hiring of employees for the performance of work under this Agreement or any subcontract hereunder, Service Provider, its subcontractors or any person acting on behalf of Service Provider shall not, by reason of race, religion, color, sex, marital status, national origin or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.
8. **Indemnification / Hold Harmless.** The Service Provider shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Service Provider and the City, its officers, officials, employees, and volunteers, the Service Provider's liability hereunder shall be only to the extent of the Service Provider's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Service Provider's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually

negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

9. **Insurance.** The Service Provider shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Service Provider, their agents, representatives, employees or subcontractors.
 - A. **Minimum Scope of Insurance.** Service Provider shall obtain insurance of the types described below:
 1. Professional Liability insurance shall be written with limits no less than \$1,000,000 each occurrence.
 - B. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.
 - C. **Verification of Coverage.** Service Provider shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Service Provider before commencement of the work.
 - D. **Subcontractors.** Service Provider shall include each subcontractor as insured under its policies or shall furnish separate certifications and endorsements for each subcontractor. All coverage shall be subject to all of the same insurance requirements as stated herein for the Service Provider.
10. **Entire Agreement.** The written provisions and terms of this Agreement, together with all documents attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement.
11. **City's Right of Supervision, Limitation of Work Performed by Service Provider.** Even though Service Provider works as an independent contractor in the performance of his duties under this Agreement, the work must meet the approval of the City and be subject to the City's general right of inspection and supervision to secure the satisfactory completion thereof. In the performance of work under this Agreement, Service Provider shall comply with all federal, state and municipal laws, ordinances, rules and regulations that are applicable to Service Provider's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.
12. **Work Performed at Service Provider's Risk.** Service Provider shall be responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at Service Provider's own risk, and Service Provider shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.
13. **Ownership of Products and Premises Security.**
 - A. All reports, plans, specifications, data maps, and documents produced by the Service Provider in the performance of services under this Agreement, whether in draft or final form and whether written, computerized, or in other form, shall be the property of the City.

B. While working on the City's premises, the Service Provider agrees to observe and support the City's rules and policies relating to maintaining physical security of the City's premises.

- 14. **Modification.** No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and Service Provider.
- 15. **Assignment.** Any assignment of this Agreement by Service Provider without the prior written consent of the City shall be void.
- 16. **Written Notice.** All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.
- 17. **Non-Waiver of Breach.** The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements or options, and the same shall be and remain in full force and effect.
- 18. **Resolution of Disputes, Governing Law.** Should any dispute, misunderstanding or conflict arise as to the terms and conditions contained in this Agreement, the matter shall be referred to the City Administrator, whose decision shall be final. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for its reasonable attorney fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year above written.

CITY OF SULTAN

By: _____
Carolyn Eslick, Mayor

SERVICE PROVIDER

By: _____
Title: _____
Taxpayer ID #: _____

CITY CONTACT

City of Sultan
319 Main Street, Suite 200
Sultan, WA 98294
Phone: 360-793-2231
Fax: 360-793-3344

SERVICE PROVIDER CONTACT

Phone: _____
Fax: _____

ATTEST/AUTHENTICATED

By: _____
City Clerk

APPROVED AS TO FORM

By: _____
Office of the City Attorney

Attachment A

1. Scope of Services: Represent those indigent criminal defendants charged under ordinances of the City who qualify for appointed counsel. The Public Defender shall provide Legal representation for each of these defendants from the time of screening for eligibility through trial, sentencing and appeals to the superior court, if necessary.
2. Applicant Screening: Determination for indigency for eligibility for appointed counsel under this contract shall be determined by an independent screening process as established by Snohomish County District Court, Evergreen Division. Should the Public Defender determine that the Defendant is not eligible for assigned counsel prior to the establishment of attorney/client privilege, the Defender shall so advise the City to reconsider the screening of that particular individual.
3. Associated Counsel: Any counsel associated with or employed by the Defender shall have the authority to provide the services called for herein, and the Public Defender may employ associate counsel to assist at Defender's expense. The Defender and all Defenders hired pursuant to this section shall be admitted to practice pursuant to the rules of the Supreme Court of the State of Washington.
4. Services: The Defender shall appear at the hearings for the defendant at all stages until the defendant is sentenced. Upon sentencing, the defender shall withdraw.
5. Discovery Provided: The City shall provide through the Court or the prosecution, at no cost to the Defender, one copy of all discoverable material concerning each case assigned.
6. Code Provided: the City shall provide the Defender, at no cost, one copy of all criminal and traffic ordinances enacted by the City, and any amendments thereto adopted during the term of this contract.

Attachment B

7. Compensation: The City shall pay the Public Defender for services rendered under this contract as follows:
 - A. A flat fee of \$1,700.00 per month for all cases assigned; and
 - B. An additional fee of \$40.00 per hour up to a maximum of \$160.00 for any case which proceeds to jury trial, provided that, if it settles on the jury trial date, additional fees shall be paid at the \$40.00 per hour rate for the court appearance.
 - C. The Defender shall bill the City the first week of the month, or as soon thereafter as possible, for the flat fee and any additional work as defined in 6(B) for approval, which payment thereof shall be made in the regular course by the City. The Defender shall provide a report on the number of cases handled each month.

SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM NO: Consent C 4
DATE: December 3, 2015
SUBJECT: Weed Graafstra and Benson –Special Legal Council
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the City Council is authorizing the Mayor to sign a professional services contract (Attachment A) with Weed Graafstra and Benson for special legal counsel.

STAFF RECOMMENDATION:

Authorize the Mayor to sign a professional services contract with Weed Graafstra and Benson for special legal counsel for long-term legal matters related to LID 97-1.

SUMMARY:

The City's contract with Weed, Graafstra and Benson (WGB) for special legal attorney services will expire on December 31, 2015.

Weed Graafstra and Benson have worked with staff on legal issues related to LID 97-1. These issues were initially handled by WGB when Tom Graafstra was City Attorney. In 2008, when the city selected Kenyon Disend the Council determined it didn't make sense to transfer these legal matters to Kenyon Disend and incur the cost to bring a new attorney up to speed.

The contract provides for:

1. A maximum amount of \$10,000.00.
2. The contract duration will be to December 31, 2016

FISCAL IMPACT:

The 2016 General fund legal budget includes funds for municipal attorney services. Legal fees for collections and foreclosures for LID 97-1 are recovered from the property owner.

WGB are the attorney of record for the City in the Hammer bankruptcy case and continue to monitor the action to insure the City's right to collect on the LID assessment.

ALTERNATIVES:

1. Authorize the Mayor to sign the professional services contract with Weed Graafstra Benson for special legal counsel. This option will allow staff to continue to work on current files without delay.
2. Do not authorize the Mayor to the professional services contract with Weed Graafstra and Benson for special legal counsel. This option will require staff to review legal files with the City Attorney to bring them up to date on the current status of the legal issues.

RECOMMENDED ACTION:

Authorize the Mayor to sign the professional services contract with Weed Graafstra Benson for special legal counsel.

ATTACHMENTS: A. Weed Graafstra and Benson - Professional service contract

**AGREEMENT FOR SERVICES
BETWEEN THE CITY OF SULTAN AND
WEED GRAAFSTRA AND BENSON**

THIS AGREEMENT, is made this ____ day of _____ 2015, by and between the City of Sultan (hereinafter referred to as "City"), a Washington Municipal Corporation, and Weed Graafstra and Benson Inc PC (hereinafter referred to as "Service Provider"), doing business at 21 Avenue A, Snohomish, Washington 98290.

WHEREAS, Service Provider is in the business of providing certain services specified herein; and

WHEREAS, the City desires to contract with Service Provider for the provision of services for legal counsel, and Service Provider agrees to contract with the City for same;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

TERMS

1. **Description of Work.** Service Provider shall perform work as described in Attachment A, Scope of Work, which is attached hereto and incorporated herein by this reference, according to the existing standard of care for such services. Service Provider shall not perform any additional services without the express written permission of the City.
2. **Payment.**
 - A. The City shall pay Service Provider at the hourly rate set forth in Attachment B, but not more than a total of ten thousand dollars (\$10,000) for the services described in this Agreement. This is the maximum amount to be paid under this Agreement.
 - B. Service Provider shall submit monthly payment invoices to the City after such services have been performed, and the City shall make payment within four (4) weeks after the submittal of each approved invoice.
 1. Such invoice shall detail the hours worked, a description of the tasks performed, and shall separate all charges for clerical work and reimbursable expenses.
 2. The invoice shall also sort these tasks by the requesting department, and provide a summary of hours and costs for each department and for the total due.
 3. The monthly invoice shall summarize monthly and year-to-date billings by department. This spreadsheet shall be updated by the Service Provider monthly, and shall include listings showing hours spent performing such services, average cost per hour and total cost per topic / project item.
 - C. If the City objects to all or any portion of any invoice, it shall so notify Service Provider of the same within five (5) days from the date of receipt and shall pay that portion of the invoice not in dispute. The parties shall immediately make every effort to settle the disputed portion.

3. **Relationship of Parties.** The parties intend that an independent contractor - client relationship will be created by this Agreement. As Service Provider is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or subcontractor of Service Provider shall be or shall be deemed to be the employee, agent, representative or subcontractor of the City. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the City to the Service Provider or his employees, agents, representatives or subcontractors. Service Provider will be solely and entirely responsible for his acts and for the acts of Service Provider's agents, employees, representatives and subcontractors during the performance of this Agreement. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that Service Provider performs hereunder.
4. **Project Name.** On-call legal counsel
5. **Duration of Work.** Service Provider shall complete the work described in Attachment A on or before December 31, 2016.
6. **Termination.**
 - A. Termination Upon the City's Option. The City shall have the option to terminate this Agreement at any time. Termination shall be effective upon ten (10) days written notice to the Service Provider.
 - B. Termination for Cause. If Service Provider refuses or fails to complete the tasks described in Attachment A, or to complete such work in a manner satisfactory to the City, then the City may, by written notice to Service Provider, give notice of its intention to terminate this Agreement. After such notice, Service Provider shall have ten (10) days to cure, to the satisfaction of the City or its representative. If Service Provider fails to cure to the satisfaction of the City, the City shall send Service Provider a written termination letter which shall be effective upon deposit in the United States mail to Service Provider's address as stated below.
 - C. Rights upon Termination. In the event of termination, the City shall only be responsible to pay for all services satisfactorily performed by Service Provider to the effective date of termination, as described in the final invoice to the City. The City Manager shall make the final determination about what services have been satisfactorily performed.
7. **Nondiscrimination.** In the hiring of employees for the performance of work under this Agreement or any subcontract hereunder, Service Provider, its subcontractors and any person acting on behalf of Service Provider shall not, by reason of race, religion, color, sex, marital status, national origin or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.
8. **Indemnification / Hold Harmless.** The Service Provider shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Service Provider and the City, its officers, officials, employees, and volunteers, the Service Provider's liability hereunder shall be only to the extent of the Service Provider's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Service Provider's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

9. **Insurance.** The Service Provider shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Service Provider, their agents, representatives, employees or subcontractors.

A. **Minimum Scope of Insurance.** Service Provider shall obtain insurance of the types described below:

Minimum Amounts of Insurance. Service Provider shall maintain the following insurance limits:

1. Professional Liability insurance shall be written with limits no less than \$1,000,000 each occurrence.

B. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

C. **Verification of Coverage.** Service Provider shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Service Provider before commencement of the work.

D. **Subcontractors.** Service Provider shall include each subcontractor as insured under its policies or shall furnish separate certifications and endorsements for each subcontractor. All coverage shall be subject to all of the same insurance requirements as stated herein for the Service Provider.

10. **Entire Agreement.** The written provisions and terms of this Agreement, together with all documents attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement.

11. **City's Right of Supervision, Limitation of Work Performed by Service Provider.** Even though Service Provider works as an independent contractor in the performance of his duties under this Agreement, the work must meet the approval of the City and be subject to the City's general right of inspection and supervision to secure the satisfactory completion thereof. In the performance of work under this Agreement, Service Provider shall comply with all federal, state and municipal laws, ordinances, rules and regulations that are applicable to Service Provider's business, equipment, and personnel engaged in

operations covered by this Agreement or accruing out of the performance of such operations.

12. **Work Performed at Service Provider's Risk.** Service Provider shall be responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at Service Provider's own risk, and Service Provider shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.
13. **Ownership of Products and Premises Security.**
 - A. All reports, plans, specifications, data maps, and documents produced by the Service Provider in the performance of services under this Agreement, whether in draft or final form and whether written, computerized, or in other form, shall be the property of the City.
 - B. While working on the City's premises, the Service Provider agrees to observe and support the City's rules and policies relating to maintaining physical security of the City's premises.
14. **Modification.** No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and Service Provider.
15. **Assignment.** Any assignment of this Agreement by Service Provider without the written consent of the City shall be void.
16. **Written Notice.** All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.
17. **Non-Waiver of Breach.** The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements or options, and the same shall be and remain in full force and effect.
18. **Resolution of Disputes, Governing Law.** Should any dispute, misunderstanding or conflict arise as to the terms and conditions contained in this Agreement, the matter shall be referred to the City Manager, whose decision shall be final. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for its reasonable attorney fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year above written.

CITY OF SULTAN

By: _____
Carolyn Eslick, Mayor

SERVICE PROVIDER

By: _____
Title: _____
Taxpayer ID #: _____

CITY CONTACT

City of Sultan
319 Main Street, Suite 200
Sultan, WA 98294
Phone: 360-793-2231
Fax: 360-793-3344

SERVICE PROVIDER CONTACT

Grant K. Weed
Weed, Graafstra & Benson, Inc., P.S.
21 Avenue A
Snohomish, WA 98290
Phone: 360-568-3119
Fax: 360-568-4437

ATTEST/AUTHENTICATED

By: _____
City Clerk

APPROVED AS TO FORM

By: _____
Office of the City Attorney

**ATTACHMENT A
SCOPE OF WORK**

1. **Litigation** – Appear as required before courts and administrative agencies, and appeals to the City hearing examiner, on behalf of the City.
2. **Capital Projects** - Provide assistance in responding and resolving pending capital project issues such as LID-97 initiated by the City prior to December 31, 2007.
3. **Other Legal Services** – Perform other legal services and legal tasks, as assigned by the Mayor, City Administrator and/or City Council.

ATTACHMENT B

2016 HOURLY RATES

For first 20 hours per month - \$175.00/hr.

For all hours per month in excess of 20 hours - \$185.00/hr.

For Paralegal hours - \$140.00/hr.

For litigation hours - \$190.00/hr.

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent 5

DATE: December 5, 2015

SUBJECT: Kenyon Disend – Municipal Attorney Contract

CONTACT PERSON: Laura Koenig, Clerk/Finance Director

ISSUE:

The issue before the City Council is authorizing the Mayor to sign a professional services contract with Kenyon Disend not to exceed \$60,000 for general municipal attorney services.

STAFF RECOMMENDATION:

Authorize the Mayor to sign a professional services contract with Kenyon Disend for general municipal attorney services.

SUMMARY:

The City Council approved a one-year professional services agreement with Kenyon Disend on November 20, 2014. The contract will expire on December 31, 2015. The maximum expenditure under the contract is \$60,000.

The municipal attorney is an essential member of the municipal team for purposes of managing legal affairs, risk management and assisting the City in making legally sound policy decisions. The selection and continuity of the City Attorney is one of the most important decisions for a City Council.

General municipal attorney services include attending council meetings, legal services to the Mayor, Council and staff, preparation and review of ordinances, resolutions, contracts and other legislative documents, and legal representation in civil matters such as land use hearings and appeals.

ATTACHMENTS:A: Legal services contract with Kenyon Disend

**AGREEMENT FOR SERVICES
BETWEEN THE CITY OF SULTAN AND
KENYON DISEND, PLLC**

THIS AGREEMENT, is made this ____ day of _____, 2015, by and between the City of Sultan (hereinafter referred to as "City"), a Washington Municipal Corporation, and Kenyon Disend, PLLC,(hereinafter referred to as "Service Provider"), doing business at 11 Front Street South, Issaquah, Washington.

WHEREAS, Service Provider is in the business of providing certain services specified herein; and

WHEREAS, the City desires to contract with Service Provider for the provision of municipal attorney services, and Service Provider agrees to contract with the City for same;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

TERMS

1. **Description of Work.** Service Provider shall perform work as described in Exhibit A, Scope of Work, which is attached hereto and incorporated herein by this reference, according to the existing standard of care for such services. Service Provider shall not perform any additional services without the expressed permission of the City.
2. **Payment.**
 - A. The City shall pay Service Provider at the hourly rate set forth in Exhibit B, but not more than a total of sixty thousand dollars (\$60,000) for the services described in this Agreement. This is the maximum amount to be paid under this Agreement, and shall not be exceeded without prior written authorization from the City in the form of a negotiated and executed supplemental agreement.
 - B. Time is accounted for and billed to the tenth (1/10) of the hour. The Service Provider shall not charge for time that is excessive relative to the task or service, redundant, unnecessary, or fails to provide value to the City commensurate with the associated fees. No premium or time added shall be charged for incorporating into the services work product from a separate engagement or undertaking. In-office conferences between Service Provider's attorneys should be minimized. Generally only one attorney should appear at meetings, hearings and other proceedings unless special circumstances warrant the presence of more than one attorney.
 - C. Service Provider shall submit monthly payment invoices to the City after such services have been performed, and the City shall make payment within four (4) weeks after the submittal of each approved invoice. Such invoice shall detail the hours worked, a description of the tasks performed, and shall separate all charges for clerical work and reimbursable expenses.
 - D. To allow the City to better track Service Provider time and effectively and appropriately utilize the Service Provider services, the Service Provider will advise the authorized City Representative monthly when the number of general service hours performed by the

attorneys and Service Provider's other billable employees during the month reaches 35 hours.

- E. If the City objects to all or any portion of any invoice, it shall so notify Service Provider of the same within five (5) days from the date of receipt and shall pay that portion of the invoice not in dispute. The parties shall immediately make every effort to settle the disputed portion.
3. **Relationship of Parties.** The parties intend that an independent Service Provider - client relationship will be created by this Agreement. As Service Provider is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or subcontractor of Service Provider shall be or shall be deemed to be the employee, agent, representative or subcontractor of the City. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the City to the Service Provider or his employees, agents, representatives or subcontractors. Service Provider will be solely and entirely responsible for his acts and for the acts of Service Provider's agents, employees, representatives and subcontractors during the performance of this Agreement. The City may, during the term of this Agreement, engage other independent Service Providers to perform the same or similar work that Service Provider performs hereunder.
4. **Project Name.** Municipal Attorney
5. **Duration of Work.** Service Provider shall complete the work described in Attachment A on or before December 31, 2016.
6. **Termination.**
- A. Termination Upon the City's Option. The City shall have the option to terminate this Agreement at any time. Termination shall be effective upon ten (10) days written notice to the Service Provider.
 - B. Termination for Cause. If Service Provider refuses or fails to complete the tasks described in Attachment A, or to complete such work in a manner satisfactory to the City, then the City may, by written notice to Service Provider, give notice of its intention to terminate this Agreement. After such notice, Service Provider shall have ten (10) days to cure, to the satisfaction of the City or its representative. If Service Provider fails to cure to the satisfaction of the City, the City shall send Service Provider a written termination letter which shall be effective upon deposit in the United States mail to Service Provider's address as stated below.
 - C. Rights upon Termination. In the event of termination, the City shall only be responsible to pay for all services satisfactorily performed by Service Provider to the effective date of termination, as described in the final invoice to the City. The City Administrator shall make the final determination about what services have been satisfactorily performed.
7. **Nondiscrimination.** In the hiring of employees for the performance of work under this Agreement or any subcontract hereunder, Service Provider, its subcontractors and any person acting on behalf of Service Provider shall not, by reason of race, religion, color,

sex, marital status, national origin or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.

8. **Indemnification / Hold Harmless.** The Service Provider shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including reasonable attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Service Provider and the City, its officers, officials, employees, and volunteers, the Service Provider's liability hereunder shall be only to the extent of the Service Provider's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Service Provider's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

9. **Insurance.** The Service Provider shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Service Provider, their agents, representatives, employees or subcontractors.

A. **Minimum Scope of Insurance.** Service Provider shall maintain a professional errors and omissions insurance policy with minimum coverage of one million dollars per claim and three million dollars annual aggregate.

10. **Entire Agreement.** The written provisions and terms of this Agreement, together with all documents attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement.

11. **City's Right of Supervision, Limitation of Work Performed by Service Provider.** Even though Service Provider works as an independent Service Provider in the performance of his duties under this Agreement, the work must meet the approval of the City and be subject to the City's general right of inspection and supervision to secure the satisfactory completion thereof. In the performance of work under this Agreement, Service Provider shall comply with all federal, state and municipal laws, ordinances, rules and regulations that are applicable to Service Provider's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

12. **Work Performed at Service Provider's Risk.** Service Provider shall be responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at Service Provider's own risk, and Service Provider shall be responsible for

any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

13. Ownership of Products and Premises Security.

A. All reports, plans, specifications, data maps, and documents produced by the Service Provider in the performance of services under this Agreement, whether in draft or final form and whether written, computerized, or in other form, shall be the property of the City.

B. While working on the City's premises, the Service Provider agrees to observe and support the City's rules and policies relating to maintaining physical security of the City's premises.

14. Modification.No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and Service Provider.

15. Assignment.Any assignment of this Agreement by Service Provider without the written consent of the City shall be void.

16. Written Notice.All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

17. Non-Waiver of Breach.The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements or options, and the same shall be and remain in full force and effect.

18. Resolution of Disputes, Governing Law.Should any dispute, misunderstanding or conflict arise as to the terms and conditions contained in this Agreement, the matter shall be referred to the City Administrator, whose decision shall be final. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for its reasonable attorney fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year above written.

CITY OF SULTAN

By: _____
Carolyn Eslick, Mayor

SERVICE PROVIDER

By: _____
Michael R. Kenyon, Managing Member
Tax ID#: 91-2016881

CITY CONTACT

Kenneth Walker, City Administrator

SERVICE PROVIDER CONTACT

Michael R. Kenyon

319 Main Street, Suite 200
Sultan, WA 98294
Phone: 360-783-1164
Fax: 360-793-3344

Kenyon Disend, PLLC
11 Front Street South
Issaquah, WA 98027
Phone: 425-392-7090
Fax: 425-392-7071

ATTEST/AUTHENTICATED

By: _____
City Clerk

APPROVED AS TO FORM

By: _____
Office of the City Attorney

EXHIBIT A SCOPE OF WORK

Service Provider shall provide City Attorney services to the City and ~~Danielle M. Evans~~Amy S. Mill, a member attorney of the Service Provider, shall serve as the City Attorney, providing the traditional scope of attorney services, advising the City on all matters of a legal nature, providing legal advice, counsel, services, legal training, consultation and opinions to the Mayor, City Council, Boards and Commissions, and all levels of City government. Mike Kenyon and other members of the Service Provider's firm, shall assist Ms. ~~Evans~~Mill and serve as needed or requested.

The basic scope of services, for the purpose of the proposal, shall include those legal services generally understood from the field of municipal law to fall within the category of "general counsel" work, and shall include, but not necessary be limited to the following:

1. Provides legal advice, counsel, services, training, consultation, and opinions to the Mayor, City Council, Boards and commissions, and all levels of the City government, on a wide variety of civil assignments, including but not limited to land use planning, laws against discrimination, construction of public works, condemnation, purchasing and procurement, leasing, purchase and sale of property, employment legal matters, public disclosure issues, and tort law. The City Attorney's advice includes methods to avoid civil litigation and otherwise assist or participate in managing the City's exposure to risks.
2. Prepares and reviews ordinances and resolutions, contracts and other documents for legality and acceptability.
3. Assists administration officials and employees to understand the legal roles and duties of their respective offices and interrelationships with others.
4. Prepares legal opinions at the request of the Mayor, City Administrator or the City Council.
5. Provides the Mayor, City Council, and administration a legal perspective and legal advice on various governmental issues.
6. Furnishes legal representation at all City Council business meetings, and at other meetings when requested.
7. Provides the Mayor and City Council with guidance as to Robert's Rules of Orders and related procedural matters relating to City Council meetings.
8. Assists City officials and employees to maintain awareness of ethical standards and appearance of fairness standards, and to avoid potential conflicts of interest and prohibited transactions.
9. Works cooperatively with the municipal prosecutor and special legal counsel retained by the City for special projects.
10. Coordinates with other special legal counsel, as needed, to assure proper management of legal issues and proper coordination and transition of legal issues among special counsel.
11. Performs other legal services and legal tasks, as assigned by the Mayor, City Administrator and/or City Council.
12. Monitors pending and current state and federal legislation and court decisions as appropriate.

SPECIFICATIONS

The Service Provider (City Attorney) attends City Council meetings as requested on the second and fourth Thursdays of each month, from 7:00 p.m. until close. Attendance may be for a portion of or for the entire meeting.

If requested by the Mayor or City Administrator, the City Attorney shall attend City Council public hearings and presentations, which occur every second and fourth Thursday starting at 6:00 p.m. Attendance may be for a portion of or for the entire meeting.

The City Attorney is a member of the City Management Team and may be requested to attend management team meetings, which are scheduled during the business day.

The City Attorney shall maintain regular office hours at a secure, private office location. The City Attorney must be available by phone, cell phone, fax and e-mail.

The City Attorney shall be responsible to provide quarterly reports to the authorized City Representative for the City Attorney contract, concerning the actual and projected expenditures for all cases and work performed by the City Attorney and to cooperate with the administration in providing an appropriate summary of the information to the City Council on a quarterly basis.

KENYON DISEND, PLLC
HOURLY RATE SCHEDULE FOR YEAR 2016

ATTORNEYS:

Partners and Senior Attorneys:

<u>Michael R. Kenyon</u>	<u>\$305.00</u>
<u>Bruce L. Disend</u>	<u>\$305.00</u>
<u>Kim Adams Pratt</u>	<u>\$270.00</u>
<u>Robert F. Noe</u>	<u>\$270.00</u>
<u>David A. Linehan</u>	<u>\$270.00</u>
<u>John "Jay" P. Long Jr.</u>	<u>\$250.00</u>

Associate Attorneys:

<u>Rachel B. Turpin</u>	<u>\$175.00</u>
<u>Ann Marie Soto</u>	<u>\$170.00</u>
<u>Charlotte A. Archer</u>	<u>\$165.00</u>
<u>Amy S. Mill</u>	<u>\$150.00</u>
<u>Alexandra L. Kenyon</u>	<u>\$135.00</u>

PARALEGALS:

<u>Margaret C. Starkey</u>	<u>\$125.00</u>
<u>Sheryl A. Loewen</u>	<u>\$110.00</u>
<u>Pam M. Odegard</u>	<u>\$110.00</u>
<u>Kathy I. Swoyer</u>	<u>\$110.00</u>
<u>Terry T. Curran</u>	<u>\$110.00</u>
<u>Antoinette M. Mattox</u>	<u>\$100.00</u>

KENYON DISEND, PLLC
HOURLY RATE SCHEDULE FOR YEAR 2015

ATTORNEYS:

Partners and Senior Attorneys:

Michael R. Kenyon	\$295.00
Bruce L. Disend	\$295.00
Kim Adams Pratt	\$260.00
Chris D. Bacha	\$260.00
Robert F. Noe	\$260.00
Kari L. Sand	\$240.00
John "Jay" P. Long Jr.	\$240.00

Associate Attorneys:

Rachel B. Turpin	\$165.00
Danielle M. Evans	\$165.00
Ann Marie Soto	\$160.00

PARALEGALS:

Margaret C. Starkey	\$120.00
Sheryl A. Loewen	\$105.00
Pam M. Odegard	\$105.00
Mary A. Swan	\$105.00
Terry T. Curran	\$105.00
Kathy I. Swoyer	\$105.00

A. COSTS

1. The charges for Service Provider services shall include all overhead and internal charges, including but not limited to administration, secretarial, word processing, computer time, computer based research charges of the data based provider, accounting, office supplies, storage fees, equipment costs, librarian time, routine photocopying and clerical time.
 - a. In addition to the charges for Service Provider services, the City agrees to reimburse the Service Provider for the actual costs incurred by the Service Provider for postage, legal messenger services, and other charges customary to the practice of law.
2. Travel: Mileage shall not be reimbursed to Service Provider. Travel time to and from City Hall shall not be charged for the first two round-trips each calendar month, but shall be charged thereafter. Travel time related to litigation or for travel other than to and from City Hall shall be charged at Service Provider's normal hourly rates.
3. Cell phone expenses (except for long distance calls) and costs to maintain e-mail services shall not be separately charged.
4. Use of legal messengers should be avoided when service can be accomplished through mail or express mail. Overnight delivery charges at cost are subject to reimbursement, unless the charge was necessitated by the Service Provider's inability to perform the services earlier due to scheduling conflicts or demands of other clients.
5. Any transcription made by a court reporter shall be at City expense.

B. BILLINGS/BUDGETED AMOUNTS

1. Except as provided for herein, billings from the City Service Provider that exceed budgeted amounts for legal services are grounds for termination of the contract by the City and the City reserves the right to refuse to make payment for such excess billings.
2. The City shall provide the City Service Provider with an annual, and when necessary, periodic change orders in the form of a letter notice stating the maximum amount of legal services allowable under the contract.
3. The City Service Provider shall cease work on a legal matter, including general services, subject to a budget limit should the billings reach the budget limit for the legal matter. PROVIDED, nothing herein shall be construed to require the City Service Provider to stop work on a legal matter which would cause the City Service Provider to be in breach of the Rules of Professional Conduct or deprive the City Service Provider of compensation for work performed by the City Service Provider to remain in compliance with those rules or create a situation that would materially affect the City's position relative to a case; however, for work performed in excess of budget and pursuant to the preceding sentence, the City reserves the right to challenge the reasonableness and/or necessity of such work.

C. INCREASES

The rates and fee schedule shall remain unchanged through December 31, 2015 after which a one-time rate and fee schedule increase may be authorized by City Council.

D. METHOD OF PAYMENT

1. The Service Provider shall submit a monthly invoice for the compensation after services have been performed. An itemized billing statement in a form approved by the City will be submitted to provide a detailed description of each task performed during the month, the employee requesting the task, the number of hours spent performing such services itemized by Service Provider or other Service Provider employee with the associated billing rate, and any reimbursable costs and expenses incurred in connection with such services.
2. The invoice shall also sort these tasks by the requesting department, and provide a summary of hours and costs for each department and for the total due.
3. The monthly invoice will be accompanied by a Microsoft Excel spreadsheet file that summarizes monthly and year-to-date billings by department. This spreadsheet shall be updated by the Service Provider monthly, and shall include listings for General Services and Special Services project work, sorted by requesting department, showing hours spent performing such services, average cost per hour and total cost per topic / project item.

SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM NO: Consent C 6
DATE: December 3, 2015
SUBJECT: Professional Services Contract for IT services with Gold Bar Geek
CONTACT PERSON: Laura Koenig, Clerk/Finance Director

ISSUE:

The issue is to authorize the mayor to sign a contract with Gold Bar Geek to provide IT services for computer maintenance, Email, and Camera services.

STAFF RECOMMENDATION:

Authorize the Mayor to sign the contract with Gold Bar Geek for IT services.

SUMMARY:

The city contracts for IT service to maintain the computers, servers, cameras, e-mail and internet services. Gold Bar Geek also maintains the security system (virus protection), data backup, and assists with equipment maintenance and replacement.

ALTERNATIVES:

1. Authorize the mayor to sign the contract for computer services for the city.
2. Do not authorize the mayor to sign the contract and go out for RFPs for computer services.

FISCAL IMPACT:

The services are included in the 2016 budget for IT Services.

ATTACHMENTS: A. Contract between the City and Gold Bar Geek

AGREEMENT FOR SERVICES BETWEEN THE CITY OF SULTAN AND GOLD BAR GEEK, LLC

THIS AGREEMENT, is made this ____ day of _____, 2015 by and between the City of Sultan (hereinafter referred to as "City"), a Washington Municipal Corporation, and **GOLD BAR GEEK** (hereinafter referred to as "Service Provider"), doing business at: **211 NUGGET ROAD, GOLD BAR, WA 98251**.

WHEREAS, Service Provider is in the business of providing certain services specified herein; and

WHEREAS, the City desires to contract with Service Provider for the provision of INFORMATION TECHNOLOGY SERVICES AND THE RESTORATION OF EMAIL, WEB, AND CAMERA MANAGEMENT SERVICES, and Service Provider agrees to contract with the City for same;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

TERMS

1. **Description of Work.** Service Provider shall perform work as described in **Attachment A**, Scope of Work, which is attached hereto and incorporated herein by this reference, according to the existing standard of care for such services. Service Provider shall not perform any additional services without the express written permission of the City in the form of a negotiated and executed supplemental agreement.
2. **Payment.**
 - A. The City shall pay Service Provider at the hourly rate set forth in **Attachment B** for the services described in this Agreement. The maximum amount to be paid under this Agreement is Twenty Thousand Dollars (\$20,000.00) annually and shall not be exceeded without prior written authorization from the City in the form of a negotiated and executed supplemental agreement.
 - B. Service Provider shall submit monthly payment invoices to the City after such services have been performed, and the City shall make payment within four (4) weeks after the submittal of each approved invoice. Such invoice shall detail the hours worked, a description of the tasks performed.
 - C. If the City objects to all or any portion of any invoice, it shall notify Service Provider of the same within fourteen (14) days from the date of receipt and shall pay that portion of the invoice not in dispute. The parties shall immediately make every effort to settle the disputed portion.
 - D. In the event the parties are unable to settle any disputed charges, the parties agree to submit the dispute to Snohomish County Dispute Resolution Center for binding arbitration at the request of either party.

3. **Relationship of Parties.** The parties intend that an independent contractor - client relationship will be created by this Agreement. As Service Provider is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or subcontractor of Service Provider shall be or shall be deemed to be the employee, agent, representative or subcontractor of the City. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the City to the Service Provider or his employees, agents, representatives or subcontractors. Service Provider will be solely and entirely responsible for his acts and for the acts of Service Provider's agents, employees, representatives and subcontractors during the performance of this Agreement.
4. **Project Name.** *Information Technology Support Services for City of Sultan*
5. **Duration of Work.** Service Provider shall perform the work described in **Attachment A** until December 31, 2016. This agreement may terminate earlier pursuant to section 6 below.
6. **Termination.**
 - A. Termination Upon the City's Option. The City shall have the option to terminate this Agreement at any time. Termination shall be effective upon ten (10) days written notice to the Service Provider.
 - B. Termination upon the Service Providers Option. *The Service Provider shall have the option to terminate this Agreement at any time. Termination shall be effective upon thirty (30) days written notice to the City.*
 - C. Rights upon Termination. In the event of termination, the City shall only be responsible to pay for all services satisfactorily performed by Service Provider to the effective date of termination, as described in the final invoice to the City. The City Administrator shall make the final determination about what services have been satisfactorily performed.
 - D. Dispute Resolution. In the event the parties are unable to settle any disputed charges, the parties agree to submit the dispute to Snohomish County Dispute Resolution Center for binding arbitration at the request of either party.
7. **Nondiscrimination.** In the hiring of employees for the performance of work under this Agreement or any subcontract hereunder, Service Provider, its subcontractors or any person acting on behalf of Service Provider shall not, by reason of race, religion, color, sex, marital status, national origin or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.
8. **Indemnification / Hold Harmless.** The Service Provider shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the

sole negligence of the City. The service provider shall not be responsible for consequential damages sustained by the City or its officers, officials, employees and volunteers.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Service Provider and the City, its officers, officials, employees, and volunteers, the Service Provider's liability hereunder shall be only to the extent of the Service Provider's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Service Provider's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

9. **Insurance.** The Service Provider shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Service Provider, their agents, representatives, employees or subcontractors.
 - A. **Minimum Scope of Insurance.** Service Provider shall obtain insurance of the types described below:
 1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
 2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract. The City shall be named as an insured under the Service Provider's Commercial General Liability insurance policy with respect to the work performed for the City using ISO additional insured endorsement GC 20 10 10 01 and GC 20 37 10 01 or substitute endorsements providing equivalent coverage.
 3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
 - B. **Minimum Amounts of Insurance.** Service Provider shall maintain the following insurance limits:
 1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
 2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

- C. **Other Insurance Provisions.** The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:
1. The Service Provider's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Service Provider's insurance and shall not contribute with it.
 2. The Service Provider's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
- D. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.
- E. **Verification of Coverage.** Service Provider shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Service Provider before commencement of the work.
- F. **Subcontractors.** Service Provider shall include each subcontractor as insured under its policies or shall furnish separate certifications and endorsements for each subcontractor. All coverage shall be subject to all of the same insurance requirements as stated herein for the Service Provider.
- 10. Entire Agreement.** The written provisions and terms of this Agreement, together with all documents attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement.
- 11. City's Right of Supervision, Limitation of Work Performed by Service Provider.** Even though Service Provider works as an independent contractor in the performance of his duties under this Agreement, the work must meet the approval of the City and be subject to the City's general right of inspection and supervision to secure the satisfactory completion thereof. In the performance of work under this Agreement, Service Provider shall comply with all federal, state and municipal laws, ordinances, rules and regulations that are applicable to Service Provider's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.
- 12. Work Performed at Service Provider's Risk.** Service Provider shall be responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at Service Provider's own risk, and Service Provider shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

13. Ownership of Products and Premises Security.

- A. All reports, plans, specifications, data maps, and documents produced by the Service Provider in the performance of services under this Agreement, whether in draft or final form and whether written, computerized, or in other form, shall be the property of the City.
- B. While working on the City's premises, the Service Provider agrees to observe and support the City's rules and policies relating to maintaining physical security of the City's premises.
- C. Any computer programs or code developed by the service provider in performance with this agreement shall remain the property of the service provider. In the event of termination of this agreement, the City shall be granted a license at no cost to use any computer programs or code developed by the service provider in the scope of performance of this agreement.

14. Modification. No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and Service Provider.

15. Assignment. Any assignment of this Agreement by Service Provider without the written consent of the City shall be void.

16. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

17. Non-Waiver of Breach. The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements or options, and the same shall be and remain in full force and effect.

18. Resolution of Disputes, Governing Law. Should any dispute, misunderstanding or conflict arise as to the terms and conditions contained in this Agreement, the matter shall be referred to the City Administrator, whose decision shall be final. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for its reasonable attorney fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, and any lawsuit regarding this Agreement must be brought in Snohomish County Washington.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year above written.

CITY OF SULTAN

By: _____
Carolyn Eslick, Mayor

SERVICE PROVIDER

By: _____
Title: _____
Taxpayer ID #: _____

CITY CONTACT

Ken Walker, City Administrator
City of Sultan
319 Main Street, Suite 200
Sultan, WA 98294
Phone: 360-793-2231
Fax: 360-793-3344

SERVICE PROVIDER CONTACT

Steve Yarbrough
Gold Bar Geek
211 Nugget Rd
Gold Bar, WA 98251
Phone: _____
Fax: _____

ATTEST/AUTHENTICATED

By: _____
City Clerk

APPROVED AS TO FORM

By: _____
Office of the City Attorney

Scope of Work

Gold Bar Geek

Information Technology Services Contract

Gold Bar Geek will be on call to provide technical assistance and system administration to the city to restore email services, web site administration and camera administration and provide general professional services on an as-needed basis primarily during normal business hours: Monday to Friday 8:00am to 5:00pm. Gold Bar Geek will guarantee a 2-hour response time for emergency situations at all hours, as defined at the sole discretion of the city. Gold Bar Geek will work closely with the City Clerk.

Specific responsibilities include, but are not limited to, the following:

1. Assessment – At the city's request, compile/update an inventory of all information technology related assets, assess system architecture and current processes, and make recommendations for improved city-wide information technology performance. The written assessment may include the number of hours deliverable for recommended phases of improvements and upgrades. A written assessment report with recommendations. Requested inventories and recommendations should be delivered within 14 days of the city's request unless otherwise negotiated by the parties.
2. Desktop application support – Perform basic support functions including ordering and installing personal computers, laptops, PDA's, printers, peripherals, and office automation software, diagnose and correct desktop application problems, configure computers for standard applications and identify and correct end user hardware and software problems, and perform advanced troubleshooting. Assist designated city personnel with software and hardware purchases. Assist in the development of software/hardware policies and procedures.
3. Server and workstation administration services – Manage computer systems and networks including complex applications, database, e-mail, web and other servers and associated hardware, software, communications, and operating systems necessary for the quality, security, performance, availability, recoverability, and reliability of the city's systems. Establish the amount of deliverable hours to ensure scheduled preventative maintenance for equipment is properly and promptly performed and maintain the maintenance records on the equipment. Manage changes, upgrades and patches. Manage user logins and security. Coordinate repair and maintenance work with contracted repair vendors if needed and ensure repairs are conducted in a timely fashion.

Support Springbrook financial software and other specialized software products of the City of Sultan.

4. Network Administration services – Maintain all city network equipment including switches, firewalls, routers, and other security devices. Perform installation and maintenance of printers, network copiers/scanners, etc. Ensure maintenance of network including regular analysis, routine configuration, and installation of patches and upgrades. Perform minor cabling as needed. Establish the amount of deliverable hours for these services.
5. Security – Maintain virus detection programs on city servers, e-mail and all other city computers and laptops. Perform security audits as requested and notify city personnel immediately of suspected breaches of security or intrusion detection. Configure city systems to enable remote access in a secure environment and provide remote access administration as requested or designated by city personnel. The ability to allow this access should commence within 60 days of all parties having signed the contract.
6. Data backups – Ensure all city data is backed up and available for restoration when needed. Maintain offsite backups of all system data in a secure environment. The ability to establish Data backups should commence within 60 days of all parties signing the contract and an established amount of deliverable hours to complete and maintain backup requirements.
7. Strategic planning – Engineering, planning and design for major system enhancements, including installations and upgrades of new or existing systems. Provide technical leadership for server technology issues. Make recommendations for future purchases and technology needs.

Hourly Rates

Special Projects exceeding five (5) hours may be negotiated per project for special pricing.

Services are billed in 15 minute increments

Monthly Retainer to Include Web and Email Hosting:	\$100.00
Normal Support and Maintenance	\$65.00 per hour
Scheduled After Hours	\$65.00 per hour
Emergency After Hours	\$75.00 per hour

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM #: Action A 1
DATE: December 3, 2015
SUBJECT: Ordinance 1224-15 - 2015 Budget Amendments
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is to introduce Ordinance 1224-15 to amend the 2015 Budget. A public hearing was held during the December 3, 2015 Council meeting.

STAFF RECOMMENDATION

Staff recommends the council introduction of Ordinance 1224-15 amending the 2015 Budget for a first reading.

SUMMARY STATEMENT:

A public hearing on the proposed amendments to the 2015 Budget was held on December 3, 2015 during the regular Council meeting. Agenda Item PH 1 provides the details of the proposed budget amendments.

RECOMMENDED ACTION:

Introduction of Ordinance 1224-15 to amend the 2015 Budget.

Attachments: A. Ordinance 1224-15 – 2015 Budget Amendment

**CITY OF SULTAN
SULTAN WASHINGTON
ORDINANCE 1224-15**

**AN ORDINANCE OF THE CITY OF SULTAN AMENDING THE 2014 BUDGET
ADOPTED UNDER ORDINANCE 1206-14; PROVIDING FOR SEVERABILITY;
AND ESTABLISHING AN EFFECTIVE DATE**

WHEREAS, the City is required under state law to have a balanced budget; and

WHEREAS, the 2015 budget was adopted under Ordinance 1206-14 in December 2014; and

WHEREAS, it is necessary to amend the budget to adjust for unanticipated revenues or expenditures; now therefore

THE CITY COUNCIL OF THE CITY OF SULTAN DO ORDAIN AS FOLLOWS:

Section 1: The 2015 Budget as authorized under Ordinance 1206-14 for revenues and expenditures for the operation of the City of Sultan for the fiscal year ending December 31, 2015 is amended to increase/decrease in the following amounts:

Fund	Revenue Increase	Expenditures Increase
103 Cemetery	\$8,243	\$7,900
501 Equipment Fund	\$0	\$31,000
109 Community Fund	\$346,700	\$353,740
113 Building Maintenance	\$80,000	\$46,948
115 Insurance Claim Fund	\$5,300	\$5,300
303 Street Improvement	\$354,616	\$325,000
403 Water/Sewer Bond	\$1,799,920	\$1,799,920
404 Sewer Reserve	\$174,360	\$132,360
407 Sewer Capital	\$281,503	\$165,000
Total	\$3,050,642	\$2,867,168

Section 2: The budget for the year 2015 is amended to include the changes as outlined above and filed in the office of the City Clerk.

Section 3. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 5. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE DAY OF , 2015.

CITY OF SULTAN

Carolyn Eslick, Mayor

ATTEST:

Laura Koenig, Clerk/Finance Director

APPROVED AS TO FORM:

Amy Mill, City Attorney

Passed:
Published:
Effective:

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Action A - 2
DATE: December 3, 2015
SUBJECT: 2016 Final Budget Adoption
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is the adoption of Ordinance 1225-15 (Attachment A) to adopt a budget for the 2016 fiscal year. The ordinance was introduced for a first reading on November 19, 2015.

SUMMARY:

The detailed budget and department reports were prepared and submitted to the Council during the public hearing process on October 22, 2015, November 5, 2015.

The budget has been increased to include funding from a RCO grant, FEMA Buyout Grant and the completion of the Conservation Futures grant. Two of the grants are for park acquisition and improvements. The FEMA Buyout will remove a repetitive flood property in the Dyer Addition.

As a part of the budget process, staff reviews the 2016 work plan for each fund. A review of current job responsibilities, the proposed work program for the next year and the actual hours worked is used to determine the appropriate fund to charge for the salaries and benefits. Staff time must be appropriated to the fund for which the employee performs the work. Allocation of Council time is based on agenda items. All salary allocations are based on recognized accounting practices identified by Audit Report 1006136.

GENERAL FUND:

The General Fund is the largest fund in the City. The general fund is supported by taxes and fees and generally has no funding restrictions. The general fund and street fund share revenue sources including property taxes and utility taxes.

The fund collects approximately \$1.9 million in revenues to cover expenditures for the city council, city administrator, land use planning and building, public safety, code enforcement, animal control, economic development and parks maintenance. The public safety budget is approximately 59% (\$1,110,655) of the general fund expenditures.

The city's total payroll expenditures for 2016 are approximately \$1,811,420. Only \$466,031 (27%) of staff salaries and benefits are charged to the general fund. The remaining costs are allocated to the street fund (\$116,862) and enterprise funds (\$1,228,527).

The city's general fund budget is built around the city's long-range strategic plan approved by the city council at the budget retreat in 2016. The strategic plan ensures the city's resources are aligned to achieve the city council's long-range goals. The city council identified four strategic goals:

- Public Safety;
- Economic Development;
- Community Development
- Fiscal Responsibility.

REVENUE ASSUMPTION AND CHANGES

Property Tax

The Snohomish County Assessor has notified the City of Sultan that the assessment value of existing property for Property Taxes Payable in 2016 will increase by 11%. The city reached its maximum levy rate of \$1.60/\$1,000 assessed value in 2011. Property tax revenues are divided between the General Fund, Street Fund, Police Bond Fund (voter approved) and the general obligation bond for the community center (councilmatic). This will limit the actual amount of revenue collected and will provide banked capacity for future years.

B&O Tax on Utilities

The collection of utility tax has been healthy and meet or exceeded projections.

Utility Taxes

The city council approved changing the percentage of Electric Utility Tax allocated between the Street Fund and the General Fund. City staff recommends continuing the 70/30 split between the General Fund and the Street Fund. General Fund Utility taxes are expected to keep pace with inflation.

Liquor Revenue

Changes in state law have resulted in an impact to liquor profit revenues. The general fund revenue in 2016 will be approximately \$40,912.

Building Permits:

Thirty-nine (39) residential building permits are anticipated in 2016. The city's major source of variable revenues are land use and building permit fees. The city is required to use building permit revenues to support building permit services including land use permit processing, building plan review, building and infrastructure inspections and overhead.

Miscellaneous - Investment Interest.

Code cities may apportion some investment earnings from funds commingled for investment purposes to the general fund rather than the participating funds unless restricted by law (RCW 35.39.034). Utility funds, bond covenants or other provisions may require that the interest be allocated to the utility fund. Investment interest is anticipated to be minimal in 2016. The federal government is intentionally keeping interest rates low to stimulate the economy.

Operating Transfer In.

In 2012, the City began charging the enterprise funds (water, sewer, garbage, stormwater, streets and cemetery) \$56,011 "rent" for the use of the public works shop and city hall owned by the general fund. The general fund "owns" city hall and the public works shop buildings located on First Street. City staff established a market rate rent for city hall (\$.876/square foot) and the public works shop building (\$.438/square foot) based on the city's lease with the post office for the building at US 2 and 4th Street.

Interfund Rents

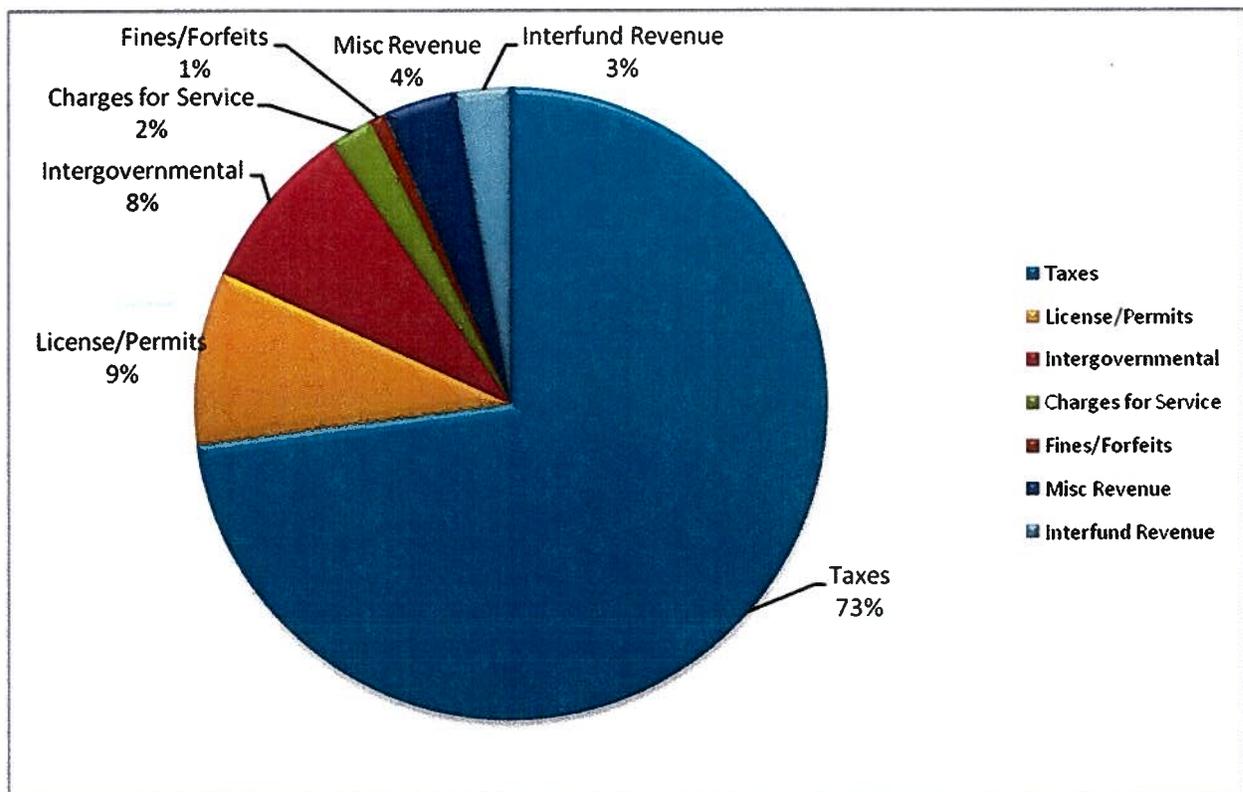
Rents are charged to the Street, Cemetery, Water, Sewer, Garbage and Stormwater funds based on the following calculations:

Total Rents	Square Feet	\$/Sqft	Less "Credits for GF use	Adjusted Total
Shop	4939	.876	(\$9,780)	\$31,727
City Hall	4228	.438	(\$20,160)	\$24,285
Total				\$56,011

The following is a summary by revenue type:

2016 General Fund Revenues

Taxes	\$1,436,332
License/Permits	\$175,500
Intergovernmental	\$169,431
Charges for Service	\$44,800
Fines/Forfeits	\$15,600
Misc Revenue	\$72,040
Interfund Revenue	\$56,011
Total	\$1,969,714



GENERAL FUND EXPENDITURES

The 2016 proposed has been increased by \$205,397 from the 2015 adopted budget. The major area of change includes the need to update the Comprehensive Plan beginning in 2016 and the increase in building activity. The General Fund is comprised of 13 departments and provides:

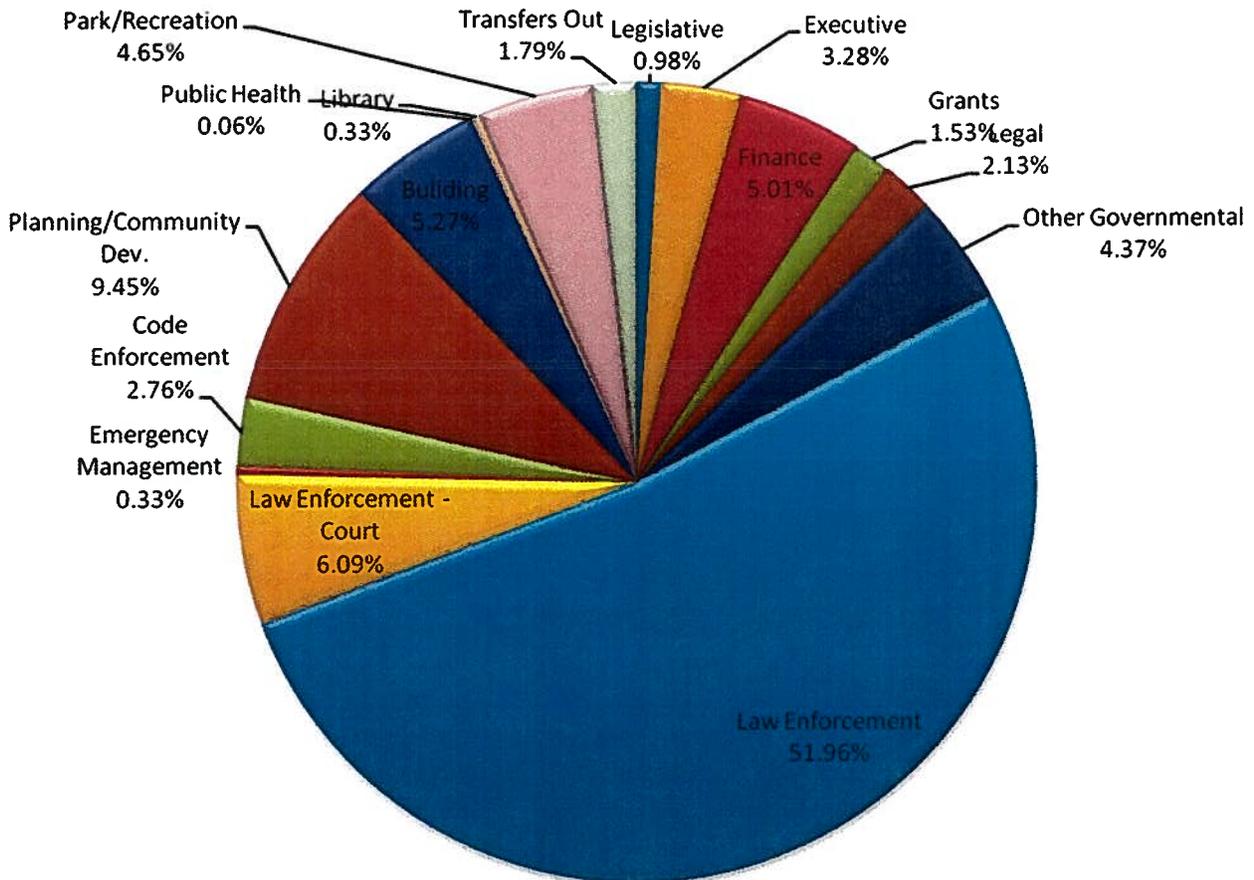
- General management and financial services
- Law Enforcement services
- Planning and Building services
- Parks and recreation service

The following is breakdown of expenditures by department:

2016 General Fund Budget Expenditure

Legislative	\$19,280
Executive	\$64,577
Finance	\$98,635
Grants	\$30,171
Legal	\$41,843
Other Governmental	\$85,900
Law Enforcement	\$1,022,255
Law Enforcement - Court	\$119,800
Emergency Management	\$6,500
Code Enforcement	\$54,248
Planning/Community Dev.	\$185,919
Building	\$103,709
Public Health	\$1,200
Library	\$6,500
Park/Recreation	\$91,540
Transfers Out	\$35,195
Total GF Expenditures	\$1,967,272

2016 General Fund Expenditures



100 General Fund Contingency

In 2006 the City established a General Fund Contingency and General Fund Reserve Fund with the intent of providing an emergency fund. The intent of the funds is to provide reserves for unexpected events or emergencies.

RCW 35A.33.145 provides that "the total amount accumulated in such fund at any time shall not exceed the equivalent of thirty-seven and one-half cents per thousand dollars of assessed valuation of property within the city at such time". The current assessed value of the property for 2016 is \$369,264,571 (estimate). This currently limits the amount allowed to be accumulated in the fund to \$138,474.

Transfers are completed as part of the annual closeout process provided excess funds are available for transfer from the General Fund. The city transferred funds from the PUD property sale into the contingency fund. General Fund Contingency was fully funded for 2016.

109 Community Improvement Fund

The Community Improvement Fund is used to track revenues and expenditures for community oriented programs and improvements. The City partners with the School District and Volunteers of America to operate and fund the Safe Stop program. The City will contribute \$1,500 in 2016 from Criminal Justice Special programs funds.

113 Building Maintenance Fund

The City of Sultan owns, operates and maintains a variety of buildings housing government and non-profit organizations. City facilities include city hall, public works field and food bank, public works shop, police station, post office, and visitor information center.

To provide funding for ordinary maintenance, the city council increased the utility tax allocated to the Building Maintenance Fund. The receives approximately \$14,000 in utility taxes. It covers anticipated normal, routine maintenance expenditures of approximately \$14,000. The annual expenditures include fire protection inspections, HVAC inspections, elevator maintenance and inspection, labor and industries inspections, light bulb replacements, etc.

114 Information Technology (IT) Fund

In 2009, the city began the process of standardizing computers and servers in all city departments. The information technology fund was created to track the cost of information technology services. Revenues are provided from interfund transfers from the operating budget. Funds have been set aside funds in the 2016 budget purchase a new color copier for City Hall.

DEBT SERVICE FUNDS:

The City has General Obligation debt bonds for construction of the Community Center issued in 1999 and for the 2004 bonds for Police Equipment. The City pledges the assets of the city (property taxes) to pay the general obligation bonds for the Community Center. The Police equipment bonds were a voted issue and additional property tax is assessed to make annual payments.

The Water and Sewer Funds have revenue bonds and Public Works Trust Fund (PWTF) loans for capital projects. The assets of the Water and Sewer Utility are pledged to make payments. The source of funding for payments can be user fees from rate payments, connection fees and reserve funds.

203 Limited GO Tax Bond Fund:

The General Obligation Tax bonds for the Community Center/Library are a General Fund obligation. In 1999 the City issued bonds for the construction of the Community Center/Library. This was a council approved bond issue, not a voted issue. The bonds will mature in 2018. The finance issue the city will face with this bond is the escalating principle payment for the remainder of the bond.

The bond payments must be made from property taxes, real estate excise tax (REET 1) funds or other general fund sources. In 2016, property taxes and Real Estate Excise (REET) will be used make the payments.

205 Police GO Bond Fund:

In 2004 the City issued bonds to pay for the 800 MHz communication system and for capital improvements to the Police Station. This was a voted issue and an additional levy on property located within the city limits. An ordinance will be adopted as part of the budget process to levy the required taxes to meet the annual payment. The bonds will mature in 2024.

207 LID Bond Fund

The LID Bond payments are made by the benefited property owners who receive annually billing statements in December. The LID (Local Improvement District) project is a sewer line from the Sultan Basin Road to Rice Road that was constructed in 1997 that runs parallel to Wagley Creek. Payments on the bonds are from assessment against the benefited properties. The LID payments are for 18 years and are considered a lien against the property. The bonds will mature in 2021

403 Water Revenue Bond Fund:

Water/Sewer Revenue Bonds were issued in 1996 to fund system improvements. The assets of the Water and Sewer Utility Funds were pledged as security for the bonds. The funding source for the bond payment is transfer from the Water and Sewer Utility Funds. Each fund will contribute \$60,000 towards bond payments. Water and Sewer revenue bonds were used to fund Main Street and Eighth Street main line upgrades and replacement. The bonds will mature in 2016. In 2014, the city issues \$2,870,000 in Water/Sewer Utility Bonds to finance the Booster Pump Station, Lift Station upgrades and water, sewer and storm lines on Alder, 4th and High streets.

412 Water Debt Service Fund:

The purpose of this fund is to provide for the payment of debt service incurred by the Water Utility System for capital projects. The fund has outstanding debt for the previous the connection to the Everett Waterline and for the second reservoir.

The funding for debt service has been from operating fund transfers. For 2015 the debt service payments will be made from the operating fund (Water Utility Fund – 400). The Public Works Trust Fund (PWTF) loan documents pledge the assets of the Water Utility for repayment of the loan. The loans for the water reservoir and water filtration plant will be paid in full in 2018.

413 Sewer Debt Service Fund:

The purpose of this fund is to provide for the payment of debt service incurred by the Sewer Utility System for capital projects. The fund has outstanding debt for the previous expansion of the existing Wastewater Treatment Plant, the I & I Reduction program and for the Stormwater Report.

The funding for debt service is from current customers. For 2016, the debt service payments will all be made from the operating funds (Sewer Utility Fund – 401). The PWTF loan documents pledge the assets of the Sewer Utility for repayment of the loan.

The loan for the sewer plant upgrade will be paid in full in 2016 and stormwater report was paid in full in 2015.

PUBLIC WORKS FUNDS

The City's goal is to lead a well equipped and effective staff in serving the Citizens of Sultan. As the City continues to grow and develop so will the Public Works Department in providing services in a professional manner.

The Public Works Department serves the citizens of Sultan with a wide variety of services, as well as being an integral part of Sultan governmental offices. The divisions within Public Works operations and maintenance are Streets, Cemetery, Water, Sewer, Garbage and Stormwater. Public Works is also responsible for maintenance of the parks and city buildings. Those budgets included in the General Fund portion of the budget.

The City has 6 Public Works Operating Funds:

- 101 Street
- 103 Cemetery
- 400 Water
- 401 Sewer
- 402 Garbage
- 406 Storm

With the exception of the Street Fund (which is technically part of the General fund and tax supported) the funds are enterprise funds and must be self-supporting.

101 STREET OPERATING FUND

The Street Fund is used to repair and maintain the City's streets, sidewalks, alley ways, trails, signs, and vegetation (street trees and grass strips). The City has approximately 31 miles (62 lane miles) of roadways and trails, 600 signs, and 150 trees. Although the Street Fund is not a part of the city's general fund budget, the two funds share operating revenues. The Street operating budget is supported by property taxes, utility taxes, B & O taxes and the motor vehicle excise tax which is dedicated solely to the Street Operating Fund.

The Street Fund proposal has a surplus of \$5,801.

Salaries and benefits are increased by \$4,315 in 2016 primarily due to non-exempt staff wage increases as a result of the newly adopted union contract. Similar to 2015, the Public Works

Director is projected to be spending less time in the Street Fund than in past few years as development activity is picking up, and more time is likely to be spent working with developers and providing plan review services.

A \$15,000 expenditure is proposed for the Street Funds proportionate contribution to the Equipment replacement fund (Operating Transfer Out to Fund 104). This contribution proposes set asides of \$5,000 for a sidearm mower, \$5,000 for a street sweeper, and \$5,000 for utility trucks. Street fund expenditures in 2016 such as a chip seal project, matching funds for TIB grants, 3rd Street dip repair, and speed cushions are anticipated to be funded using REET 2 instead of operating funds.

103 CEMETERY OPERATING FUND

The Cemetery Fund is balanced by using \$2,304 of beginning fund balance.

Salaries and benefits are proposed to be decreased by \$2,903 in 2016. The 2016 staff allocation assumes more time being spent maintaining the cemetery by a newly hired Public Works employee, and less time by more experienced staff members resulting in a savings to the cemetery fund.

Based on the direction from Council received at the October 2015 budget retreat, management will be meeting with union representatives to negotiate allowing volunteers to spend more time on cemetery maintenance. Additionally, staff will be reaching out to area churches and other cemeteries to gauge interest in the possible purchase of the Sultan cemetery.

400 WATER OPERATING FUND

The Water Fund is balanced by using \$59,745 of beginning fund balance.

There is an estimated \$100,000 expenditure for Professional Services which includes approximately \$87,000 for the preparation of the 2016 Water System Plan Element of the Comprehensive Plan Update and a rate study. The \$22,000 Operating Transfer Out for Equipment Replacement (104) which was included in the budget at the Council retreat on October 10, 2015 has been removed in an effort to balance the budget.

Salaries and benefits are increased by \$13,678 in 2016. One of the main factors for the increase is due to a wage adjustment for the Water Systems Manager. The Washington State Department of Health has re-rated the City's Water Treatment Plant to a Level 3 facility which requires that the plant be operated by an employee with a Level 3 certification. The City's Water Systems Manager has now obtained this certification, and his wage has been increased to be competitive with other Level 3 Manager positions in Washington State.

Repair and maintenance has increased from \$20,000 in 2015 to \$30,975 in 2016, partially due to cleaning the drinking water reservoirs at the Water Treatment Plant.

401 SEWER OPERATING FUND

The Sewer Fund currently shows a surplus of \$24,706.

Salaries and benefits are increased by \$17,529 in 2016 primarily due to the significant effort involved in updating the General Sewer Plan and associated rate study. There is an estimated \$97,000 expenditure for Professional Services which includes approximately \$86,000 for the preparation of the 2016 General Sewer Plan Element of the Comprehensive Plan Update and a rate study.

Sludge hauling has been reduced from \$30,000 in 2015 to \$10,000 in 2016 to be more in line with past year expenditures.

402 GARBAGE OPERATING FUND

The Garbage Fund has a surplus of \$6,863.

The City purchased a new garbage truck and toters in 2015 and has modified garbage service to once every two weeks. A garbage rate study is underway, and the results will be available soon. As a result of the garbage rate study, garbage rates are expected to change.

Salaries and benefits are decreased by \$27,903 in 2016 primarily due to less labor required to operate the garbage service.

Vehicle Operation/Maintenance has been reduced from \$33,000 in 2015 to \$16,000 in 2016 primarily due to the new garbage truck purchased in 2015.

406 STORMWATER OPERATING FUND

The Stormwater Fund has a \$660 surplus.

Salaries and benefits are decreased by \$24,326 in 2016. Professional services in 2016 are budgeted for legal counsel, the Washington State auditor, and street sweeping disposal services.

As the City moves forward, the stormwater rates will very likely need to be raised to be able to afford the design and construction of stormwater and flood prevention projects, and to incorporate state mandated Low Impact Development requirements. The current rate structure has residential customers subsidizing commercial accounts. Council should consider moving forward with a rate study in 2017 to evaluate the current rate structure.

CAPITAL PROJECTS FUNDS:

The 2016-17 proposed Capital Budget Projects proposed projects include:

2016-2017 CAPITAL PROJECTS	
Street & Transportation Improvements	
Street chip seal project	\$12,000.00
4th & 5th Street Design (US2 to Alder)	\$48,600.00
4th & 5th Street Reconstruction (US2 to Alder)	\$372,600.00
4th Street Overlay Design (Fir to High)	\$23,240.00
4th Street Overlay Construction (Fir to High)	\$179,630.00
3rd Street Repair	\$10,000.00
3rd Street Reconstruction Design (US2 to High)	\$145,000.00
3rd Street Reconstruction (US2 to High)	\$990,000.00
Sultan River Bridge Design	\$55,000.00
Sultan River Bridge Construction & CM	\$3,400,000.00
US2 Pathway (Albion to Marcus)	\$150,000
Speed Cushions	\$3,000.00
Water System Improvements	
Gohr Road Water Main Design	\$19,000.00
Gohr Road Water Main Construction & CM	\$83,000.00
Booster Pump Station Upgrade Construction	\$1,627,800.00
135th Street SE Water Main Design	\$23,000.00
135th Street SE Water Main Construction & CM	\$101,000.00
4th & 5th Street Reconstruction Water Improvements	\$30,000.00
4th Street Overlay Water Improvements	\$126,000.00
3rd Street Reconstruction Water Improvements	\$450,000.00
Rebuild Upflow Clarifier	\$70,000.00
Sultan River Bridge Water Design	\$5,000.00
Sultan River Bridge Water Construction & CM	\$174,000.00
PRV #1 Replacement Design	\$7,500.00
PRV #1 Replacement	\$75,000.00
Sewer System Improvements	
Lift Station Upgrade	\$698,500.00
I & I Program	\$50,000.00
4th & 5th Reconstruction Sewer Improvements	\$15,000.00
4th Street Overlay Sewer Improvements	\$86,000.00
3rd Street Reconstruction Sewer Improvements	\$350,000.00
Oxidation Ditch Rotor	\$80,000.00
Rotary Fine Screen Replacement	\$85,000.00
De-Gritter Replacement	\$80,000.00
Sultan River Bridge Sewer Design	\$8,000.00
Sultan River Bridge Sewer Construction	\$249,000.00
Park Improvements	
Sultan River Trail (River Park to Osprey Park)	\$374,663.00
Sultan River Trail (River Park to Osprey Park) Land Purchase	\$324,000.00
FEMA Buyout	\$273,740.00
Storm Water Improvements	
Dyer Rd Culvert Replacement	\$400,000.00
2016-2017 TOTAL EXPENDITURES	\$9,828,403.00

STREET AND TRANSPORTATION IMPROVEMENTS

Street chip seal project

A street will be selected for the City's annual chip seal project. This project will be funded using Snohomish County PUD funds from the sale of City land and easements.

4th & 5th Street Design & Reconstruction (US2 to Alder Street)

This project is contingent on receiving a grant from the Transportation Improvement Board. The City has pledged a five percent (5%) match.

4th Street Overlay Design and Construction (Fir to High)

This project is contingent on receiving a grant from the Transportation Improvement Board. The City has pledged a five percent (5%) match.

3rd Street Repair

This project is proposed to be funded using Snohomish County PUD funds from the sale of City land and easements.

Sultan River Pedestrian Bridge

The design is 80 percent complete with construction tentatively planned for 2016 and 2017, contingent on receiving construction funding. The design of the transportation related bridge improvements is grant funded through a legislative proviso and the Surface Transportation Program. Construction is currently unfunded.

US 2 Bicycle/Pedestrian Pathway (Albion to Marcus)

This project is contingent on receiving a Community Development Block Grant. If the City is successful in receiving the grant funding, design and construction would occur in 2017.

Sultan Basin Road Raised Pavement Markers (RPM's)

This project is planned to add raised pavement markers to the centerline striping on the recently completed Sultan Basin Road Overlay project. The project is proposed to be funded using Snohomish County PUD funds from the sale of City land and easements.

Speed Cushions

This project is planned for 2016 and will be funded using Snohomish County PUD funds from the sale of City land and easements.

WATER SYSTEM IMPROVEMENTS

Gohr Road Water Main

This project is planned for 2016 and will be mostly funded by a Community Development Block Grant. The City has pledged a \$25,000 match using Water Capital Funds.

Booster Pump House Upgrade

The design and construction of the Booster Pump House Upgrade include the replacement of pumps, the electrical system, generator, and pump house structure. The City is working with Trane and RH2 Engineering. Construction is anticipated to be completed in 2016.

4th & 5th Street Reconstruction Water Improvements (US2 to Alder)

This project is contingent on receiving a grant for the street reconstruction from the Transportation Improvement Board. The water main will be replaced using Water Capital Funds.

4th Street Overlay Water Improvements (Fir to High)

This project is contingent on receiving a grant for the street reconstruction from the Transportation Improvement Board. The water main will be replaced using Water Capital Funds.

Rebuild Upflow Clarifier

This project will be funded using Water Capital Funds.

Sultan River Pedestrian Bridge Water Design & Construction

The design is currently 80 percent complete. The remaining design of the water element of the bridge will be funded using Water Capital Funds. The construction element is currently unfunded and will require a grant or a loan.

PRV No. 1 Station Replacement

The design and construction of PRV No. 1 are proposed to be funded using Water Capital Funds.

135th Street SE Water Main

The City applied for a Community Development Block Grant for this project in 2014, but was not successful. The project is planned for 2017 and will be funded using Water Capital Funds or a grant.

Water Capital Fund

The following projects are proposed to be designed and constructed using City Water Capital Funds in 2016:

Gohr Road Water Main CDBG Matching Funds	\$25,000
Booster Pump Station Upgrade	\$491,915
4th & 5th Street Reconstruction Water Improvements	\$30,000
4th Street Overlay Water Improvements	\$126,000
Rebuild Upflow Clarifier	\$70,000
Sultan River Bridge Water Design	\$24,000
PRV No. 1 Design & Construction	\$82,500
Total	\$830,415

To provide adequate funding for the capital projects, staff is proposing the following:

- The Water Operating Fund for 2015 has an available beginning fund balance of \$316,515. Staff is proposing to leave \$200,000 in the Water Operating Fund leaving \$116,515 available to be transferred Fund 409 (Water System Improvements Fund).
- The Water Reserve Fund has an available balance of \$845,902. Staff is proposing to leave \$150,000 in the Reserve Fund. Twenty four new water connections are projected to add approximately \$85,000. Staff is proposing to transfer \$780,902 to Fund 409 (Water System Improvements Fund).
- After the proposed transfers, the Water System Improvement Fund will have a balance of \$895,411.

SEWER SYSTEM IMPROVEMENTS

Lift Station Upgrade

This project is tied to the Sultan River Bridge Construction and is contingent on receiving a \$3.4 million dollar grant for the bridge construction.

Infiltration and Inflow Study

This project is proposed to be funded using Sewer Capital Funds.

4th & 5th Street Design & Reconstruction Sewer Improvements (US2 to Alder Street)

This project is contingent on receiving a grant from the Transportation Improvement Board. The sewer related improvements will be funded using Sewer Capital Funds.

4th Street Overlay Design and Construction Sewer Improvements (Fir to High)

This project is contingent on receiving a grant from the Transportation Improvement Board. The sewer related improvements will be funded using Sewer Capital Funds.

Wastewater Treatment Plant Oxidation Ditch Second Mixer

This project is to replace the second mixer in the oxidation ditch at the Wastewater Treatment Plant. The project will likely be completed in 2015; however, it is not complete at this time and is therefore included in the 2016 capital budget.

Wastewater Treatment Plant Rotary Fine Screen Replacement

This project is to replace the rotary fine screen at the Wastewater Treatment Plant. It is proposed to be funded using Sewer Capital Funds. The project was advertised and awarded in 2015, with construction anticipated to be completed in early 2016.

Wastewater Treatment Plant De-Gritter Replacement

This project is to replace the de-gritter at the Wastewater Treatment Plant. This project will be funded using Sewer Capital Funds.

Oxidation Ditch Rotor

This project is to replace the Oxidation Ditch Rotor. The project will be funded using Sewer Capital Funds.

Sultan River Pedestrian Bridge Sewer Design & Construction

The design is currently 80 percent complete. The remaining design of the sewer element of the bridge will be funded using Sewer Capital Funds. The construction element is currently unfunded and will require a grant or a loan.

Sewer Capital Fund

The following projects are proposed to be designed and constructed in 2016 with City Sewer Capital Funds:

Infiltration & Inflow Study/Improvements	\$150,000
4th & 5th Street Sewer Improvements	\$20,000
4th Street Overlay Sewer Improvements	\$86,000
WWTP Oxidation Ditch Second Mixer	\$91,133
WWTP Rotary Fine Screen Replacement	\$85,000
WWTP Oxidation Ditch Rotor	\$80,000
WWTP De-gritter Replacement	\$80,000
<u>Sultan Bridge Sewer Design</u>	<u>\$8,000</u>
Total	\$600,133

To provide adequate funding for the capital projects, staff is proposing the following:

- Transfer \$358,647 from the Sewer Operating Fund to Fund 407 (Sewer System Improvement Fund) leaving a \$300,000 balance in the operating fund.
- Transfer \$423,635 from the Sewer Reserve Fund to the Sewer System Improvement Fund leaving \$300,000 in the Sewer Reserve Fund.
- After the proposed transfers, The Sewer System Improvement Fund will have a balance of \$691,798.

PARK IMPROVEMENTS

Sultan River Trail (River Park to Osprey Park) Design

The design of the trail running parallel with the Sultan River from River Park to Osprey Park is proposed to be funded with Park Impact Fees

Sultan River Trail (River Park to Osprey Park) Land Purchase

The purchase of the property for the trail running parallel with the Sultan River from River Park to Osprey Park is proposed to be funded with an RCO grant.

STORM WATER SYSTEM IMPROVEMENTS

Dyer Road Culvert Replacement

The design is 90 percent complete. Construction is currently unfunded, and the City is seeking grants complete the project.

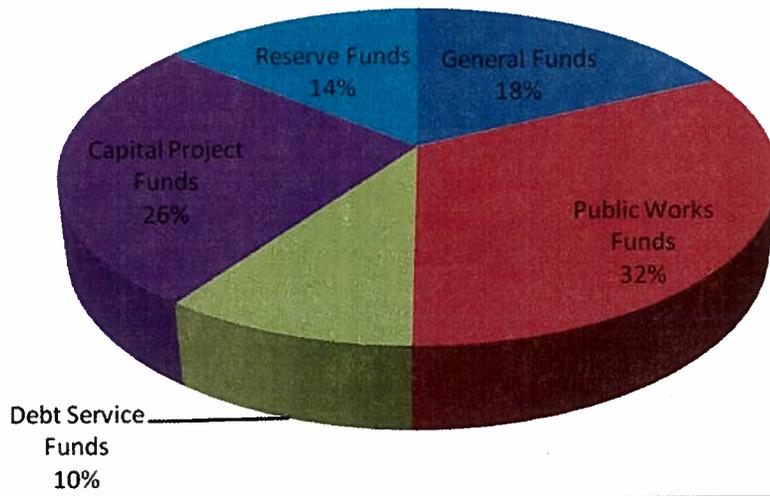
RECOMMENDATION:

Move to introduce Ordinance 1225-15 adopting the 2016 Budget for a first reading and pass it on to a second reading.

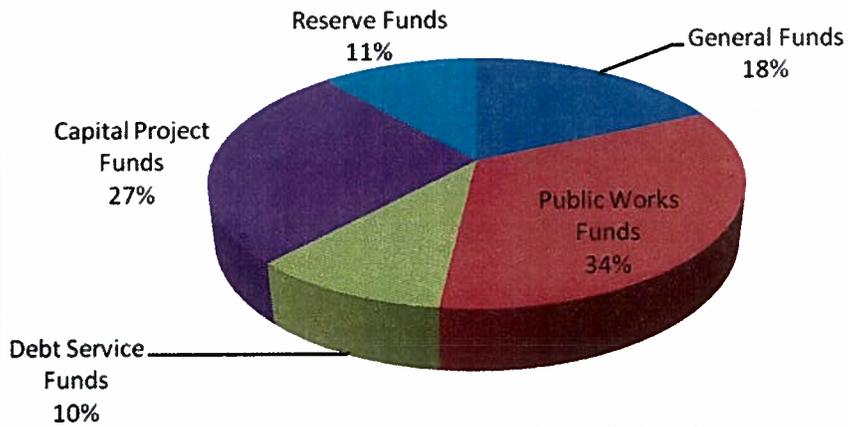
ATTACHMENTS:

- A. Fund Summary
- B. Ordinance 1206-14 - 2015 Budget
- C. Fund Detail

2016 Budget Revenue by Fund Type



2016 Budget Expenditures by Fund Type



2016 BUDGET SUMMARY

Fund		REVENUE	EXPENSE	SURPLUS
001	General Fund	\$1,969,714		
	Legislative		\$19,280	
	Executive		\$64,577	
	Finance/Administration		\$98,635	
	Grants		\$30,171	
	Legal		\$41,843	
	Other Governmental		\$85,900	
	Law Enforcement		\$1,022,255	
	Law Enforcement - Court		\$119,800	
	Emergency Management		\$6,500	
	Code Enforcement		\$54,248	
	Planning and Community Development		\$185,919	
	Building		\$103,709	
	Public Health		\$1,200	
	Library		\$6,500	
	Park/Recreation		\$91,540	
	Miscellaneous (Transfers Out)		\$35,195	
	Total Expenditures		\$1,967,272	\$2,442
100	General Fund Contingency	\$14,695	\$0	\$14,695
101	Street Fund	\$204,025	\$198,224	\$5,801
103	Cemetery Fund	\$27,704	\$27,704	\$0
501	C.R. Equipment Fund	\$127,000	\$20,000	\$107,000
108	Street Impact Fee Fund	\$206,108	\$0	\$206,108
109	Community Improvement Fund	\$1,500	\$1,500	\$0
112	Park Impact Fee Fund	\$124,225	\$75,000	\$49,225
113	Building Maintenance Fund	\$35,400	\$34,987	\$413
114	Information Tech Fund (IT)	\$67,250	\$38,500	\$28,750
115	Insurance Claim Fund	\$0	\$0	\$0
117	Timber Ridge Settlement	\$20,000	\$20,000	\$0
203	Limited Tax Bond GO	\$150,300	\$150,150	\$150
205	Unlimited Tax GO Bond	\$31,203	\$31,203	\$0
207	LID Guaranty Fund	\$289,000	\$289,000	\$0
301	Capital Project Fund REET 1	\$75,000	\$75,000	\$0
302	Capital Project Fund REET 2	\$81,000	\$81,000	\$0
303	Street Improvement Fund	\$557,200	\$492,200	\$65,000
305	Park Improvement Fund	\$1,048,003	\$1,048,003	\$0
400	Utility Water Fund	\$1,210,913	\$1,210,913	\$0
401	Utility Sewer Fund	\$1,348,039	\$1,323,333	\$24,706
402	Utility Garbage Fund	\$782,260	\$775,397	\$6,863
403	Water Revenue Bond Fund	\$345,700	\$345,700	\$0
404	C.R. Sewer Utility Fund	\$503,405	\$486,133	\$17,272
405	C.R. Water Utility Fund	\$509,000	\$509,000	\$0
406	Storm Water Utility	\$175,364	\$174,704	\$660
407	Sewer System Improvement Fund	\$509,000	\$509,000	\$0
409	Water System Improvement Fund	\$901,000	\$901,000	\$0
410	Stormwater System Improvement Fund	\$17,000	\$0	\$17,000
412	Water System Debt Fund	\$125,864	\$125,864	\$0
413	Sewer System Debt Fund	\$181,757	\$181,757	\$0
621	Cemetery Trust Fund	\$1,750	\$0	\$1,750
	TOTALS	\$11,640,379	\$11,092,544	\$547,835

**CITY OF SULTAN
SULTAN, WASHINGTON
ORDINANCE NO. 1225-15**

**AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF SULTAN
WASHINGTON FOR THE FISCAL YEAR ENDING DECEMBER 31, 2016;
PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE**

WHEREAS, the Mayor of the City of Sultan, Washington, completed and placed on file with the City clerk a proposed budget and estimate of the amount of moneys required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of said City for the fiscal year ending December 31, 2016, and notice was published that the Council of said City would meet on October 22, 2015 for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of said City an opportunity to be heard upon said budget; and

WHEREAS, the Council continued the public hearing to November 5, 2015 for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of said City an opportunity to be heard upon said budget; and

WHEREAS, the said City Council did meet at said times and did then consider the matter of said proposed budget; and

WHEREAS, the said proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Sultan for the purposes set forth in said budget, and the estimated expenditures set forth in said budget being all necessary to carry on the government of said City for said year and being sufficient to meet the various needs of the City during said period.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SULTAN DO ORDAIN as follows:

Section 1: The budget for the City of Sultan, Washington for the year 2016 is hereby adopted in its final form and content as set forth in the document entitled City of Sultan 2016 Budget, three (3) copies of which are on file in the office of the City Clerk.

Section 2: Estimated resources, including fund balances or working capital for each separate fund of the City of Sultan, and aggregate totals (net of transactions between funds) for all such funds combined, for the year 2016 are set forth in the summary form below, and are hereby appropriated for expenditures during the year 2016 as set forth below:

2016 BUDGET SUMMARY

Fund		REVENUE	EXPENSE
001	General Fund	\$1,969,714	
	Legislative		\$19,280
	Executive		\$64,577
	Finance/Administration		\$98,635
	Grants		\$30,171
	Legal		\$41,843
	Other Governmental		\$85,900
	Law Enforcement		\$1,022,255
	Law Enforcement - Court		\$119,800
	Emergency Management		\$6,500
	Code Enforcement		\$54,248
	Planning and Community Development		\$185,919
	Building		\$103,709
	Public Health		\$1,200
	Library		\$6,500
	Park/Recreation		\$91,540
	Miscellaneous (Transfers Out)		\$35,195
	Total Expenditures		\$1,967,272
100	General Fund Contingency	\$14,695	\$0
101	Street Fund	\$204,025	\$198,224
103	Cemetery Fund	\$27,704	\$27,704
501	C.R. Equipment Fund	\$127,000	\$20,000
108	Street Impact Fee Fund	\$206,108	\$0
109	Community Improvement Fund	\$1,500	\$1,500
112	Park Impact Fee Fund	\$124,225	\$75,000
113	Building Maintenance Fund	\$35,400	\$34,987
114	Information Tech Fund (IT)	\$67,250	\$38,500
115	Insurance Claim Fund	\$0	\$0
117	Timber Ridge Settlement	\$20,000	\$20,000
203	Limited Tax Bond GO	\$150,300	\$150,150
205	Unlimited Tax GO Bond	\$31,203	\$31,203
207	LID Guaranty Fund	\$289,000	\$289,000
301	Capital Project Fund REET 1	\$75,000	\$75,000
302	Capital Project Fund REET 2	\$81,000	\$81,000
303	Street Improvement Fund	\$557,200	\$492,200
305	Park Improvement Fund	\$1,048,003	\$1,048,003
400	Utility Water Fund	\$1,210,913	\$1,210,913
401	Utility Sewer Fund	\$1,348,039	\$1,323,333
402	Utility Garbage Fund	\$782,260	\$775,397
403	Water Revenue Bond Fund	\$345,700	\$345,700
404	C.R. Sewer Utility Fund	\$503,405	\$486,133
405	C.R. Water Utility Fund	\$509,000	\$509,000
406	Storm Water Utility	\$175,364	\$174,704
407	Sewer System Improvement Fund	\$509,000	\$509,000
409	Water System Improvement Fund	\$901,000	\$901,000
410	Stormwater System Improvement Fund	\$17,000	\$0
412	Water System Debt Fund	\$125,864	\$125,864
413	Sewer System Debt Fund	\$181,757	\$181,757
621	Cemetery Trust Fund	\$1,750	\$0
	TOTALS	\$11,640,379	\$11,092,544

Section 3: The City Clerk is directed to transmit a certified copy of the budget hereby adopted to the Division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

Section 4. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 5. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE DAY OF 2015.

CITY OF SULTAN

Carolyn Eslick, Mayor

ATTEST/AUTHENTICATED:

Laura Koenig, City Clerk

Approved as to form:

Amy Mill, City Attorney

Date of Publication:

Effective Date:

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Action A3
DATE: December 3, 2015
SUBJECT: Ordinance No. 1226-15 - 2016 Salary Schedule
CONTACT PERSON: Ken Walker, City Administrator

ISSUE:

The issue before the City Council is the adoption of Ordinance 1226-15 - 2016 Salary Schedule.

RCW 35A.33.050 requires that salary ranges for various positions in the City be made a part of the annual budget document adopted with the annual budget. Ordinance No. 1226-15 fulfills this requirement.

STAFF RECOMMENDATION:

Approve the 2016 wage proposal for non-represented employees and adopt Ordinance No. 1226-15 – 2016 Salary Schedule.

SUMMARY:

The City Council has the authority to set pay and benefits. As a part of the annual budget process, the City Council must adopt a salary and compensation ordinance for 2016 to establish pay levels for all employees. Salary levels for represented (union) employees are established during contract negotiations. Salary levels for non-represented employees are set by the City Council annually during the budget process.

The 2016 Budget included a 1.8% COLA for union employees and a 1.8% increase for non-represented employees.

There are five non-represented employees. In 2014, in lieu of a COLA, the non-represented employees received a city contribution of \$100 a month to each employees Deferred Comp account. The 2016 Budget is based on this continued contribution to the employees Deferred Comp account. The cost is \$4,800 per year. An adjustment to better match market conditions has been factored into the non-represented employee's wages.

FISCAL IMPACT

The fiscal impact for the 2016 budget is a 1.8% COLA adjustment based on the Union Contract approved by the Council in October 2015. The fiscal impact is a 1.8% COLA for Non-represented employee.

RECOMMENDATION:

Adopt Ordinance 1226-15 setting the 2015 Salary Schedule.

ATTACHMENTS: A Salary Ordinance No. 1226-15 - 2016 Salary Schedule

CITY OF SULTAN
ORDINANCE NO. 1226-15

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SULTAN WASHINGTON ESTABLISHING SALARY RATES FOR NON-REPRESENTED PERSONNEL FOR THE 2016 FISCAL YEAR; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, RCW 35A.33.050 requires that salary ranges for various positions in the City be made a part of the annual budget document adopted with the annual budget, and

WHEREAS, the City Council has determined it appropriate to amend the salary range for the Community Development Director position,

NOW, THEREFORE, be it ordained by the City Council of the City of Sultan, Washington as follows:

Section 1 Salaries. As part of the City's annual budget, salaries and wages for non represented employees are hereby amended and approved as follows:

2016 Salary Schedule	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Public Works Field Supervisor	5823	6010	6201	6400	6605	6814
Clerk/Deputy Finance Director	5981	6173	6370	6576	6786	7411
Public Works Director/Engineer	7428	7667	7912	8165	8426	9051
Community Development Director	5981	6173	6370	6575	6786	7074
City Administrator	8999	9241	9519	10428	10722	11347

Section 2 Non Represented Step Increase: Step increases shall be effective on the employee's anniversary date subject to a satisfactory performance evaluation.

Section 3 Union Employees. Wages and benefits for Union represented employees shall be in accordance with the current Union contracts,

Section 4 Effective Date of Increase: The amendments to the annual salaries provided for in this ordinance shall become effective with the first pay period for wages in January 2016.

Section 5 Repealer: Any and all other ordinances or parts of ordinances of the City of Sultan inconsistent with the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

Section 6 Severability: If any section of this ordinance, or if any subsection or part shall be declared unlawful, the balance of this ordinance and of each section shall remain in full force and effect.

Section 7 Effective Date: This Ordinance shall be in full force and effect five days after publication as required by law.

PASSED by the City Council and APPROVED by the Mayor this 3rd day of December 2015.

Carolyn Eslick, Mayor

ATTEST:

Laura J. Koenig, City Clerk

Approved as to form:

Amy Mill, City Attorney

CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM NO: Action A 4
DATE: December 3, 2015
SUBJECT: Resolution 15-16- Salary/Benefit Allocation to Funds
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is the adoption of Resolution 15-16 to allocate salaries and benefits to the various operating funds for the 2016 Budget.

STAFF RECOMMENDATION

Staff recommends the adoption of Resolution 15-16 to allocate wages and benefits to the appropriate funds for the 2016 Budget.

SUMMARY:

The State Auditor recommends that the Council adopt the Salary/Benefit allocation as a part of the budget process. As a part of the accountability audit, the State Auditor will also review the process and documentation the city used to determine the allocated costs. The City Council adopted Resolution 12-08, Cost Allocation Plan, which includes a three-step process to ensure each fund is correctly charged for employee services.

1. During the annual budget process a review of staffing requirements will be completed by the Department Heads. Staff will review the current job responsibilities, the proposed work program for the next year and the adopted cost allocation plan to determine the appropriate fund to charge for the salaries and benefits. Staff time must be appropriated to the fund for which the employee performs the work. Allocation of Council time will be based on agenda items.
2. Mid-year, staff will review the work program and the amount of time each staff member is working in the departments and funds.
3. At the end of the year, a final review of work programs and actual hours worked for each fund will be completed and budget adjustments will be made if required.

The 2016 allocation for wages and benefits is based on actual hours worked in the various funds through September 2015 and the proposed work program for 2016.

For 2016, there are no major changes for salaries and benefits allocation.

1. The Permit Assistance's time for the General Fund has been increased to a 85% allocation in the Building Department due to the increase in permit activity.
2. The Grant Coordinator's hours remain at the 50% level.
3. The position of Deputy Treasurer will provide administrative assistance to the City Finance department.

The following table shows the number of full time equivalent employees (FTE's) for each fund:

<u>Fund</u>	<u>FTE's</u>
General	5.79
Street	1.35
Cemetery	0.18
Water	4.78
Sewer	3.97
Garbage	2.59
Stormwater	1.19
Building	0.16
Total FTE's	20.00

ALTERNATIVES:

1. Adopt Resolution 15-1610 to allocate wages/benefits to the appropriate funds.
2. Amend the allocations proposed by staff. Direct staff to make the changes prior to adopting the budget.
3. Do not adopt Resolution 15-16. The allocation will be included in the adopted budget however there will be no formal policy of the Council as recommended by the State Auditor.

RECOMMENDATION:

Move to adopt Resolution 15-16 allocating salaries and benefits for 2016 to the appropriate fund budgets.

Attachments: A. Resolution 15-16 Allocation of Wages/Benefits

**CITY OF SULTAN
SULTAN WASHINGTON
RESOLUTION 15-16**

A RESOLUTION PROVIDING FOR THE ALLOCATION OF WAGES AND BENEFITS FOR PAYROLL PURPOSES FOR THE 2015 FISCAL YEAR.

WHEREAS, as a part of the annual budget process the allocation of expenditures for wages and benefits must be determined to properly charge funds for services received and;

WHEREAS, staff has reviewed the current job responsibilities of the employees and the proposed work programs for 2016 and;

WHEREAS, the State Auditor has recommended that the Council adopt the distribution schedule to allocate expenditures for wages and benefits;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SULTAN, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The following process will be used to ensure each fund is correctly charged for employee services.

1. During the annual budget process a review of staffing requirements will be completed by the Department Heads. Staff will review the current job responsibilities, the proposed work program for the next year and the adopted cost allocation plan to determine the appropriate fund to charge for the salaries and benefits. Staff time must be appropriated to the fund for which the employee performs the work. Allocation of Council time will be based on agenda items.
2. Mid-year, staff will the work program and the amount of time each staff member is working in the departments and funds.
3. At the end of the year, a final review of work programs and actual hours worked for each fund will be completed and budget adjustments will be made if required.

Section 2. The attached document entitled Allocation of Wages and Benefits for Payroll Purposes is hereby adopted by reference and will be used for the distribution of wages and benefits for the 2016 fiscal year.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 3RD DAY OF DECEMBER 2015.

CITY OF SULTAN
Carolyn Eslick, Mayor

ATTEST/AUTHENTICATED:
Laura Koenig, City Clerk

SALARY AND BENEFIT DISTRIBUTION FOR 2016

Percentage Distribution by Fund

ENTERPRISE AND CAPITAL FUNDS CLASSIFICATION	FTE's	PARKS 001	STREET 101	CEMETERY 103	UTILITY WATER 400	UTILITY SEWER 401	GARBAGE 402	STORM WATER 406	BLDG MAINT 113	TOTAL DIST.
MAYOR/COUNCIL (7)	0.00		12%		15%	15%	5%	10%		57%
ADMINISTRATOR	0.00	3%	4%	0%	22%	20%	9%	5%	0%	63%
CITY CLERK/DEP FIN	0.00		8%	1%	15%	15%	7%	6%	1%	52%
UTILITY CLERK	1.00				26%	19%	24%	25%		92%
PERMIT TECH	0.00		0%		4%	3%	4%	4%	0%	15%
GRANT ADMIN.	1.00	15%	6%		5%	5%	4%	4%	0%	39%
ADMIN. ASSIT/UT	1.00	2%	8%	6%	20%	20%	7%	6%	1%	70%
UTILITY CLERK	1.00		5%		23%	18%	21%	23%		90%
PUBLIC WORKS DIR	1.00	2%	15%	0%	35%	30%	5%	12%	1%	100%
FIELD/WWTP SUPERVISOR	1.00	10%	19%	2%	22%	22%	15%	5%	5%	100%
WWTP OPERATOR	1.00					100%				100%
WATER SYSTEM MANAGER	1.00			1%	99%	1%				100%
WATER PLANT OPERATOR	1.00	1%	1%	1%	97%	1%	1%			100%
WATER PLANT OPERATOR	1.00	1%	8%	1%	75%	7%	7%	1%		100%
UTILITY WORKER	1.00	9%	10%	1%	2%	5%	58%	14%	1%	100%
WWTP OPERATOR	1.00	3%	1%			95%	1%			100%
UTILITY WORKER	1.00	23%	13%		2%	8%	46%	2%	5%	100%
UTILITY WORKER	1.00	18%	15%	5%	7%	5%	46%	2%	2%	100%
SENIOR PLANNER	0.00		5%		5%	5%				15%
CODE ENFORCEMENT	0.00		5%		5%	5%				15%
Sub Total FTE's	14.00	0.87	1.35	0.177	4.78	3.97	2.59	1.19	0.16	15.08

GENERAL FUND CLASSIFICATION	FTE's	FINANCE 514	GRANTS 514	COUNCIL 511	EXEC 513	LEGAL 515	LAW 521	CODE 539	PLAN 559	BUILDING 560	TOTAL
ADMINISTRATOR	1.00				37%						37%
CITY CLERK/DEP FIN	1.00	43%				5%					48%
GRANTS	0.00		61%								61%
UTILITY CLERK	0.00	3%					5%				8%
UTILITY CLERK	0.00	10%									10%
PW ADMIN ASST	0.00	30%									30%
SENIOR PLANNER	1.00								80%		85%
PERMIT TECH	1.00								5%		85%
ANIMAL CONTROL	1.00							85%			85%
MAYOR/COUNCIL (7)	1.00			43%							43%
Sub Total FTE's	6.00	0.860	0.61	0.430	0.37	0.05	0.05	0.85	0.85	0.85	4.92
TOTAL FTE's	20.00	20.00									

FTE = Full time equivalent employee

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: A-5
DATE: December 3, 2015
SUBJECT: 2016-2021 Amended Transportation Improvement Plan
CONTACT PERSON: Mick Matheson, P.E., Public Works Director 

ISSUE:

Authorize the Mayor to sign Resolution 15-18 approving the Amended 6-year (2016-2021) Transportation Improvement Plan (Attachment A).

STAFF RECOMMENDATION:

Staff recommends the Council consider the public input received under Agenda Item H-2 of this meeting, consider the history of this action as described in Agenda Item H-2, and authorize the Mayor to sign Resolution 15-18 to adopt the Amended 2016-2021 Transportation Improvement Plan.

BACKGROUND:

The background information is provided on Agenda Item H-2 of this agenda packet.

ALTERNATIVES:

1. Authorize the Mayor to sign Resolution 15-18 approving the 2016-2021 Amended Transportation Improvement Plan as required by RCW 35.77.010.
2. Do not authorize the Mayor to sign Resolution 15-18 approving the Amended 2016-2021 Transportation Improvement Plan and direct staff to areas of concern.

RECOMMENDATION:

Authorize the Mayor to sign Resolution 15-18 approving the Amended 6-year (2016-2021) Transportation Improvement Plan.

ATTACHMENTS:

Attachment A: Resolution No. 15-18 Approving the Amended 2016-2021 Transportation Improvement Plan
Attachment B: Amended 2016-2021 Transportation Improvement Plan
Attachment C: RCW 35.77.010

**CITY OF SULTAN
WASHINGTON
RESOLUTION NO. 15-18**

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SULTAN, WASHINGTON,
APPROVING THE AMENDED 2016-2021
TRANSPORTATION IMPROVEMENT PLAN.**

WHEREAS, RCW 35.77.010 mandates that all local jurisdictions annually adopt and submit to the state a six-year program of transportation improvements known as the Local TIP; and

WHEREAS, the six-year local Transportation Improvement Plan (TIP) serves as a work plan for the development of local transportation systems and, as such, represents an important planning component under the State's Growth Management Act; and

WHEREAS, in 2011, the City revised the Capital Facilities Element and Transportation Element of its 2008 update to the 2004 Comprehensive Plan and the transportation capital projects are a subset of the Capital Facilities Element; and

WHEREAS, the 2016-2021 TIP is compliant because it is based on a compliant Transportation Element that meets the standards of RCW 36.70A.070(6); and

WHEREAS, an environmental review was conducted for the 2011 revised Capital Facilities Element and Transportation Element in accordance with the provisions of the Washington State Environmental Policy Act; and

WHEREAS, the 2016-2021 TIP provides a multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which serve as the basis for the six-year TIP required by RCW 35.77.010; and

WHEREAS, the 2016-2021 Transportation Improvement Plan will further and be consistent with the goals, objectives and policies of the City's Comprehensive Plan, including the County-Wide Planning Policies for Snohomish County. Additionally, the proposed revisions are consistent with the City's plans, policies and regulations for providing community facilities, including but not limited to utilities, transportation, parks, or schools; and

WHEREAS, the 2016-2021 Transportation Improvement Plan Amendment is necessary to amend Project T-45 which was an improvement to 5th Street from US2 to Main Street, to improvements to 4th Street and 5th Street from US 2 to Alder Avenue. This amendment is necessary to match the scope of work presented in the 2016 Transportation Improvement Board grant application for this project; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SULTAN, WASHINGTON, DO RESOLVE AS FOLLOWS:

Section 1. Findings. The City Council makes the following findings with regard to the Amended 2016-2021 TIP:

- A. The Amended 2016-2021 TIP is based on the 2011 Comprehensive Plan
- B. The Amended 2016-2021 TIP is compliant because it is based on a compliant Transportation Element that meets the standards of RCW 36.70A.070(6).
- C. The Amended 2016-2021 TIP provides a multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which serve as the basis for the six-year TIP required by RCW 35.77.010.
- D. Pursuant to RCW 35.77.010, the City of Sultan is taking legislative action to approve the Amended 2016-2021 TIP.

Section 2. Adoption. The attached Exhibit A is adopted as the Amended 2016-2021 Transportation Improvement Plan of the City of Sultan and incorporated by reference the same as though it were fully set forth herein.

Section 3. Filing. The City Clerk is directed to file a copy of this Resolution with the Secretary of Transportation not more than thirty days after its adoption.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 3rd DAY OF December, 2015.

CITY OF SULTAN

By: _____
Carolyn Eslick, Mayor

ATTEST:

By: _____
Laura Koenig, City Clerk

APPROVED AS TO FORM:

By _____
Amy Mill, City Attorney

2016-2021 Transportation Improvement Plan (by year)

ATTACHMENT B

2016-2021 Expenditures By Year										
Project Number	Project Name	Project Description	Total Project Cost 20-yr CFP	2016	2017	2018	2019	2020	2021	2016-2021 Total Expenditure
T-39	Pavement Overlay & Chip seal Program	Overlay or chip seal streets within the city limits	\$550,000	\$12,000	\$12,500	\$12,500	\$12,500	\$12,500	\$13,000	\$75,000
T-45	4th & 5th Street Reconstruction	Reconstruct 4th & 5th Street from Alder Avenue to US2	\$421,200	\$421,200						\$421,200
T-46	Date Avenue Reconstruction	Reconstruct Date Avenue from 4th Street to 150 feet east of 5th Place (Sultan Elementary frontage).	\$285,500	\$285,500						\$285,500
T-51	3rd Street Reconstruction	Reconstruct 3rd Street from US2 to High Avenue.	\$1,456,000		\$218,400	\$1,237,600				\$1,456,000
T-70	1st Street Sidewalk	Construct a sidewalk from Osprey Park to Willow Avenue.	\$260,000		\$39,000	\$221,000				\$260,000
NM-3	Sidewalk Spot Improvements	Repair, replace and construct missing sidewalks within the city.	\$130,000		\$289,000					\$289,000
NM-4	Sidewalk /Trail Construction & Enhancements	Construct or renovate public sidewalks and trails. Stand alone projects not associated with road renovation.	\$310,000		\$100,000	\$100,000	\$110,000			\$310,000
NM-8	US-2 Pedestrian Crossing	Construct a non-motorized bridge crossing north of US 2 to provide increased ped/bike safety	\$4,000,000	\$3,000,000	\$1,400,000					\$4,400,000
NM-9	Sultan River Trail	Acquire property & construct a trail adjacent to Sultan River from Osprey Park to River Park.	\$747,000	\$81,000	\$666,000					\$747,000
		TOTAL EXPENDITURES	\$8,159,700	\$3,799,700	\$2,724,900	\$1,571,100	\$122,500	\$12,500	\$13,000	\$8,243,700

2016-2021 Transportation Improvement Plan (by fund)

2016-2021 Expenditures By Fund

ATTACHMENT B

Motorized & Nonmotorized Projects		General Fund	Street Fund	REET	Transportation Impact Fee	Grant	Debt	Surface Water Management	Rev Totals
Project Number	Project Name	Project Description							Expenditures
T-39	Pavement Overlay & Chip Seal Program	Overlay or chip seal streets within the City limits	\$75,000						\$75,000
T-45	4th and 5th Street Reconstruction	Reconstruct 4th Street and 5th Street from Alder Avenue to US 2.		\$21,060		\$400,140			\$421,200
T-46	Date Avenue Reconstruction	Reconstruct Date Avenue from 4th Street to 150 feet east of 5th Place (Sultan Elementary frontage).		\$28,550		\$256,950			\$285,500
T-51	3rd Street Reconstruction	Reconstruct 3rd Street from US2 to High Avenue		\$72,800		\$1,383,200			\$1,456,000
T-70	1st Street Sidewalk	Overlay SBR from Timber Ridge north to 132nd Ave				\$260,000			\$260,000
NIM-3	Sidewalk Spot Improvements	Repair, replace and construct missing sidewalks within the city				\$289,000			\$289,000
NIM-4	Sidewalk Enhancements	Construct or renovate public sidewalks. Stand alone projects not associated with road renovation.		\$10,000		\$300,000			\$310,000
NIM-8	US-2 Pedestrian Crossing	Construct a non-motorized bridge crossing on US 2 to provide increase ped/bike safety				\$4,400,000			\$4,400,000
NIM-9	Sultan River Trail	Acquire property & construct a trail adjacent to Sultan River from Osprey Park to River Park.				\$747,000			\$747,000
		Total Expenditures	\$75,000	\$136,250	\$0	\$8,036,290	\$0	\$0	\$8,247,540

RCW 35.77.010

Perpetual advanced six-year plans for coordinated transportation program expenditures – Non-motorized transportation -- Railroad right-of-way.

(1) The legislative body of each city and town, pursuant to one or more public hearings thereon, shall prepare and adopt a comprehensive transportation program for the ensuing six calendar years. If the city or town has adopted a comprehensive plan pursuant to chapter 35.63 or 35A.63 RCW, the inherent authority of a first-class city derived from its charter, or chapter 36.70A RCW, the program shall be consistent with this comprehensive plan. The program shall include any new or enhanced bicycle or pedestrian facilities identified pursuant to RCW 36.70A.070(6) or other applicable changes that promote non-motorized transit.

The program shall be filed with the secretary of transportation not more than thirty days after its adoption. Annually thereafter the legislative body of each city and town shall review the work accomplished under the program and determine current city transportation needs. Based on these findings each such legislative body shall prepare and after public hearings thereon adopt a revised and extended comprehensive transportation program before July 1st of each year, and each one-year extension and revision shall be filed with the secretary of transportation not more than thirty days after its adoption. The purpose of this section is to assure that each city and town shall perpetually have available advanced plans looking to the future for not less than six years as a guide in carrying out a coordinated transportation program. The program may at any time be revised by a majority of the legislative body of a city or town, but only after a public hearing.

The six-year plan for each city or town shall specifically set forth those projects and programs of regional significance for inclusion in the transportation improvement program within that region.

(2) Each six-year transportation program forwarded to the secretary in compliance with subsection (1) of this section shall contain information as to how a city or town will expend its moneys, including funds made available pursuant to chapter 47.30 RCW, for non-motorized transportation purposes. (3) Each six-year transportation program forwarded to the secretary in compliance with subsection (1) of this section shall contain information as to how a city or town shall act to preserve railroad right-of-way in the event the railroad ceases to operate in the city's or town's jurisdiction.

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Action A 6

DATE: December 3, 2015

SUBJECT: Accounts Payable – Advance Payment Approval

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the City Council is to authorize staff to issue payment on the credit card accounts prior to the regular Council meeting to eliminate late fees and interest charges and to pay contractors on approved Public Works projects.

SUMMARY:

During the past two Accountability Audits, the Auditor has expressed concern over interest and late fee charges on the city's credit card accounts. In 2014, the city incurred \$107 in late fees and interest fees on the credit card accounts.

The city receives the credit card statements during the last week of the month and payment is due within 10 days. Unfortunately, due to the Council meeting schedules, payments are frequently made after the due date. An example is this month, payment is due on the 7th and the first council meeting is on the 12th.

Other vendors have worked with the city to accommodate payment schedules that coincide with the voucher approval at the council meetings.

The other accounts payable issue is the payment of contractors for approved public works capital projects. The contractors often submit requests for payments that are delayed 10-14 days due to the Council meeting schedules. Staff would like authorization to pay contractors in a timely manner.

The payment will be shown on the Voucher Approval at the next regular meeting for Council approval. This authorization will be valid for the 2016 fiscal year.

FISCAL IMPACT

Reduction in late fees and interest charges on accounts payable.

RECOMMENDATION:

Authorize staff to issue payment on the credit card accounts prior to the regular Council meeting to eliminate late fees and interest charges. Authorization to pay contractors for approved public works capital projects.

SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM #: Action A 7

DATE: December 3, 2015

SUBJECT: Sky Valley Chamber Lease and Service Agreement

CONTACT PERSON: Laura J. Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is to approve the renewal of the Lease Agreement and Agreement for Services with the Sky Valley Chamber of Commerce (Chamber) to maintain the Visitor Information Center. The current agreement provides for a five year renewal. The Sky Valley Chamber has requested a twenty-five (25) year lease and service agreement.

SUMMARY:

In 2001, the City applied for and received a grant to build a Visitor Information Center (VIC) and Transportation Museum through the Washington State Transportation Enhancement program. The application for the grant included a community service element which included the staffing of the VIC by Sky Valley Chamber.

In 2010 the City and Sky Valley Chamber of Commerce renewed a Service Agreement for operations and maintenance of the Visitor Information Center and Transportation Museum. In exchange for providing staffing for the VIC, the City provides an 8 x 10 foot office space to the Chamber.

In exchange for providing the staffing for the Visitor Information Center, the Sky Valley Chamber may use an 8 x 10 foot office space in the building for a fee of \$1 per year. The Center is required to be open 6 hours per day 4 days per week. This amounts to 24 hours per week and 1,248 hours per year. At minimum wage, the value of the staff time provided is approximately \$11,500 per year.

The lease and service agreement have been revised to reflect the services being provided by the Sky Valley Chamber, use of the building and to incorporate language regarding insurance and liability. The following is a summary of the changes:

1. Term of the lease is 25 years. Termination clause requires 180 days notice.
2. Annual report is due in January of each year.
3. Added Section:

5. CITY SERVICES:

- a. The city shall provide support staff for joint city/chamber events.
- b. Provide police and municipal services for joint/chamber events at no additional charge to the Chamber.

RECOMMENDATION:

Approve the renewal of the Lease Agreement and Agreement for Services with the Sky Valley Chamber of Commerce to maintain the Visitor Information Center.

Attachments: A. Lease Agreement and Agreement for Services with Sky Valley Chamber

**LEASE AGREEMENT AND
AGREEMENT FOR SERVICES**

**City of Sultan
And
SKY VALLEY CHAMBER OF COMMERCE**

The parties hereto are the CITY OF SULTAN a municipal corporation of the State of Washington ("City") and the Sky Valley Chamber of Commerce, a non-profit Washington corporation (Chamber).

RECITALS

WHEREAS, the City of Sultan is the owner of a building located at 320 Main Street, Sultan, for use as a Tourist Information Center ("Center") and Transportation Museum (together referred to as "Premises"); and

WHEREAS, RCW 35.21.700 provides that the City has the "power to expend monies and conduct promotion or resources and facilities in the City or town, or general area, by advertising, publicizing, attracting visitors and encouraging tourist expansion."; and

WHEREAS, RCW 35.21.703 provides that it is a public purpose for the City "to engage in economic development programs" and that the City may "contract with nonprofit corporations in furtherance of this and other acts relating to economic development"; and

WHEREAS, The City Council desires to promote tourism in the City as permitted by the above reference statues; and

WHEREAS, The Sky Valley Chamber of Commerce supports the City's efforts to promote tourism in the City and engage in economic development programs and desires to assist the City in these efforts; and

WHEREAS, the City Council and the Sky Valley Chamber of Commerce, with its experienced and qualified part-time staff and volunteers can service the City Council's objective of promoting tourism and economic development in the City of Sultan; and

WHEREAS, the City Council believes contracting with the Chamber for these services will be less expensive than hiring City personnel to perform the functions to be performed by the Chamber as set forth in this Agreement.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF the mutual covenants hereinafter contained, the parties agree as follows:

COVENANTS

2. **AGREEMENT AND DESCRIPTION.** Upon the terms and conditions hereinafter set forth, the City does hereby provide to the Chamber for the operation of a Tourist Information Center and Transportation Museum and the Chamber does hereby accept from the City those certain premises situated at 320 Main Street in the City of Sultan, County of Snohomish, State of Washington, hereinafter the above described property is called "premises".
3. **BUILDING CONSTRUCTION ON PREMISES.** A structure called "The Sky Valley Tourist Information Center and Transportation Museum" is currently located on the above referenced premises. The Chamber shall not commence any construction on the premises without written consent of the City.
4. **BUSINESS PURPOSE.** The premises are to be used primarily for the purpose of a Tourist Information Center and Transportation Museum and related Chamber Activities. Other uses may be permitted on a space available basis as provided for in this agreement.
5. **USE AND REQUIRED SERVICES.** The Chamber agrees to make their services and the premises available to the public as a Tourist Information Center and Transportation Museum. The Chamber will also maintain an office for Chamber business on the premises and to provide the following services:
 - a. At a minimum, the Chamber shall provide a part-time employee working 20-hours per week to coordinate the activities of the Center. In addition, the Chamber will provide additional staffing for the Center by volunteers organized and recruited by the Chamber and provide all necessary supplies and equipment for promoting Sultan as a destination for local, state, national and international visitors and events.
 - b. The Chamber will keep the Center open a minimum of 4-days per week 6-hours each day during the hour of 10:00 am to 4:00 pm. During such times it shall handle all tourist inquiries and generally promote the attraction of visitors to the community.
 - c. The Chamber may make portions of the premises available at reasonable cost for commercial businesses, and at no cost to non-profit and community organizations, during the normal operating hours of the Center unless there is a conflict with the building's tourism-related activities. Additionally, the Chamber may rent additional space during non-Tourism Center/Museum hours. The Chamber may retain a portion of the rental to cover its actual administrative costs associated with the rental and all remaining

amount shall be submitted to the City. The Chamber may charge a refundable damage deposit to all parties using the premises.

- d. The Chamber shall be responsible for all uses of the premises. The Chamber shall be responsible for ensuring that any use of the premises is consistent with the intended purposes and uses of the premises as stated herein and that such other users are properly insured.
- e. The Chamber shall submit an annual report to the City in January of each year outlining the activities of the Center, including their annual operating costs.
- f. Failure to provide adequate services necessary to support the operation of the Center constitutes a default of this agreement.

6. CITY SERVICES:

- a. The city shall provide support staff for joint city/chamber events.
- b. Provide police and municipal services for joint/chamber events at no additional charge to the Chamber.

7. **TERM.** The term of this agreement shall begin on January 1, 2016 and continue to December 31, 2041 unless terminated as provided in this Agreement.

8. **RENTAL FEE.** In consideration of and in exchange for the right to lease the premises, the Chamber shall provide the in-kind services set out in paragraph 4 of this agreement in order to meet the City Council's objective of promoting tourism and economic development in the City, the additional annual rental amount for the Chamber office shall be \$1.00 to be paid in advance for the entire initial term of this agreement.

9. **UTILITIES.** The City shall pay for utilities, such as power, heat, gas, water and sewer and garbage. The Chamber shall pay for telephone and Internet access.

10. **ADDITIONAL USERS AND RENTALS:** The Chamber may rent or allow portions of the premises to be occupied by others when such space is not necessary to meet the purposes and requirements set out in paragraph 4 of this agreement and if the use of the premises would be consistent with the intended purpose of this agreement.

- a. The purpose of the Tourist Information Center is to promote and encourage economic development and tourism. To be consistent with this purpose, the following criteria and priority shall be used when the Chamber considers allowing space to be occupied for the above purposes and at no or de minimis additional rent:

- i. Non-profit organizations only

- ii. Part-time office space only (maximum of 20 hours per week) to allow others to share the space.
 - iii. Time limited – annual renewal process to allow others the opportunities to use the space.
 - iv. All users must indemnify the City of Sultan and meet the insurance requirements as set forth in this Agreement or as determined by the City’s insurance carrier. .
- b. The Chamber will notify the city at least fourteen (14) days in advance of occupancy or rental of the facility to a third party and provide the city with a copy of the rental or use agreement along with the required proof of indemnification and insurance before allowing a renter or user to occupy the premises.
- c. If the City determines the user or renter does not meet the criteria or intended use of the premises it shall so notify the Chamber in writing within seven (7) days of receiving notice from the Chamber’s of the intended rental or use. Upon receiving such notice, the Chamber must address the City’s objections before moving forward with the occupancy. Should the Chamber be unable to adequately address the City’s objections, the premises shall not be occupied by that entity.
- d. Notwithstanding the foregoing, if the City does not object within the 7 day time period, but subsequently determines that the premises are being rented in violation of the purposes of the Center, the City shall notify the Chamber and the Chamber shall have 30 days to correct the violation.
- e. The Chamber may charge a reasonable rent to other commercial users to offset the Chamber costs of staffing the Center. Rents collected by the Chamber shall be shared with the City as provided in paragraph 4(c) and be remitted monthly to the City.
- f. With the exception of as the rentals defined above, no other users may occupy the building without express written permission from the City Council.

11. **ACCESS.** The Chamber will allow the City or the City’s agents free access at all reasonable times and upon at least twenty-four (24) hours notice to said premises during normal business hours for the purpose of inspection. Nothing herein shall be construed as in any way limiting the authority of the City’s Building Official under existing law.

12. RECORD KEEPING AND REPORTING.

- a. Maintenance of Accounts. The Chamber shall maintain accounts and records, including personnel, property, financial and

programmatic records which sufficiently and properly reflect all direct and indirect costs of any nature expended for the activities described herein and claimed as reimbursement along with any other such records as may be deemed necessary to the City to ensure proper accounting for all funds contributed by the City for the performance of this Agreement and compliance with this Agreement. These records shall be maintained for a period of seven (7) years after termination hereof unless permission to destroy them is granted by the City.

- b. Audits and Inspections. The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review or audit during the performance of this Contract by the City. The City shall have the right to an annual audit of the Chamber's financial statements and conditions.

13. CARE OF PREMISES.

- a. The Chamber shall at all times keep the premises neat, clean and in a sanitary condition and shall at all times preserve said premises in good repair except for reasonable wear and tear and damage by fire or other unavoidable casualty.
- b. All maintenance and operating costs shall be borne by the City. This includes but is not limited to, all HVAC systems and fixtures and the replacement or major repairs to these systems unless said replacement or repairs are necessitated by Chamber neglect.
- c. The Chamber will commit or permit no waste, damage or injury to the premises. This includes but is not limited to keeping all drainage pipes free and open and protecting water, heating and other pipes so they will not freeze or become clogged; and the repair of all leaks and all damages caused by leaks or by reason of the Chamber's failure to protect and keep free, open and unfrozen any of the pipes and plumbing on said premises. All such maintenance and repairs shall be at the sole expense of the Chamber. The Chamber shall be responsible for replacement or keys or rekeying of the premises to secure Chamber assets.
- d. City agrees that the expense of maintaining the foundation, walls and roof of the premises will be the responsibility of the City.

- 14. MAINTENANCE OF GROUNDS.** The City shall maintain the grounds and parking areas for the five parking spaces adjacent to the building designated specifically for Visitor Information parking. The Chamber shall make every effort to keep the grounds and parking areas clean and free of debris.

15. **MOTOR VEHICLE PARKING.** The City shall provide three (3) parking spaces designated for use by visitors of the Center in the Community Center Building parking lot located at 319 Main Street.
16. **DISCRIMINATION PROHIBITED.** The Chamber shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Chamber to be provided under this Agreement on the basis of race, color, religion, creed, sex, age, national origin, marital status, sexual orientation or presence of any sensory, mental or physical handicap.
17. **STORAGE OF MATERIALS, SUPPLIES, ETC.** The Chamber covenants to not store or deposit materials, supplies or other objects on the exterior of the premises without the permission of the City. Failure of Chamber to fully carry out this agreement shall be a breach of covenant of this agreement.
18. **HAZARDOUS WASTES.** The Chamber shall not permit dangerous wastes, hazardous wastes or extremely hazardous wastes as defined by RCW 70.105.010, et seq. to exist on the premises and shall at Chamber's sole expense, undertake to comply with all rules, regulations and policies of the Washington State Department of Ecology and the United States Environmental Protection Agency. Chamber shall promptly notify the Fire District #5 of the existence of dangerous wastes, hazardous wastes or extremely hazardous wastes as required by state and federal regulations. Chamber shall comply with any provisions of the local Hazardous Waste Plan as now in existence or hereinafter enacted. Chamber shall comply with any requirements for hazardous waste disposal as may be imposed by RCW 70.105D.030 and the State Department of Ecology.
19. **VACATING THE PREMISES.** Chamber agrees that at the expiration or sooner termination of this agreement, the Chamber will quit and surrender said premises without notice and in a neat and clean condition and will deliver to the City all keys to all buildings on the premises.
20. **INDEMNITY.** All personal property on said premises shall be at the risk of Chamber. The City shall not be liable for any damage, either to person or property, sustained by Chamber or others, caused by any defects now in said premises or hereafter occurring therein, or due to the condition of any buildings hereafter erected to any part or appurtenance thereof becoming out of repair or caused by fire or by the bursting or leaking of water, gas, sewer or steam pipes or from any act or neglect of the Chamber or other occupants of said buildings or any other persons or due to the happening of any accident from any cause in or about said buildings. The Chamber covenants to defend, protect, save, indemnify and hold the City, its elected and appointed officials and employees, agents and volunteers

harmless from and against all claims, injuries, damages, losses, demands or causes of action of any kind or character, including the cost of defense thereof, including all legal costs and attorneys' fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Chamber and the City, its officers, officials, employees, agents and volunteers, the Chamber's liability hereunder shall be only to the extent of the Changer's negligence.

It is further specifically and expressly understood that the indemnification provided herein constitutes the Chamber's waiver of immunity under industrial insurance, Title 51 RCW, solely for the purposes of this indemnification. The parties further acknowledge that they have mutually negotiated this waiver. The Chamber's waiver of immunity under the provisions of this section does not include, or extend to, any claims by the Chamber's employees directly against the Chamber.

The provisions of this section shall survive the expiration or termination of this Agreement.

21. **INSURANCE.** Chamber shall procure and maintain in force, without cost or expense to the City, on or before the commencement date of this Agreement and throughout the Agreement term or as long as the Chamber remains in possession of the Facility, a broad form comprehensive general liability policy of insurance covering bodily injury and property damage, with respect to the use and occupancy of the Facility with liability limits of not less than \$1,000,000, per occurrence. City shall be named as additional insured on all such policies, which policies shall in addition provide that they may not be cancelled or modified for any reason without fifteen (15) days prior written notice to City. Chamber shall provide City with a certificate or certificates of such insurance within (10) days of the execution of this Agreement.

- a. Said liability insurance shall be from a company or companies rated in the current edition of Best's General Ratings as a least A (Excellent) and Financial Size Category of not less than Class X or in such other company or companies not so rated which may be acceptable to the City, insuring Chamber against all claims for damages for personal injury, including death and against all claims for damage and destruction of property, which may arise by the acts or negligence of the Chamber, its agents, employees or servants or by any means of transportation whatsoever including owned, non-owned and hired automobiles, to the extent of at least Two Million Dollars (\$2,000,000.00) combined single limit. The Chamber shall require all users or renters of the premises to demonstrate that it has the same coverage and requirements as set forth above.

- b. The Chamber shall require all users to execute a separate Facility Lease and Indemnification Agreement on a form provided by the City

22. FIRE AND ADDITIONAL INSURANCE. The City shall, at all times, carry at its own expense fire insurance, extended coverage and vandalism and malicious mischief fire insurance on the building. All of the contents owned by the Chamber in the building shall be covered under the Chamber's separate insurance policy.

23. INSURANCE PROCEEDS IN EVENT OF LOSS.

- a. Total Destruction. If the premises are totally destroyed by fire, earthquake or other casualty during the term of this agreement, and if the City desires to rebuild, the proceeds of insurance shall be used for the purpose of rebuilding such building. If the City elects to rebuild as above provided, the City shall prosecute the work of such rebuilding or repairing without delay. If the City fails to give notice of intention to build within 90 days, both the City and Chamber shall have the right to declare this agreement terminated.
- b. Partial Destruction. In the case of partial destruction, the proceeds shall be used for repairing the damage.
- c. Duties Regardless of Extent of Destruction. The Chamber shall give notice of any loss immediately and of intention to repair or rebuild within sixty (60) days of loss.
- d. Nothing in this section shall establish liability for the underlying loss.

24. LEASEHOLD EXCISE TAXES. In the event this Agreement is construed either at present or at some time in the future as a lease subject to the leasehold tax imposed by Chapter 82.29A RCW, the Chamber agrees to pay said taxes to the Washington State Department of Revenue in accordance with applicable laws.

25. INDEPENDENT CONTRACTOR. The parties intend that an independent contractor relationship will be created by this Agreement. No agent, employee, representative or sub-consultant of the Chamber shall be or shall be deemed to be the employee, agent, representative or sub-consultant of the City. In the performance of the work, the Chamber is an independent contractor with the ability to control and direct the performance and details of the work, the City being interested only in the results obtained under this Agreement. None of the insurance, and unemployment insurance are available from the City to the employees, agents, representative, or sub-consultants of the Chamber. The Chamber will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and sub-consultants during the performance of this Agreement.

26. **LEGAL RELATIONSHIP.** With respect to the occupation of the premises, the parties of this Agreement execute the same solely as a Lessee and a Lessor. No partnership, joint venture or joint undertaking shall be construed from these presents, and except as herein specifically provided, neither party shall have the right to make any representations for, act on behalf of, or be liable for the debts of the other. All terms, covenants and conditions to be observed and performed by either of the parties hereto shall be joint and several if entered into by more than one person.

27. **ASSIGNMENT AND SUBLETTING.** Any assignment of this Agreement by the Chamber without the written consent of the City shall be void. If the City shall give its consent to any assignment, this paragraph shall continue in full force and effect and no further assignment shall be made without the City's written consent.

28. **NOTICE.** All notices and consents hereunder shall be given in writing, delivered in person or mailed by certified mail, postage prepaid, to the receiving party at its address below, or to such other address as the receiving party may notify the sender beforehand referring to this agreement:

Sky Valley Chamber of Commerce
PO Box 46
Sultan WA 98294

City of Sultan
319 Main Street #200
PO Box 1199
Sultan WA 98294

24. **GOVERNMENTAL FEES.** Except for those which may be approved by Resolution of the City Council of the City of Sultan, all fees due under applicable law to the City, County or State on account of any inspection made on premises by any officer thereof shall be paid by Chamber.

25. **SIGNS.** All signs and symbols placed in the windows or doors or elsewhere about the premises or upon the exterior part of the building, shall be subject to the approval of the City or City's agents. Any signs so placed on the premises shall be so placed upon the understanding and agreement that Chamber shall maintain the signs and will remove same at the termination of the tenancy herein created and repair any damage or injury to the premises caused thereby and if not so removed by Chamber, then the City may have the same removed at Chamber's expense. Chamber shall in respect to signs conform to all requests of the City of Sultan Sign Code and Building Code and pay applicable fees.

26. **ALTERATIONS.** The Chamber shall not make any material alterations, additions or improvements to the agreement premises without written consent of the City and all alterations, additions and improvements which shall be made, shall be at the sole cost and expense of the Chamber and shall become the property of the City except those not attached to the building and shall remain in and be surrendered with the premises as part thereof at the termination of this agreement, without disturbance, molestation or injury. The term "material alterations additions or improvements" shall include but not be limited to any structural modification of the building or its components. If the Chamber shall perform work with the consent of the City, as aforesaid, Chamber agrees to comply with all laws ordinances, rules and regulations of the pertinent and authorized public authorities. The Chamber further agrees to save the City free and harmless from damage, loss or expense arising out of said work. Heating systems, plumbing systems (including hot water tanks) and all lighting and electrical systems and parts thereof shall be considered fixtures and become part of the real estate upon being installed in any building
27. **TERMINATION.** Either party may terminate this Agreement upon one hundred eighty (180) days written notice to the other party. Upon the termination of this Agreement, the Chamber agrees to surrender the Premises to the City in as good a condition as they are now in, reasonable wear and tear and damages by the elements excepted.
28. **COSTS AND ATTORNEY'S FEES.** If by reason of any default on the part of either party, litigation is commenced to enforce any provision of this agreement or to recover for breach of any provision of this agreement, the prevailing party shall be entitled to recover from the other party reasonable attorney's fees in such amount as is fixed by the court and all costs and expenses incurred by the reason of the breach or default by the other under this agreement.
29. **NON-WAIVER OF BREACH.** The failure of either party to insist upon strict performance of any of the covenants and agreements of this agreement or to exercise any option herein conferred in any one or more instances shall not be construed to be a waiver or relinquishment of any such strict performance or of the exercise of such option or any other covenants or agreements but the same shall be and remain in full force and effect.
30. **REMOVAL OF PROPERTY.** In the event of default and failure to cure or taking possession of the premises as aforesaid, the City shall have the right but not the obligation to remove from the premises all personal property located therein or thereon and may store the same in any place selected by City, including but not limited to a public warehouse at the

expense and risk of the owners thereof with the right to sell such stored property with notice to the Chamber after it has been stored for a period of at least sixty (60) days, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, if any, and third to the payment of any other sums of money which may then be due from Chamber to City under any of the terms hereof and the balance, if any, to be paid to Chamber.

31. **HEIRS AND SUCCESSORS.** Subject to the provisions hereof pertaining to assignment and subletting, the covenants and agreements of this agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, legal representatives, successors and assigns of any of all of the parties hereto.
32. **HOLD OVER.** If the Chamber shall, with the written consent of City, hold over after the expiration of the term of this agreement, such tenancy shall be determined as provided by the laws of the State of Washington. During such tenancy Chamber agrees to pay City the same rate of rental or services as set forth herein, unless a different rate is agreed upon and to be bound by all of the terms, covenants and conditions as herein specified, so far as applicable.
33. **VENUE.** The venue of any suite which may be brought by either party under the terms of this agreement or growing out of the tenancy under this agreement shall at the option of the City be in court or courts in Snohomish County, Washington.
34. **AGREEMENT NOT ENFORCEABLE BY THIRD PARTIES.** This agreement is neither expressly nor impliedly intended for the benefit of any third party and is neither expressly nor impliedly enforceable by any third party.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on this _____ day of _____, _____.

CITY OF SULTAN

**SKY VALLEY CHAMBER OF
COMMERCE**

Carolyn Eslick, Mayor

Debbie Copple, Director

Attest:

Laura Koenig, CITY CLERK

Approved as to form:

Amy Mill, City Attorney