



Anacortes City Council
Municipal Building Council Chambers
904 Sixth Street

July 25, 2016
6:00 p.m.

PRELIMINARY AGENDA

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Mayor's Award of Merit: Brandon Krause
 - b. Tourism Promotion and Strategic Planning Committee
 - c. Planning Committee
4. **Public Comment**
5. **Consent Agenda (Action)**
 - a. Minutes of July 18, 2016
 - b. Approval of Claims in the amount of: \$523,810.35
 - c. Contract Award: 2016-2017 Landscape Maintenance
 - d. Contract Award: M Avenue Sanitary Sewer I&I Reduction
6. **Public Hearings**
 - a. * Public Hearing: Ordinance 2979/Resolution 1963: Stormwater Utility Monthly User Fee Rate and Code Update (Discussion/Possible Action)
7. **Other Business**
 - a. * Washington State Parks Clean Vessel Program Presentation (Discussion)
 - b. * Ordinance 2985: Medical Marijuana Moratorium Extension (Discussion/Possible Action)
 - c. * Finance Update (Discussion)
 - d. * Ordinance 2983: Amending 2015-2016 CFP (Discussion/Possible Action)
 - e. * Ordinance 2984: Amending 2016 Budget (Discussion/Possible Action)
8. **Adjournment**

Per Resolution 1949, citizens wishing to comment on items not on the agenda may do so under the Public Comment portion of the agenda. Citizens wishing to comment on agenda items indicated with an asterisk () may do so as those items are considered by Council during the course of the meeting. Citizens wishing to speak will please sign in at the back of the Council Chambers prior to the start of the meeting. The Mayor may limit comments to those who have signed in, and may limit the time allotted to each speaker to facilitate the orderly progress of the meeting.*

The City of Anacortes encourages people with disabilities to participate in public meetings.
For assistance with special needs, please contact Cherri Kahns at 360-299-1950 at least 48 hours prior to this meeting.



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning August 1, 2016

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes, vouchers and consent agenda items is not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

August 1, 2016

- Resolution 1958: Adopting Emergency Operation Plan
- COA / DNR Memorandum of Agreement: Thompson Parkway Trestle and Causeway Replacement
- Update: Hazardous Materials Response and LOS for Anacortes (Discussion)
- Resolution 1966: City of Anacortes Personnel Policies (Discussion/Possible Action)

August 8, 2016

August 15, 2016

August 22, 2016

September 6, 2016

September 12, 2016

September 19, 2016

September 26, 2016

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Planning, Monday, Jul 25, 2016, 5:00 PM, Planning Director's Office
- Finance, Wednesday, Jul 27, 2016, 5:00 PM, Johnny Picasso's, 501 Commercial Avenue
- Public Works, Monday, Aug 1, 2016, 5:00 PM, Public Works Director's Office
- Housing Affordability & Community Services, Thursday, Aug 4, 2016, 1:30 PM, Main Floor Conference Room (Parks Office)
- Planning, Monday, Aug 8, 2016, 5:00 PM, Main Floor Conference Room (Parks Office)
- Finance, Wednesday, Aug 10, 2016, 5:00 PM, Johnny Picasso's, 501 Commercial Avenue
- Public Works, Monday, Aug 15, 2016, 5:00 PM, Public Works Director's Office

July 12, 2016

Mr. Brandon Krause
Anacortes, WA 98221

Dear Mr. Krause, Brandon

Congratulations Brandon! You have been nominated to receive the Mayor's Award of Merit because of your outstanding and diligent performance in the Public Works Department. Your talents, skills, and knowledge have brought a great deal of positive outcomes to the Facility Maintenance Department.

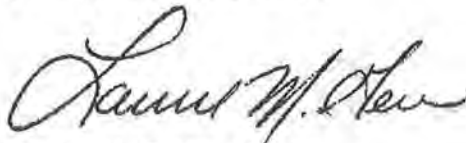
Your supervisor and co-workers commend your eagerness and steadfastness in handling each task that is before you. Additionally you have been instrumental in the various cost saving projects for the city. I am pleased with your positive, courteous responsiveness and your ingenuity when problem solving. You serve as a role model for professionalism, dedication, courtesy, work ethic, customer service, and attention to detail.

I am pleased to select you as a Mayor's Award of Merit recipient. Please confirm with Cherri Kahns (299-1950) that you will be able to attend the City Council meeting on Monday, July 25, at 6 pm. to receive your award. I encourage you to invite your family, friends, and co-workers to the presentation. The award of merit includes a \$75.00 gift certificate to a local restaurant of your choice. Please let Cherri know at which Anacortes restaurant you would like to celebrate your recognition. Additionally, your name will be added to the plaque that hangs in City Hall for all to see!

Brandon, thank you for your exceptional efforts on behalf of the City of Anacortes. I appreciate your hard work and commitment to this organization.

Sincerely,

CITY OF ANACORTES

A handwritten signature in black ink, appearing to read "Laurie M. Gere". The signature is fluid and cursive, with a large initial "L" and "G".

Laurie M. Gere, Mayor

City Council Minutes – July 18, 2016

Mayor Laurie Gere called to order the regular Anacortes City Council meeting of July 18, 2016 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Erica Pickett, Brad Adams, Liz Lovelett, John Archibald and Matt Miller were present. The assembly joined in the Pledge of Allegiance.

Executive Session (45 Minutes) per RCW 42.30.110 (i)

At 6:01 p.m. Mayor Gere announced that City Council would convene with legal counsel in Executive Session for approximately 45 minutes to discuss potential litigation and that no action would be taken. Mayor Gere and City Council retired to the committee room with City Attorney Darcy Swetnam.

At approximately 6:37 p.m. Mayor Gere and councilmembers returned to the Chambers. After the previously announced interval, at 6:45 p.m. the regular session resumed.

Announcements and Committee Reports

Finance Committee Report: Mr. Walters reported from the committee meeting the prior Wednesday. He said the committee was considering recommending an adjustment to the water rate schedule for multifamily residential customers which currently pay the same rates as commercial customers and that the potential financial impact was being investigated. Mr. Walters and Mr. Johnson said the committee had also discussed the potential impact on cash reserves if large projects currently under consideration were to be implemented.

Personnel Committee Report: Ms. Pickett reported that the new personnel policies could be presented to Council for adoption within a few weeks and that contract negotiations would begin later in the year.

Public Works Committee Report: Mr. Walters reported from the committee meeting earlier in the evening regarding the seasonal water rights transfer application. Mr. Walters also advised that the D Avenue paving project had been delayed to August.

Mr. Walters moved to amend the agenda to remove Item 7b, Tourism Promotion Planning Committee Strategic Plan Presentation, as none of the committee members other than councilmembers were able to be present. The agenda amendment was approved by unanimous consent.

Mr. Johnson thanked the Anacortes Police officers who assisted a troubled citizen at a local thrift shop and commented that the officers often serve as the first layer of social services in Anacortes. Mr. Walters and Mayor Gere also commended the Anacortes Police Department for their outstanding service in the community. Mr. Walters encouraged everyone to read the department's 2015 annual report on the city website.

Public Comment

No one present wished to address the Council on any topic not already on the agenda.

Consent Agenda

Mr. Miller removed Item 6d, Contract Award: Install Roofing at Operations Building, from the Consent Agenda. Mr. Johnson removed Item 6c, **Resolution 1946:** Setting Fire Protection Level of Service, from the Consent Agenda.

Ms. Pickett moved, seconded by Ms. Lovelett, to approve the following Consent Agenda items. The motion passed unanimously by voice vote.

- a. Minutes of July 5, 2016 and July 11, 2016
- b. Approval of Claims in the amount of: \$381,603.65
- e. **Resolution 1967:** Amending Petty Cash and Change Funds

The following vouchers/checks were approved for payment:

Voucher (check) numbers: 81253 through 81347, total \$315,467.03
EFT numbers: 205478 through 206602, total \$116,268.89

d. Contract Award: Install Roofing at Operations Building

Mr. Miller asked to know the engineer's estimate for this project and asked why the project had not been budgeted. Mr. Buckenmeyer explained the remediation staff had already implemented in an attempt to address the leaking roof and the need to re-roof the higher elevations of the building to prevent further damage. Councilmembers inquired about cost sharing with the Anacortes School District which owns part of the building. Mr. Buckenmeyer advised that staff was currently negotiating that topic. Mr. Miller moved, seconded by Mr. Archibald, to approve Consent Agenda Item 6d. The motion passed unanimously by voice vote.

c. **Resolution 1946:** Setting Fire Protection Level of Service

Mr. Johnson commended the Public Safety committee for its work on the plan and inquired about how to achieve the funding for the items coming up in the next budget biennium. He suggested bonding for the new fire station in 2018 rather than using cash reserves. Ms. Lovelett suggested structuring the fire impact fee to consider relative risk factors. Councilmembers discussed funding concerns at length and generally agreed that the plan would provide guidance for achieving a desired level of service but that funding decisions would need to be made during each budget cycle depending on available resources. Ms. Lovelett moved, seconded by Mr. Archibald, to approve **Resolution 1946** setting Fire Protection Level of Service. The motion passed unanimously by voice vote.

OTHER BUSINESS

Ordinance 2982: Adopting 2016 Comprehensive Plan

Planning Manager Libby Grage reported that staff had revised the draft comprehensive plan in accordance with City Council direction at the July 5, 2016 regular meeting and had posted the revised document on the city website the prior week. Ms. Grage presented draft Ordinance 2982 to repeal the 2006 Comprehensive Plan and adopt the 2016 Comprehensive Plan. She noted that the ordinance had been revised subsequent to packet publication to add the following language:

WHEREAS, the City will continue to review and, if needed, update its development regulations protecting critical areas within 12 months of the schedule identified RCW 36.70A.130;

Ms. Grage said staff recommended approval of Ordinance 2982 adopting the 2016 Comprehensive Plan.

Councilmembers and Mayor Gere commended staff, the volunteer Community Advisory Committee and the general public for their immense effort to develop the plan. Mr. Walters moved, seconded by Ms. Lovelett, to adopt **Ordinance 2982** adopting the 2016 Comprehensive Plan. Vote: Ayes – Walters, Pickett, Adams, Lovelett, Archibald, Miller and Johnson. Motion carried.

Water Rights Seasonal Transfer Application

City Attorney Darcy Swetnam recapped the discussion of this topic at the July 5, 2016 City Council meeting. Ms. Swetnam advised that subsequently the City had received feedback from the Western Water Agricultural Association, Skagit County elected officials, the Swinomish Tribe and other members of the public about water rights in the valley and the future of water in the Skagit River Basin. She said that given the complexity of the issue, staff recommended taking a step back to fully consider the various interests involved in water planning in the county, to explore the complexities of water issues through a

series of study sessions, and to look into the questions raised by various commenters. Ms. Swetnam recommended that the motion on the table from the July 5, 2016 meeting be denied.

Mayor Gere invited members of the audience to address this agenda item.

Tom Glade, speaking on behalf of Evergreen Islands, said EI strongly supported the conditions on the application to Department of Ecology for a seasonal transfer of water rights to the two irrigation districts. Mr. Glade said this action dovetailed nicely with the comprehensive plan amendment regarding water planning previously submitted by EI. Mr. Glade quoted from the Supreme Court decision in Swinomish vs. Ecology regarding protection of salmon in the Skagit River system. On behalf of EI, Mr. Glade offered sincere thanks to the city for its efforts to ameliorate the water rights conflicts over the Skagit River's water.

Carol Ehlers offered information about water needs and water rights issues for Council's consideration. She shared extracts from the Anacortes-Fidalgo Island Coordinated Water System Plan adopted in 1985. Ms. Ehlers displayed three maps from the document and indicated the legal designation of the critical water service supply area. She said it was an essential duty of Anacortes to provide water for Fidalgo Island, as well as other reasonable locations determined by agreement. Ms. Ehlers said the southwest corner of the island has no water available other than well water and that it is essential for the Anacortes water system to protect those parts of Fidalgo Island which have no other access to water. She said the Del Mar community was grateful to be supplied by Anacortes water and understood how important it was for other people to have access to water within the CWSSA. Ms. Ehlers provided the mayor with a hard copy of her materials which were made part of the packet materials for the evening.

Brandon Roozen, representing Western Washington Agricultural Association, said the association appreciated the efforts Anacortes was making. He said the WWAA and its agricultural partners were ready to dig in to address water issues. He reported that the WWAA had irrigated about 350 acre feet of water from its two rights so far in 2016 and compared that to the 10,000 annual acre foot right that was transferred to the districts in 2015. Mr. Roozen said it was not a lot of water but it was important to get it at the right times.

No one else present wished to address Council on this issue.

The clerk read back the motion that had been tabled for two weeks at the July 5, 2016 meeting:

Mr. Adams moved, seconded by Ms. Pickett, to authorize Mayor Gere to execute the seasonal change application to the Dept. of Ecology to provide access to the City's 15 CFS water right for Districts 15 and 22 in case of a drought emergency. Mr. Johnson asked if Mr. Adams and Ms. Pickett would accept an amendment to strike "and Anacortes City Council approval" at the end of Remarks Section 5 on the application to DOE. The mover and seconder agreed.

Councilmembers discussed the motion on the table, generally agreed on the need to investigate a long term solution for agriculture in the county, and noted Mr. Roozen's previous comments that the water right transfer application as proposed would not meet the needs of the districts.

Vote on motion tabled from July 5, 2016: Nays – Pickett, Adams, Lovelett, Archibald, Miller, Johnson and Walters. Motion failed.

There being no further business, at approximately 7:45 p.m. the Anacortes City Council meeting of July 18, 2016 was adjourned.

The following claims against the City of Anacortes have been preaudited and certified by the Clerk-Treasurer as ready for City Council approval at the July 25, 2016 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
206216	4/11/2016	300000000343	02192	PUGET SOUND ENERGY	PARKS/CEM/WASH. PARK/FAC/DEPOT	\$0.08
206128	7/11/2016	001-341562	02109	PISTON SERVICE OF ANACORTES	WIRE FOR #030	\$2.31
206155	6/29/2016	A1123610	02405	SEBO'S DO-IT CENTER	ADAPTER, PLUG & SLIP CAP	\$3.66
206151	7/12/2016	894211/1	00021	ACE HARDWARE	TOILET REPAIR @ CITY HALL	\$7.31
206198	6/24/2016	001-339967	02109	PISTON SERVICE OF ANACORTES	BARRICADE FUEL FOR ANTIQUE ENGINE	\$7.60
206248	7/19/2016	95055138274762010086	02807	UNITED STATES POSTMASTER	MAILING OF SPRAY PARK PLANS	\$10.00
206307	7/13/2016	0678672-002	00306	BAYSHORE OFFICE PRODUCTS	AWARD CERTIFICATES - MAYOR	\$10.23
206017	7/6/2016	B337119	02405	SEBO'S DO-IT CENTER	BATTERIES FOR SURFACE TABLET PEN	\$10.63
206179	7/12/2016	95055138274961940097	02807	UNITED STATES POSTMASTER	MAILING OF SPRAY PARK DOCUMENTS	\$10.69
206251	7/8/2016	B337433	02405	SEBO'S DO-IT CENTER	3/8 QUICK LINK	\$10.71
205924	7/7/2016	OJ1142D00101D4	08879	PARTY CITY	SURVIVOR CAMP SUPPLIES	\$10.84
206286	7/7/2016	93727479	01318	INGRAM LIBRARY SERVICES	BOOKS - JUVENILE	\$11.64
206291	7/8/2016	93733979	01318	INGRAM LIBRARY SERVICES	BOOKS - JUVENILE	\$11.80
206300	7/1/2016	16008768	02930	WASHINGTON STATE PATROL	BACKGROUND CHECK, MUSEUM VOLUNTEER - TAMERA WILLIS	\$12.00
206096	7/11/2016	894084/1	00021	ACE HARDWARE	LATEX GLOVES	\$12.67
206004	7/11/2016	236282	01023	FRONTIER BUILDING SUPPLY	CEMENT 94 LB	\$13.15
205951	7/1/2016	WAANA83842	00939	FASTENAL CO	HEX BOLTS - WA PARK TABLES	\$13.64
206279	7/8/2016	93733977	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$13.78
206259	7/18/2016	41600193685	02909	LES SCHWAB TIRE CENTERS	SERVICE ON VEH #13-923	\$14.65
206149	7/5/2016	41600192239	02909	LES SCHWAB TIRE CENTERS	FLAT TIRE REPAIR #157	\$15.19
206156	7/14/2016	1988690204	06718	ARAMARK	NYLON MATS CLEANED	\$16.28
206276	7/8/2016	93733973	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$16.29
206195	7/14/2016	978 800 0000 1	00494	CASCADE NATURAL GAS CORP.	STA 3: 6/14-7/13	\$16.50
206274	7/7/2016	93727481	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$16.86
205945	7/6/2016	A1126241	02405	SEBO'S DO-IT CENTER	WIRE, PVC, COUPLINE, BUSHING -	\$17.21
205888	7/1/2016	893420/1	00021	ACE HARDWARE	CHAIN SHARPENING	\$17.34
206281	7/12/2016	93783023	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$17.57
206092	7/8/2016	854309-0	09557	KEENEY'S	OFFICE SUPPLIES	\$17.88

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
206265	7/7/2016	93727480	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$18.16
206278	7/8/2016	93733976	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$18.28
206140	7/12/2016	894140/1	00021	ACE HARDWARE	CITY HALL REPAIR ITEMS	\$18.82
205887	7/2/2016	B336417	02405	SEBO'S DO-IT CENTER	MASKING TAPE	\$19.13
206186	6/23/2016	001-339907	02109	PISTON SERVICE OF ANACORTES	PARTS FOR ANTIQUE ENGINE	\$19.28
206040	6/17/2016	4893	01269	HOW IT WORKS INC	AD - DRAW A LINE POSTER PRINTING	\$20.12
205903	7/1/2016	235353	01023	FRONTIER BUILDING SUPPLY	POLES FOR PARADE BANNER	\$21.35
205948	7/6/2016	B337126	02405	SEBO'S DO-IT CENTER	FASTENERS, WALLPLATE, OUTLET - DEPOT	\$22.05
206273	6/28/2016	ST2161801466IS	01364	ISLAND HOSPITAL	DAVE MEAD, LEOFF1 RETIREE, COPAY	\$22.36
206309	7/8/2016	300047232	01443	KCDA PURCHASING COOPERATIVE	GREEN PAPER FOR PAYROLL	\$23.76
206290	7/8/2016	93733975	01318	INGRAM LIBRARY SERVICES	BOOKS - JUVENILE	\$24.26
205889	7/1/2016	893423/1	00021	ACE HARDWARE	WASP KILLER	\$24.87
206035	6/16/2016	4849	01269	HOW IT WORKS INC	POSTER - HEART OF ANACORTES	\$26.37
206123	7/12/2016	A1128375	02405	SEBO'S DO-IT CENTER	1" FIP BALL VALVE	\$26.40
206139	7/7/2016	220009664396	02192	PUGET SOUND ENERGY	PSE BILLING FOR HEART OF ANACORTES	\$27.01
206098	7/12/2016	0678791-001	00306	BAYSHORE OFFICE PRODUCTS	DRY ERASE BOARD	\$27.12
205907	7/7/2016	88777	00777	DEPT OF ENTERPRISE SVCS	2016 WSDOT SPEC BOOK FOR TIM	\$27.22
206220	7/1/2016	00262-SIMS	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT SIMS	\$27.50
206229	7/1/2016	00263-McCLAUGHRY	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT MCCLAUGHRY	\$27.50
205835	7/5/2016	116-6931803-5981025	08811	AMAZON.COM	BOOK FOR ERIC SHJARBACK	\$28.33
206190	7/16/2016	00005W5A83296	02817	UNITED PARCEL SERVICE	UPS SHIPPING CHARES	\$28.45
206050	7/7/2016	2200006779395	02192	PUGET SOUND ENERGY	WASHINGTON PARK	\$28.73
206236	7/8/2016	WAANA83956	00939	FASTENAL CO	FLAP DISCS & DRILL BITS FOR REPAIRING	\$29.02
206285	6/30/2016	1008483	09723	DISA GLOBAL SOLUTIONS INC	HEARING RE-TEST, MIKE LAFFERTY	\$30.00
206250	7/19/2016	0679027-001	00306	BAYSHORE OFFICE PRODUCTS	MAILING TUBES AND FOLDERS	\$31.20
206076	7/12/2016	983	02141	PORT OF ANACORTES	DOCK RENTAL - QD-19	\$32.00
206079	7/12/2016	985	02141	PORT OF ANACORTES	DOCK RENTAL - QD-21	\$32.00
206082	7/12/2016	986	02141	PORT OF ANACORTES	DOCK RENTAL - QD-22	\$32.00
206083	7/12/2016	987	02141	PORT OF ANACORTES	DOCK RENTAL	\$32.00
206084	7/12/2016	989	02141	PORT OF ANACORTES	DOCK RENTAL	\$32.00
206207	7/13/2016	850678227001	01962	OFFICE DEPOT	MISC SUPPLIES FOR CITY ATTORNEY	\$32.04
205861	7/6/2016	107-0282562-3493860	08811	AMAZON.COM	BREAK ROOM SUPPLIES: COCOA	\$32.34

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
206232	7/1/2016	00222-DAVIS	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT DAVIS	\$33.00
205944	7/4/2016	A1125565	02405	SEBO'S DO-IT CENTER	BUNGIES, ARMORALL, SHOP TOWELS - ACFL	\$34.16
206166	6/22/2016	001-339739	02109	PISTON SERVICE OF ANACORTES	WELDING PLIERS	\$34.31
206163	7/15/2016	refund-heins	10247	HEINS, MARIA	CANCELLED C2 FOR 7/15-7/16/2016	\$35.00
205923	7/7/2016	OJI142D00101C3	08879	PARTY CITY	BALLOONS FOR KIDS R BEST FEST	\$36.46
205946	7/7/2016	A1126483	02405	SEBO'S DO-IT CENTER	NYLON LINE	\$37.26
206170	7/13/2016	850678533001	01962	OFFICE DEPOT	LEGAL WHITE BOARD AND SUPPLIES	\$37.32
206178	7/15/2016	A1129462	02405	SEBO'S DO-IT CENTER	PAINT & TOILET SEAT FOR ACFL USE	\$37.59
206200	7/4/2016	7/4/16	09391	WALGREENS	PARADE CANDY	\$37.68
206254	7/19/2016	0678917-001	00306	BAYSHORE OFFICE PRODUCTS	STORAGE BOXES	\$39.38
206099	7/11/2016	0678713-001	00306	BAYSHORE OFFICE PRODUCTS	OFFICE SUPPLIES - ORGANIZER KIT AND	\$39.65
206039	6/17/2016	4892	01269	HOW IT WORKS INC	DESIGN - DRAW THE LINE AD	\$40.00
206164	7/15/2016	refund-sprott	10246	SPROTT, VAL	CANCELLED SITE B5 7/11-7/13/2016	\$40.00
206277	7/19/2016	LL.VOSS	01364	ISLAND HOSPITAL	JUNE, LIFELINE, DAVE MEAD	\$40.00
205882	6/27/2016	10131072	03072	WILBUR-ELLIS COMPANY, LLC	SCOTTS 15-5-15	\$40.15
206292	7/19/2016	291000003-001-0001	08293	WASHINGTON DEPT OF REVENUE	RENEW STATE AND CITY BUSINESS LICENSE - 2016	\$41.00
206134	7/12/2016	1988686776	06718	ARAMARK	WTP LAUNDRY SERVICE	\$41.95
206126	7/12/2016	001-341686	02109	PISTON SERVICE OF ANACORTES	ORING KIT	\$41.96
206223	7/1/2016	00191-NELSON	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT NELSON	\$44.00
206219	7/1/2016	00258-TAYLOR	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT TAYLOR	\$44.00
206247	7/19/2016	refund-overpayment	06173	OUTWARD BOUND	OVERPAYMENT OF CAMPING FEES	\$44.00
206177	7/15/2016	C273774	02405	SEBO'S DO-IT CENTER	BAR OIL FOR SAWS	\$44.70
206124	7/12/2016	62296D	07655	DEPT OF LICENSING	VEHICLE LICENSING FOR #207A	\$49.25
206111	7/21/2016	07/21/2016	00955	FIDALGO CLEANING	CLEANING - MHC	\$50.00
205950	7/1/2016	WAANA83837	00939	FASTENAL CO	FASTENERS	\$52.46
205905	7/7/2016	235846	01023	FRONTIER BUILDING SUPPLY	94 LB TYPE II CEMENT	\$52.60
205925	7/7/2016	refund-WP picnic	04585	ANACORTES CHRISTIAN CHURCH	REFUND OF GROUP PICNIC FEES - CANCELLED	\$53.00
206185	7/22/2016	(month) GotoCitrix	10088	GOTOCITRIX.COM	MONTHLY GOTOCITRIX PAYMENT	\$53.17
205947	7/7/2016	A1126528	02405	SEBO'S DO-IT CENTER	AUTOCUT TOOL	\$53.23
206193	7/15/2016	S-01192 R-3	10248	HANSEN, KEN	CANOPY FOR BOOTH	\$54.24
206148	7/7/2016	840000136411	02909	LES SCHWAB TIRE CENTERS	ATV TUBE, DISMOUNT & MOUNT #856	\$54.61

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206233	7/1/2016	00245-BOYDSTON	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT BOYDSTON	\$55.00
206086	7/12/2016	909330	10243	WEBER, LYNN	REFUND CAMPING RESERVATION, LESS	\$55.00
206133	6/30/2016	4027-6	02434	SHERWIN WILLIAMS	PAINT FOR 2MG RESERVOIR	\$55.96
206226	6/30/2016	2016-30-6	00424	BUBBA SUDZ CAR WASH	JUNE CAR WASHES	\$56.00
206154	7/14/2016	B338076	02405	SEBO'S DO-IT CENTER	FACILITY SUPPLIES	\$56.02
206280	7/8/2016	93733978	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$56.35
206202	6/30/2016	0669067	08811	AMAZON.COM	LAMINATING POUCHES, OOS TAGS	\$57.00
206199	7/4/2016	7/4/16	02342	SAFEWAY INC	PARADE CANDY	\$57.39
206078	7/12/2016	984	02141	PORT OF ANACORTES	DOCK RENTAL - QD24 - JUNE	\$64.48
206085	7/12/2016	8292	02141	PORT OF ANACORTES	DOCK RENTAL - QD01A JULY	\$64.66
206201	7/18/2016	486900	08811	AMAZON.COM	DEWALT DRILL	\$64.89
206240	6/30/2016	114-4194953	04834	UNITED SITE SERVICES	REG UNIT AT WASHINGTON PARK - JUNE 2016	\$65.66
206227	7/1/2016	00261-HILES	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT HILES	\$66.00
206130	7/14/2016	0678820-001	00306	BAYSHORE OFFICE PRODUCTS	OFFICE SUPPLIES	\$66.11
205367	6/21/2016	Contract 7314	09740	DUMAS BAY CNTR	2016 WA STATE LIBRARY DIRECTORS MTG ROOM RENTAL	\$66.60
206204	7/5/2016	9994643	08811	AMAZON.COM	FOLDER LABELS, OFFICE CHAIR FLOOR MAT,	\$67.00
205891	7/6/2016	2476453	02342	SAFEWAY INC	SURVIVOR CAMP SUPPLIES	\$67.14
206288	7/8/2016	93733974	01318	INGRAM LIBRARY SERVICES	BOOKS - JUVENILE	\$68.09
206188	7/13/2016	4APD	01369	ISLAND FARM AND PET	K9 T-BONE FOOD; JULY	\$69.54
205926	7/7/2016	refund-camping	10242	CANIGLIA, LAURIE	CAMPING REFUND - CANCELLED SITE C12 &	\$70.00
206187	6/15/2016	4APD	01369	ISLAND FARM AND PET	K9 T-BONE FOOD; JUNE	\$73.12
206255	7/18/2016	1988694265	06718	ARAMARK	LAUNDRY SERVICE	\$73.83
206196	7/14/2016	1988690213	06718	ARAMARK	LAUNDRY SVC FOR OPS & PARKS	\$73.86
206194	7/18/2016	refund-bye	10249	BYE, DALE	REFUND-CANCELLED SITE A19 7/20-7/24/16	\$75.00
206182	7/14/2016	MV141906	01801	MOTOR TRUCKS INC	PARTS FOR VEH #159	\$79.27
206174	7/15/2016	0678887-001	00306	BAYSHORE OFFICE PRODUCTS	FATIGUE STANDING MAPS	\$79.84
206302	7/19/2016	Petty Cash	02092	PETTY CASH FUND	WASHINGTON PARK CAMPING REFUND	\$80.00
206224	4/12/2016	1131862	00999	FOSTER PEPPER PLLC	WTP-EXPERT CONSULTANT MATTER NO. 96	\$81.25
206218	7/1/2016	00178-FINGARSON	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT FINGARSON	\$82.50
206282	7/12/2016	93783024	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$82.72
206308	7/7/2016	300047006	01443	KCDA PURCHASING COOPERATIVE	CLASSIFIED FOLDERS - ENGR	\$84.55
206242	6/30/2016	114-4194955	04834	UNITED SITE SERVICES	REG UNIT FOR DOG PARK - JUNE 2016	\$87.55
205881	6/27/2016	10131016	03072	WILBUR-ELLIS COMPANY, LLC	PRO BALANCE 20-20-20	\$89.51
206298	6/30/2016	2110	01986	ORCA INFORMATION INC	BACKGROUND CHECKS, HOHMANN & BYER	\$90.00

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
206107	7/1/2016	7612687	02896	VISA	SUPPLIES - CARNEGIE	\$92.38
206221	7/1/2016	00264-PACKARD	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT PACKARD	\$93.50
206146	7/11/2016	8498 30 017 0464628	04412	COMCAST	INTERNET SERVICE - WA PARK 7/21-8/20	\$96.12
206208	7/11/2016	849983590001	01962	OFFICE DEPOT	CERTIFCATE COVERS FOR AWARD CERTIFICATES	\$96.35
206118	7/6/2016	2012	08501	COASTAL FARM & RANCH	OPERATOR UNIFORM PANTS FOR MARK EDWARDS	\$97.63
206212	6/30/2016	114-4194952	04834	UNITED SITE SERVICES	REG UNIT-GRAND VIEW CEMETERY-JUNE 2016	\$97.85
206241	6/30/2016	114-4194954	04834	UNITED SITE SERVICES	REG UNIT AT COMMUNITY GARDEN-JUNE 2016	\$97.94
206074	7/12/2016	530	02141	PORT OF ANACORTES	DOCK RENTAL	\$99.00
206055	7/12/2016	cs- Austin	05376	AUSTIN, TIA	FACEPAINTER FOR KRBF	\$100.00
206109	7/21/2016	07/21/2016	00955	FIDALGO CLEANING	CLEANING - CARNEGIE	\$100.00
206266	6/30/2016	010976	00930	SKIDMORE PHARMACY INC.	JUNE LEOFF1 PHARMACY COPAYS	\$100.78
206211	6/30/2016	114-4195028	04834	UNITED SITE SERVICES	REG UNIT @ EDWARDS WAY - JUNE 2016	\$101.05
206203	7/16/2016	006082154736	01029	FULLER, CHRIS	UNIFORM SHOES; DET SGT FULLER	\$108.89
206299	6/30/2016	10053614	10069	NAVIA BENEFIT SOLUTIONS	JUNE, NAVIA FLEXIBLE SPENDING MAINTENANCE FEE	\$112.05
206129	7/14/2016	0176893	00950	FIDALGO BAY COFFEE COMPANY	COFFEE - APD	\$112.70
205880	6/23/2016	10118095	03072	WILBUR-ELLIS COMPANY, LLC	SUN TO SHADE MIX FOR GRAND VIEW CEMETERY	\$113.93
206003	7/13/2016	60017	03107	WORK OUTFITTERS	RUBBER BOOTS W/STEEL TOE FOR OLE LINDBO	\$117.16
206263	7/14/2016	160564	04831	T-SHIRTS BY DESIGN	APPLY CITY LOGO TO SAFETY VESTS	\$122.06
206197	7/13/2016	1486778	02519	SKAGIT PUBLISHING	AA-1486778 SMALL WORKS NOTIFICATION OPS ROOFING	\$123.38
206275	7/7/2016	93727482	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$126.06
206167	6/22/2016	001-339738	02109	PISTON SERVICE OF ANACORTES	40CF MIX W/ CAP	\$126.24
206168	7/15/2016	20281303; 20281306	01015	FRED PRYOR SEMINARS	EXCEL BASICS, BEYOND THE BASICS AND ADVANCED	\$128.00
206150	7/12/2016	CVCS35137	02550	SMITH CHEV-BUICK-GEO, JERRY	PATROL CAR #017 ENGINE CODES CHECKED &	\$129.50
206144	7/14/2016	0176892	00950	FIDALGO BAY COFFEE COMPANY	COFFEE FOR THE WWTP	\$130.20
206264	7/7/2016	94125339	10089	MIDWEST TAPE	DVDS	\$136.65
205949	6/30/2016	WAANA83826	00939	FASTENAL CO	DRILL SET	\$141.04
206114	7/1/2016	10729	07114	FURLONG, BRADFORD	LEGAL PROFESSIONAL SERVICES JUNE 2016	\$141.36
206042	6/16/2016	4810	01269	HOW IT WORKS INC	DRAW A LINE FUNDRAISER POSTERS	\$146.04
206237	7/1/2016	00220-CAYWOOD	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT CAYWOOD	\$154.00
206041	6/21/2016	4909	01269	HOW IT WORKS INC	CHAMBER INSERTS - SUMMER CONCERTS @ THE	\$161.67
206231	7/1/2016	00246-FAKKEMA	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT FAKKEMA	\$165.00

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
205897	7/5/2016	893638/1	00021	ACE HARDWARE	KIDS R BEST SUPPLIES	\$166.53
206038	6/16/2016	4781	01269	HOW IT WORKS INC	POSTERS - SUMMER CONCERTS @ THE HEART	\$173.97
206209	6/30/2016	114-4194951	04834	UNITED SITE SERVICES	ADA UNIT @ THOMPSON TRAIL - JUNE 2016	\$175.00
206108	7/11/2016	300000006290	02192	PUGET SOUND ENERGY	ELECTRICITY - CARNEGIE, WTP, MHC	\$180.10
204501	5/25/2016	Veh licensing	00765	DEPARTMENT OF LICENSING	LICENSING VEHICLE #609	\$182.00
206222	7/1/2016	00266-NELSON	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT NELSON	\$187.00
206125	7/12/2016	001-341649	02109	PISTON SERVICE OF ANACORTES	REPAIR PARTS #157	\$187.65
206239	6/30/2016	114-4195024	04834	UNITED SITE SERVICES	2 UNITS AT STORVIK PARK- JUNE 2016	\$191.93
206235	7/1/2016	00205-LAFFERTY	09580	CAMPBELL LAW FIRM	PUB DEF CONFLICT LAFFERTY	\$192.50
206191	7/15/2016	300-10010612	05987	ALL BATTERY SALES & SERVICE	PATROL SUPPLIES; DISPOSABLE GLOVES	\$196.71
206089	6/30/2016	16111747	05523	PACIFIC POWER BATTERIES	REPLACEMENT BATTERIES FOR THE ROTORKS	\$197.90
206153	7/1/2016	29209	05535	PROSCAPES INC	MONTHLY MAINTENANCE FOR CITY HALL PARKING LOT	\$200.73
206287	7/7/2016	93727483	01318	INGRAM LIBRARY SERVICES	BOOKS - JUVENILE	\$202.78
206180	7/13/2016	001-341816	02109	PISTON SERVICE OF ANACORTES	PARTS FOR VEH #150	\$204.39
206181	7/18/2016	2017	02436	SHIFT CALENDARS	2017 SHIFT CALENDARS	\$209.97
206165	7/13/2016	267101	02353	SAN JUAN LANES	BOWLING FEES FOR PEEWEE SPORTS CAMP	\$227.85
206014	7/12/2016	014019	09169	LOU'S GLOVES	LARGE AND SMALL NITRILE GLOVES	\$231.00
206175	7/15/2016	1015758947	02932	WASHINGTON STATE BAR ASSN.	REAL PROPERTY DESKBOOK SERIES FOR CITY ATTORNEY	\$231.32
206295	7/6/2016	212719	02519	SKAGIT PUBLISHING	POSITION AD, TEMPORARY ACCOUNTING TECH	\$246.01
206261	7/10/2016	6045787810218400	04194	AMAZON.CREDIT PLAN	FIRE PULL COVERS	\$252.45
206206	6/30/2016	114-4195327	04834	UNITED SITE SERVICES	1 REG/1 ADA UNIT - JUNE	\$276.61
206183	7/7/2016	3328213	01362	ISLAND FAMILY PHYSICIANS	NEW HIRE PHYSICAL (BYER)	\$310.00
206192	7/14/2016	15116012	00777	DEPT OF ENTERPRISE SVCS	UNIFORM; BALLISTIC HELMETS	\$375.71
206015	7/6/2016	72	02498	SKAGIT DOMESTIC VIOLENCE &	SKAGIT DV & SA SERVICES; 4/1/16-6/30/16	\$376.62
206145	7/13/2016	97196972	01351	RICOH USA, INC	COPIER RENTAL CITY WIDE 7/1-7/31	\$388.59
206243	7/15/2016	BBB012065-BB02	02178	PROSTOCK ATHLETIC SUPPLY	ADULT SOFTBALL SUPPLIES	\$413.01
206131	7/14/2016	160558	04831	T-SHIRTS BY DESIGN	UNIFORM; BALL CAPS	\$417.73
206162	7/8/2016	123155	09542	SETINA MFG CO, INC	PATROL SMALL TOOLS; GUN LOCKER FOR CAR #013	\$419.08
206303	7/19/2016	6659HR	02896	VISA	WELLNESS GRANT PURCHASES	\$420.70
206284	7/12/2016	93783025	01318	INGRAM LIBRARY SERVICES	BOOKS - ADULT	\$423.17
206091	6/30/2016	142424-5	00355	BIRCH EQUIPMENT CO INC	BOOM LIFT RENTAL FOR 2MG RESERVOIR PAINTING	\$434.00

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
206238	7/1/2016	00215-COVERAGE	09580	CAMPBELL LAW FIRM	PUB DEF COVERAGE	\$434.50
206256	7/1/2016	3rd qtr	01921	NORTHWEST PARKING EQUIPMENT	3 QUARTER MAINTENANCE -PAY STATIONS AT	\$461.13
206176	7/14/2016	160545	04831	T-SHIRTS BY DESIGN	GIRLS BASKETBALL CAMP SHIRTS	\$462.21
206119	7/6/2016	WAMO135463	00939	FASTENAL CO	WORK GLOVES	\$518.77
205939	7/8/2016	151559-1	02023	PACIFIC PARTY CANOPIES INC	TENT RENTAL FOR KRBF	\$524.15
206189	7/14/2016	071616	00955	FIDALGO CLEANING	CLEANING & SUPPLIES; JULY 16TH - JULY 31ST	\$576.00
206117	6/30/2016	1137667	00999	FOSTER PEPPER PLLC	SEWER UILITY ISSUES MATTER NO. 97	\$632.50
206184	7/11/2016	5236928430	08971	HONEYWELL ANALYTICS INC	POSICHEK CALIBRATION	\$650.00
206056	7/12/2016	cpls	00765	DEPARTMENT OF LICENSING	CPLS TO D.O.L.; JUNE 2016	\$684.00
205579	7/8/2016	0442226-IN	01839	NATIONAL SAFETY INC	SAFETY VESTS,RAIN JACKETS, PANTS FOR WATER DEPT	\$759.27
206253	7/13/2016	7703	08981	PACIFIC NORTHWEST FIREWOOD	FIREWOOD-RESALE ITEM	\$875.00
206120	6/24/2016	01934230-IN	02260	REISNER DISTRIBUTOR INC	TANK TESTING, DIESEL FUEL AND TANK CLEANER	\$894.37
206097	7/7/2016	070716	10244	BEE SAFE EDUCATION & TRAINING	BABYSITTING CLASS (CABS)	\$910.00
206169	7/13/2016	0678671-002	00306	BAYSHORE OFFICE PRODUCTS	LEGAL BOOKCASES AND MAGNETS	\$983.53
206122	7/12/2016	E9938-455373	02916	WASHINGTON FIRE CHIEFS	TRAINING FOR SCOTT PARRETT / DAN MARTIN	\$1,080.00
206138	7/8/2016	78673^	00369	BLYTHE PLUMBING & HEATING INC	FIDALGO CENTER REPAIRS	\$1,143.60
205877	4/25/2016	16145	10148	WETLANDS & WOODLANDS, INC.	PLANTS - ROUNDABOUT	\$1,166.38
206293	6/1/2016	409-A	05518	ETLICHER, VERNON	JUNE, PARTIAL ASSIST LIVING, LEOFF 1 (\$41 X 30 DAYS)	\$1,230.00
200740	2/2/2016	Order	04831	T-SHIRTS BY DESIGN	ANNUAL UNIFORMS: T-SHIRT, HATS AND	\$1,418.10
206115	7/1/2016	10728	07114	FURLONG, BRADFORD	GENERAL SERVICES (WITSCHER) JUNE 2016	\$1,705.93
203001	7/12/2016	0507702	00932	FERGUSON ENTERPRISES, INC	PARTS FOR WATER DEPT	\$1,787.93
206152	6/23/2016	0192593-IN	02260	REISNER DISTRIBUTOR INC	OIL EATER TRUCK WASH - SOAP #90008	\$2,094.95
206157	7/11/2016	279451	06888	PROFORCE LAW ENFORCEMENT	PATROL EQUIP; TWO TASERS	\$2,227.53
204584	6/23/2016	65414066	09162	TOTER LLC	32 GALLON GARBAGE TOTES - TOTER IS SOLE	\$2,485.59
206135	7/11/2016	694291	01421	JCI JONES CHEMICALS INC	SODIUM HYDROXIDE	\$3,019.16
206113	7/1/2016	PO1/8A-16	00843	ECONOMIC DEVELOPMENT ASSN. OF	ECON DEVELOPMENT SERVICES 1ST HALF 2016	\$3,600.00
206048	7/11/2016	300000000343	02192	PUGET SOUND ENERGY	PARKS/CEM/WASH. PARK/FAC/DEPOT	\$4,267.74
206090	7/11/2016	300000005235	02192	PUGET SOUND ENERGY	RESERVOIR & PUMP STATION ELECTRICITY	\$4,285.60
206136	6/16/2016	16-12076	00850	EDGE ANALYTICAL INC	SOC SAMPLES	\$4,470.00

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206137	6/24/2016	9989240	01165	HACH COMPANY	LAB LASER TURBIDIMETER FOR FILTERS	\$5,309.04
206116	2/11/2016	1126646	00999	FOSTER PEPPER PLLC	WTP EXPERT CONSULTING MATTER NO. 96	\$5,313.35
206141	6/10/2016	81085	03065	WHITNEY EQUIPMENT CO INC	REBUILD PUMP AT THE SKYLINE PUMP	\$8,607.31
205080	6/2/2016	2502084389	01232	HEWLETT PACKARD ENTERPRISE CO.	NETWORK SWITCHES	\$8,699.51
206143	7/13/2016	81086	03065	WHITNEY EQUIPMENT CO INC	IMPELLER AND INSERT RING FOR SKYLINE	\$8,842.75
206147	7/15/2016	15-042-SEW-003	09997	COLUMBIA PUMPING & CONST	RETAINAGE RELEASE	\$12,417.07
205876	6/23/2016	2016paystation	01921	NORTHWEST PARKING EQUIPMENT	NEW PAYSTATION FOR WA PARK	\$15,029.42
206121	6/30/2016	1137690	00999	FOSTER PEPPER PLLC	WTP MATTER NO. 96	\$19,018.51
206100	7/13/2016	Pay Application #1	01546	LARRY BROWN CONSTRUCTION	RAPID FLASHING BEACONS	\$21,753.57
199686	7/12/2016	6153	00427	BUD CLARY CHEVROLET	2016 CHEVY SILVERADO CREW CAB FOR FIRE	\$38,898.52
206214	7/18/2016	1012516	10251	INTERMOUNTAIN SLURRY SEAL INC.	2016 SLURRY SEAL PROJECT	\$317,713.62

Total

\$523,810.35



City Council Agenda Bill

Meeting Date: 7/25/2016

Agenda Item: 5c

Subject: 2016-2017 Landscape Maintenance Services

Staff Contact: Gary Robinson

Approved for Submittal to Council by	
	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
X	Contract
	Public Hearing
	Staff Report

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$60,543.00 to Gonzales Landscaping & Maintenance Services to provide 2016-2017 Landscape Maintenance Services.

Background: Mayor Gere expressed a desire to see City facilities maintained at a level higher than Parks and Recreation could do with current staffing. After the 2016 budget cycle staff began researching contract options and consulted with other cities about their approach. The scope of work and contract took longer than we expected mostly because this is a new initiative for the City. The contract includes options to address unforeseen landscaping needs to enhance our flexibility. On July 6, 2016 the City solicited bids for 2016-2017 Landscape Maintenance Services. Five firms were solicited and two bids received. The other bid was received from Proscapes, Inc. for a total price of \$64,904.70.

Budget Impact	
Amount Budgeted	\$65,895
Budget Account (BARS)	101.410.576.80.41
Proposed Expenditure	\$60,543.00
Budget Amendment Required?	No
Revenue Source	City Funds

Proposed Contract	
Contractor	Gonzales Landscaping
Amount	\$60,543.00
Start Date	August 1, 2016
End Date	July 31, 2017

Previous Council/Committee Action: During the 2016 budget cycle Council directed staff to contract with a private company to provide additional landscape services at city facilities. Parks staff had proposed the idea of hiring a $\frac{3}{4}$ time person with limited benefits but Council opted for this approach.

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council provide its consent to award a contract in the amount of \$60,543.00 to Gonzales Landscaping & Maintenance for 2016-2017 Landscape Maintenance Services.

Alternative Actions: City would fail to have a landscape contract.

Attachments (listed in order presented): Contract



THIS AGREEMENT is entered into and executed by and between the City of Anacortes, a Washington Municipal Corporation, (hereinafter "City"), and **Gonzales Landscaping & Maintenance**, an independent contractor in the business of landscape maintenance (hereinafter "Contractor"). In consideration of the mutual promises, terms, conditions, and covenants herein, and the sufficiency of such consideration being hereby acknowledged, the parties agree as follows:

1. Services by Contractor:

- a. Contractor agrees to provide certain products and services to the City, as laid out in attached Exhibit A, 'Scope of Work', which by this reference is incorporated herein. Work shall be performed under the direction of Jonn Lunsford, Parks & Recreation Operations and Forestland Manager. Mr. Lunsford may be reached at (360) 661-3664 (cell) or (360) 299-1953.
- b. All services will be rendered to the best of Contractor's ability and in a timely and professional manner in compliance with all standards and rules reasonably established by the City.
- c. Contractor will furnish labor, travel, office supplies, materials, cell phone use, and other services necessary to complete the Scope of Work for City, and City will provide the necessary information, data, and assistance required to accomplish the scope of work.
- d. None of the work or services covered by this contract shall be subcontracted without prior written approval of the City.
- e. The City Parks and Recreation Manager reserves the right to make changes or alterations in the Work as may be necessary to satisfactorily maintain the landscape at the locations listed under Exhibit A, 'Scope of Work'.

The basis for any adjustment in price shall be agreed upon prior to the performance of the Work. The Contractor shall submit a proposal to the City describing the change or altered Work along with a price proposal based on actual hours and any material costs associated with the change or altered Work. The final terms for a written modification issued by the City will be based upon mutual agreement. If a basis cannot be agreed upon, then an adjustment will be made either for or against the Contractor in such amount as determined by Manager to be fair and equitable. Such changes shall not invalidate this Agreement and the Contractor agrees to perform the Work as altered. Within 14 calendar days of delivery of the modification the Contractor shall endorse and return the modification. The City may unilaterally process the modification if the Contractor fails to comply with these requirements.

Among others, changes or alterations may include: deleting any part of Work, adding new Work, altering the way the Work is to be done, ordering the Contractor to speed up

or delay the Work, or altering Work specifications. The Contractor shall proceed with the Work upon receiving a written change order or an oral order from the Manager, or his designee, before actually receiving the written change order.

2. Payment:

- a. The City shall pay Contractor a sum not to exceed **Sixty Thousand Five Hundred Forty-Three Dollars (\$60,543.00)**, to be paid in **equal monthly installments of \$5,045.25 per Contractor's Bid** enclosed herein as Exhibit A and hereby incorporated by reference and made a part hereof.
- b. Contractor shall submit invoices monthly to the City that indicate work completed within the invoice time period. Contractor shall maintain time and expense records for each invoice period; such records shall be provided upon City's request.
- c. City shall pay invoices within 30 days of receipt in accordance with the City's claim payment procedures. City's obligation to pay the invoiced amount is contingent on Contractor demonstrating satisfactory completion of benchmarks and provision of all required reports.
- d. The City will provide no additional compensation, benefits or any other remuneration beyond the contract amount set forth immediately hereinabove.
- e. If the services do not meet the requirements of this Agreement, Contractor will correct or modify the work to comply with the Agreement. City may withhold payment for such services until the work meets the requirements of the Agreement. If Contractor fails or refuses to correct its work when so directed by the City, the City may withhold from any payment otherwise due an amount that the City in good faith believes is equal to the cost to the City of correcting, re-procuring, or remedying any damage caused by Contractor's conduct.

3. Term: This contract shall be for a twelve-month term, **beginning on August 1, 2016 and terminating on July 31, 2017.**

4. Independent Contractor:

- a. Contractor is engaged as an independent contractor, and will be responsible for any federal or state taxes applicable to the payments under this agreement. Contractor will not be an employee of the City and shall not, as a result of this Agreement, accrue leave, retirement, insurance, bonding or any other benefits afforded to City employees. City will not be liable for any tax withholding, social security payments, state workers' compensation insurance, unemployment insurance, retirement system payments, or any other similar expenses normally payable on behalf of employees of the City. Contractor will comply with all federal, state and local laws applicable to the work under this agreement.
- b. Any and all employees of the Contractor, while engaged in the performance of any Work, shall be considered employees of only the Contractor and not employees of the City. The Contractor shall be solely liable for any and all claims that may arise under the Worker's

Compensation Act on behalf of said employees or Contractor, while so engaged and for any and all claims made by a third party as a consequence of any negligent act or omission on the part of the Contractor's employees, while so engaged on any of the Work.

- c. Contractor shall comply with all applicable provisions of the Fair Labor Standards Act and other legislation affecting its employees and the rules and regulations.
 - d. Contractor will not be directly supervised by any personnel at the City but will be expected to work closely with City staff to accomplish the Scope of Work herein.
 - e. Contractor hereby represents that he is fully qualified to perform the work laid out in the Scope of Work in a competent and professional manner, to the standards required by the City. Contractor represents that he is customarily engaged in an independently established business of the same nature as that involved in this Agreement.
 - f. Prior to performing work under this Agreement, Contractor shall secure a City Business and Occupation License, and provide a copy of such License to City.
5. Records: All records and accounts pertaining to this Contract are to be kept available for inspection by representatives of the City for a period of three (3) years after final payment. Copies shall be made available to the City upon request.
6. Ownership of Work Product: All data, materials, reports, memoranda, and other documents developed under this Agreement, whether finished or not, shall become the property of the City, shall be forwarded to the City at its request and may be used by the City as it sees fit.
7. Insurance:
- A. Insurance Term
The Contractor shall procure and maintain insurance, as required in this Section, without interruption from commencement of the Contractor's work through the term of the contract and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.
 - B. No Limitation
Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.
 - C. Minimum Scope of Insurance
Contractors required insurance shall be of the types and coverage as stated below:
 1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.
 2. Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop gap liability, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability

insurance shall be endorsed to provide a per project general aggregate limit, using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The City shall be named as an additional insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

D. Minimum Amounts of Insurance

Contractor 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 a \$2,000,000 products-completed operations aggregate limit.

E. City Full Availability of Contractor Limits

If the Contractor maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Contractor.

F. Other Insurance Provision

The Contractor's Automobile Liability, Commercial General Liability and Builders Risk insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

G. Contractor's Insurance for Other Losses

The Contractor shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers, contractors or subcontractors as well as to any temporary structures, scaffolding and protective fences.

H. Waiver of Subrogation

The Contractor and the City waive all rights against each other, any of their Subcontractors, Sub-subcontractors, agents and employees, each of the other, for damages caused by fire or other perils to the extent covered by Builders Risk insurance or other property insurance obtained pursuant to the Insurance Requirements Section of this Contract or other property insurance applicable to the work. The policies shall provide such waivers by endorsement or otherwise.

I. Acceptability of Insurers

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

J. Verification of Coverage

Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the Automobile Liability and Commercial General Liability insurance of the Contractor before commencement of the work. Before any exposure to loss may occur, the Contractor shall file with the City a copy of the Builders Risk insurance policy that includes all applicable conditions, exclusions, definitions, terms and endorsements related to this project. Upon request by the City, the Contractor shall furnish certified copies of all required insurance policies, including endorsements, required in this contract and evidence of all subcontractors' coverage.

K. Subcontractors

The Contractor shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Contractor-provided insurance as set forth herein, except the Contractor shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Contractor shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO Additional Insured endorsement CG 20 38 04 13.

L. Notice of Cancellation

The Contractor shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation within two business days of their receipt of such notice.

M. Failure to Maintain Insurance

Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Contractor from the City.

8. Discrimination and Compliance with laws:

- a. Contractor agrees not to discriminate against any employee or volunteer or applicant for any position in performance of this Agreement because of race, creed, color, national origin, marital status, sex, age, disability, or other circumstance prohibited by federal, state, or local law or ordinance, except for a bona fide occupational disqualification.
- b. Contractor shall comply with all current federal, state, and local laws and ordinances applicable to the work to be done under this Agreement.
- c. Violation of this Section shall be a material breach of this Agreement, and grounds for termination, cancellation, or suspension of the Agreement by the City, in whole or in part, and may result in ineligibility for further work for the City.

9. Prevailing wages

- a. Wages of Employees: This Agreement is subject to the minimum wage requirements of Chapter 39.12 of the Revised Code of Washington, as now existing or hereafter amended or supplemented. In the payment of hourly wages and fringe benefits to be paid to any of Contractor's laborers, work persons and/or mechanics, Contractor shall not pay less than the "prevailing rate of wage" for an hour's work in the same trade or occupation in the locality within the State of Washington where such labor is performed, as determined by the Industrial Statistician of the Department of Labor and Industries of the State of Washington. Prevailing wages paid pursuant to this Agreement shall be the prevailing wage rates which are in effect on the date when the bids, proposals, or quotes were required to be submitted to the City.
 - b. Agreements Exceeding One Year: Pursuant to WAC 296-127-023, or hereafter amended, the City agrees to pay any increase in the current prevailing wages if and when this Contract is extended provided that the term of the Contract exceeds one year. The City further agrees to pay the current prevailing wages at the time of additional yearly extensions, and the Contractor agrees to pay its employees the increased prevailing wage.
 - c. Exemptions to Prevailing Wage: The prevailing wage requirements of Chapter 39.12 RCW, and as required in this Agreement do not apply to:
 - i. Sole owners and their spouses;
 - ii. Any partner who owns at least 30% of a partnership;
 - iii. The President, Vice President, and Treasurer of a corporation if each one owns at least 30% of the corporation.
 - d. Reporting Requirements: Contractor shall comply with all reporting requirements of the Department of Labor and Industries of the State of Washington. Upon the execution of this Agreement, Contractor shall complete and file a State of Intent to Pay Prevailing Wages with the Department of Labor and Industries. Upon completion of the Services, Contractor shall complete and file an Affidavit of Wages Paid with the Department of Labor and Industries. Contractor shall deliver copies of both the State of Intent to Pay Prevailing Wages and the Affidavit of Wages Paid, certified by the Department of Labor and Industries, to the City.
10. Indemnification: The Contractor 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 Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor'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.

11. Attorney Fees: If suit, action, or arbitration is brought either directly or indirectly to enforce the terms of this agreement, the prevailing party shall recover, and the losing party hereby agrees to pay, reasonable attorney's fees incurred in such a proceeding, in the trial and appellate courts, as well as costs and disbursements ordered by a court of competent jurisdiction.

12. City's Right to Terminate Agreement:

A. Termination for Default

If the Consultant defaults by failing to perform any of the obligations of the Agreement or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the City may, by depositing written notice to the Consultant in the U.S. mail, postage prepaid, terminate the Agreement, and at the City's option, obtain performance of the work elsewhere. If the Agreement is terminated for default, the Consultant shall not be entitled to receive any further payments under the Agreement until all work called for has been fully performed. Any extra cost or damage to the City resulting from such default(s) shall be deducted from any money due or coming due to the Consultant. The Consultant shall bear any extra expenses incurred by the City in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the City by reason of such default. If a notice of termination for default has been issued and it is later determined for any reason that the Consultant was not in default, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the Termination for Public Convenience paragraph hereof.

B. Termination for Public Convenience

The City may terminate the Agreement in whole or in part whenever the City determines, in its sole discretion that such termination is in the best interests of the City. Whenever the Agreement is terminated in accordance with this paragraph, the Consultant shall be entitled to payment for actual work performed at unit Agreement prices for completed items of work. An equitable adjustment in the Agreement price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Agreement by the City at any time during the term, whether for default or convenience, shall not constitute a breach of Agreement by the City.

13. Interest of Services: Contractor covenants that he/she presently has no interest, and shall not acquire any interest, which would conflict in any manner or degree with the performance of services required to be performed under this contract.
14. Hours of Work: All work under this Agreement shall be performed during reasonable work hours. Contractor shall provide a written schedule of proposed work hours to the Parks Department, which the Parks Director may approve or deny in his sole discretion.

15. Protection of Existing Property: It shall be the responsibility of the Contractor to leave City facilities in existing or better condition. Any damage to facilities or unsatisfactory operation of utilities shall be brought to the City's attention immediately by Contractor. All damages to existing facilities shall be reviewed by the City and Contractor, and those damages caused by Contractor shall be repaired or replaced at Contractor's expense.
16. Maintenance Activities and Scheduling: Contractor is to consider that City property is open to the public at all times, and the maintenance and associated work shall be conducted in such a way that the daily operation shall not be affected without prior approval by the City.
17. Safety and Cleanup:
- a. Contractor shall be responsible to maintain the work area free of debris and clutter and especially avoid causing any hazards anywhere on the property due to its operations. The Contractor shall secure and maintain a safe parking place at each job site for its vehicles and equipment and is solely responsible for them.
 - b. Contractor shall provide and use all safety gear required by state law.
 - c. Upon completion of the day's work, all job sites shall be left clean and orderly.
18. Disposal: All yard waste shall be disposed of in a city waste disposal facility or as directed by Parks and Recreation Staff.
19. Amendment: This agreement may be amended by mutual written agreement of all parties.
20. Scope of Agreement: This Agreement incorporates all the agreements, covenants, and understandings between the parties. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless set forth in this Agreement or written amendment hereto.
21. Assignability: This Agreement is not Assignable by either party, without prior written consent of the other party.
22. Severability: If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, and to this end the provisions of this Agreement are declared to be severable.
23. Notices: Any notices given in connection with this Agreement shall be given in writing and shall be delivered either by hand or by registered or certified mail, return receipt requested, to the Contract Manager for each party at the address stated herein. Any party may change its address stated herein by giving notice of the change in accordance with this paragraph.

a. Contract Manager for the Contractor is:

NAME

ADDRESS

CITY

b. Contract Manager for the City is:

City of Anacortes

Denise Van Wyck

Contract/Grant Administrator

904 6th Street

Anacortes, Washington 98221

24. Choice of Law/Venue: Any dispute under this Agreement or related to this Agreement shall be decided in accordance with the laws of the State of Washington. Venue for any court proceeding arising under or related to this Agreement shall be in Skagit County Superior Court.

25. Non-exclusive Agreement: This Agreement shall not prevent the City from entering into a contract with another person or entity for similar services.

26. Nonwaiver: Any failure by the City to enforce strict performance of any provision of this Agreement will not constitute a waiver of the City's right to subsequently enforce such provision or any other provision of this Agreement.

CITY OF ANACORTES

By: _____
Laurie Gere, Mayor

Date: _____

GONZALES LANDSCAPING & MAINTENANCE

By: _____

Print Name: _____

Title: _____

Date: _____

Exhibit A

Scope of Work

The Contractor shall provide all labor, material and equipment necessary to furnish landscape maintenance services for the City at the locations listed below. The City has identified the services required at each location according to the month of the year. Definitions of each service are on the following pages thereby specifying the work to be performed under this Agreement. Additionally, a vicinity map of each location is included. Each vicinity map depicts the walkways that require power washing and designates the work zone for the location. Note the color legend on the bottom right of each page.

Public Safety Building (1218 24th Street)

Line Trimming, Clean up, Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Edging four times during growing season (March, May, July October)
Leaf Collection: Weekly Sept – Nov
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)
Pressure Wash: concrete, bricks entrance ways & sidewalks annually in May.

Anacortes Museum (1305 8th Street)

Line Trimming, Clean up, Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Edging four times during growing season (March, May, July, October)
Leaf Collection: Weekly Sept – Nov
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)
Pressure Wash: concrete, bricks entrance ways & sidewalks annually in May.

Anacortes Public Library (1220 10th Street)

Line Trimming, Clean up, Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Edging four times during growing season (March, May, July October)
Leaf Collection: Weekly Sept – Nov
Mulch Beds and trees wells: Once in May (mulch to be provided by the City)
Pressure Wash: concrete, bricks entrance ways & sidewalks annually in May.

W.T. Preston (713 R Avenue)

Clean up & Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Edging four times during growing season (March, May, July October)
Leaf Collection: Weekly Sept – Nov
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)
Pressure Wash: concrete, bricks entrance ways & sidewalks annually in May.

Depot Arts & Community Center (611 R Avenue)

Line Trimming, Clean up, Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Leaf Collection: Weekly Sept – Nov
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)
Plant and maintain rain barrel gardens: Weekly

City Hall (904 6th Street)

Clean up & Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Leaf Collection: Weekly Sept – Nov
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)

Anacortes Cinema Landscaping (415 O Avenue)

Clean up & Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Leaf Collection: Weekly Sept – Nov
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)

Main Fire Station (Station 1 @ 1016 13th Street)

Clean up & Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Leaf Collection: Weekly Sept – Nov
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)
Pressure Wash: concrete, bricks entrance ways & sidewalks annually in May.

West Side Fire Station (Station 2 @ 5209 Sunset Drive)

Clean up & Weeding: Twice Monthly
Prune Shrub & Ground Cover: March and October (2 Times)
Leaf Collection: Weekly September – November
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)

Heart of Anacortes (NE Corner of 4th and O Avenue)

Mowing, Line Trimming, Clean up, Weeding: Weekly
Prune Shrub & Ground Cover: March and October (2 Times)
Edging four times during growing season (March, May, July October)
Leaf Collection: Weekly September – November
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)
Pressure Wash: concrete, bricks entrance ways & sidewalks annually in May.

Gateway Triangle (at Oakes Ave and Sunrisers Lane)

Mowing, Line Trimming, Clean up, Weeding: Twice Monthly
Prune Shrub & Ground Cover: March and October (2 Times)
Leaf Collection: Weekly September – November
Mulch Beds and trees wells: Once in June (mulch to be provided by the City)

Q & R Avenues (9th Street to 21st Street)

Line Trimming, Clean up, Weeding: Twice Monthly

Ivy Removal from trees, shrubs, light poles, utility boxes and sign posts: April, July and October (3 Times)

Prune Shrub & Ground Cover: March and October (2 Times)

Edge along asphalt path four times during growing season (March, May, July October)

Leaf Collection: Weekly September – November

Commercial Avenue Tree Wells (11 Street to 3rd Street: 8 trees per block)

Clean up & Weeding: Twice Monthly

Tommy Thompson Restroom (2111 R Avenue)

Line Trimming, Clean Up, Weeding: Twice Monthly

Prune Shrub & Ground Cover: March and October (2 Times)

Pressure Wash: concrete, bricks entrance ways & sidewalks annually in May.

[Continued on Next Page]

DEFINITIONS

MOWING: All turf areas shall be kept to a height of 2-3 inches every week during the growing season (March – November). There are to be no visible clippings after mowing – the contractor will remove clippings as necessary. Disposal of clippings at City Yard Waste Facility will be allowed at no cost to the contractor.

LINE TRIMMING: Line trimming shall be done along all walkways, pathways, tree wells, posts, fences, landscape rocks, electrical boxes, valve boxes, irrigation boxes, plants or other objects where necessary to maintain neat and trim appearance.

EDGING: Complete edging of all edges that are adjacent to turf areas shall be done four times during the growing season from March to November (March, May, July, October), including all asphalt and concrete surfaces. Sod or weeds shall be cut to the edge of the hard surface, collected and hauled away. All edges to be maintained as needed during the growing season. Disposal of sod at City Yard Waste Facility will be allowed at no cost to the contractor.

CLEAN-UP: Litter and natural debris (branches & limbs) is to be removed. Hard surfaces shall be blown clean. No clippings, litter or trimmings are to be visible in landscape.

WEEDING: Landscaped areas shall be kept free of weeds during the growing season (March – November). There are to be no visible weeds during this time of year – the contractor will remove weeds as necessary. Disposal of weeds at the City Yard Waste Facility will be allowed at no cost to the contractor.

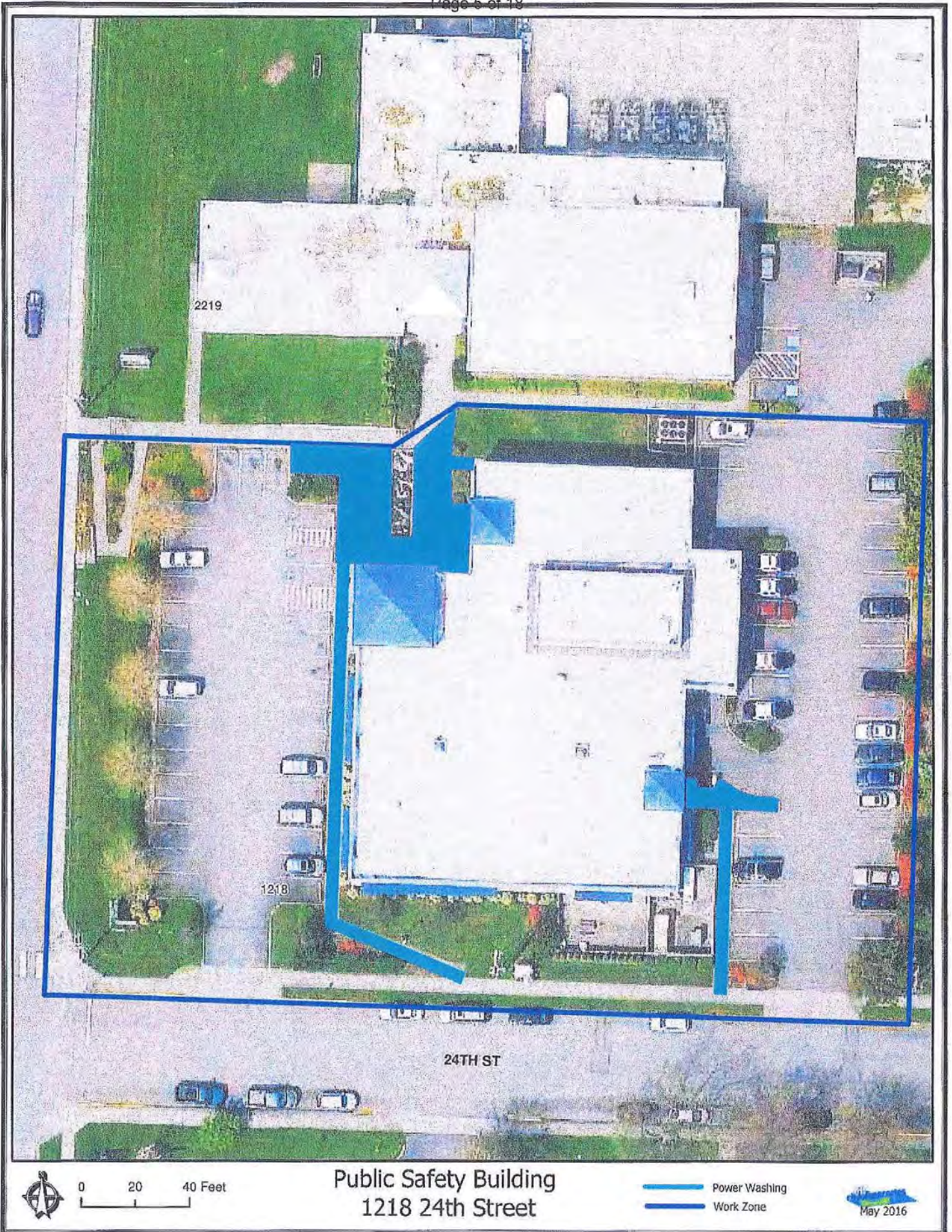
PRUNING: Provide pruning to shrubs and ground cover to maintain desired shape, balance & function. Disposal of clippings at City Yard Waste Facility will be allowed at no cost to the contractor.

LEAF COLLECTION: Collect and remove all leaves from turf and landscape areas during the months of September through November.

MULCHING: Spread bark or mulch to the depth of 3 inches evenly in landscape beds and existing tree wells. Prior to mulching remove all weeds and trash from the beds or tree wells.

PRESSURE WASH: Using a pressure washer (aka power washer) to remove moss, dirt, grime, gum and debris from concrete or brick sidewalks and entrance ways.

IVY REMOVAL: Clearing ivy from tree trunks and limbs, shrubs, light poles, street sign posts and upright utility boxes.





Power Washing
Work Zone







0 20 40 Feet

W.T. Preston - 713 R Avenue

Power Washing
Work Zone

May 2016





0 25 50 Feet

Anacortes City Hall - 904 6th Street

Work Zone

May 2016



0 20 40 Feet

Anacortes Cinema Landscaping - 415 O Avenue

Work Zone

May 2016



0 12.5 25 Feet

Main Fire Station - 1016 13th Street

Power Washing
Work Zone

May 2016

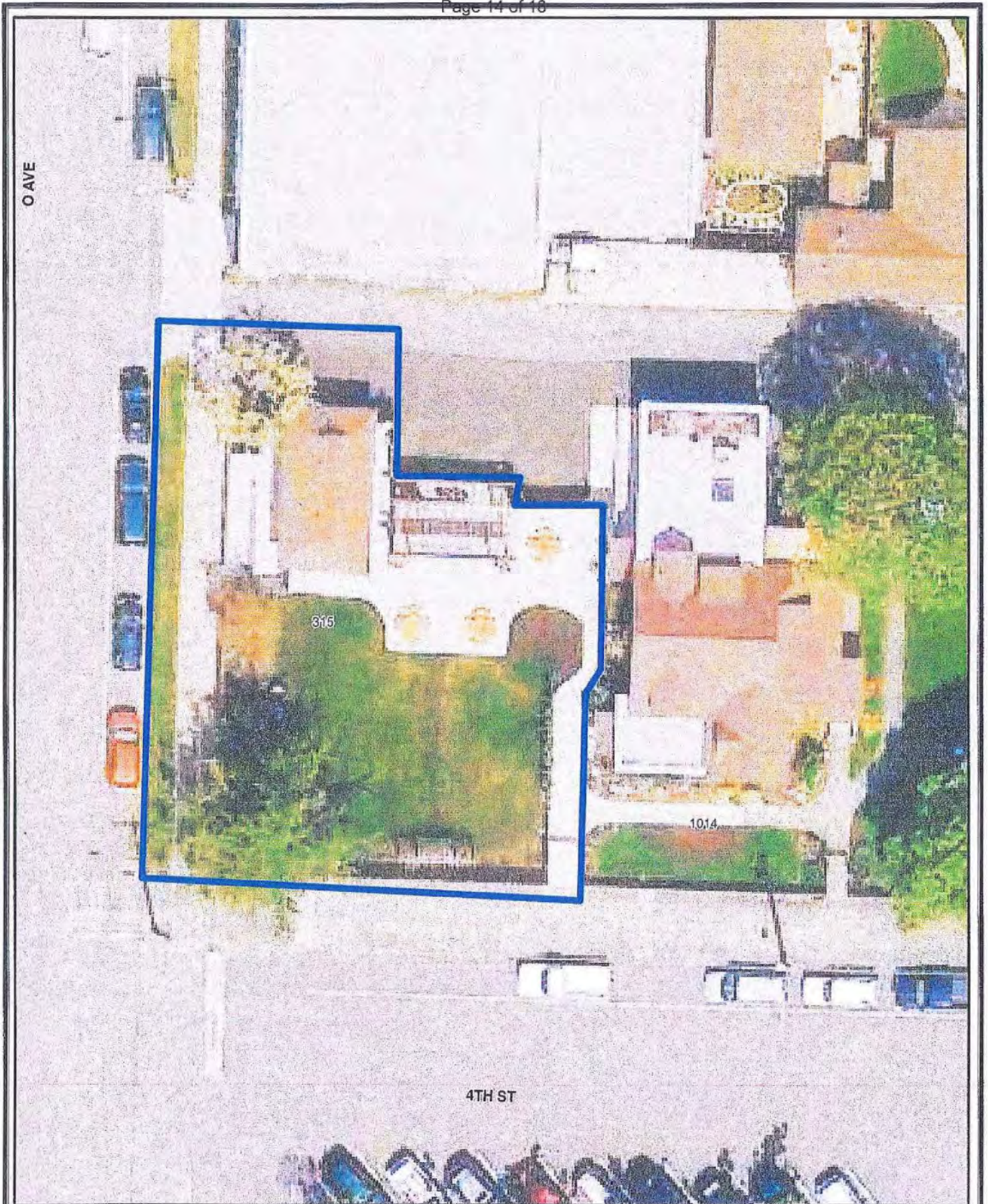


0 10 20 Feet

West End Fire Station #2 - 5209 Sunset Avenue

Work Zone

May 2016



0 10 20 Feet

Heart of Anacortes - 315 O Avenue

Work Zone

May 2016



0 20 40 Feet

Gateway Triangle

Work Zone

May 2016

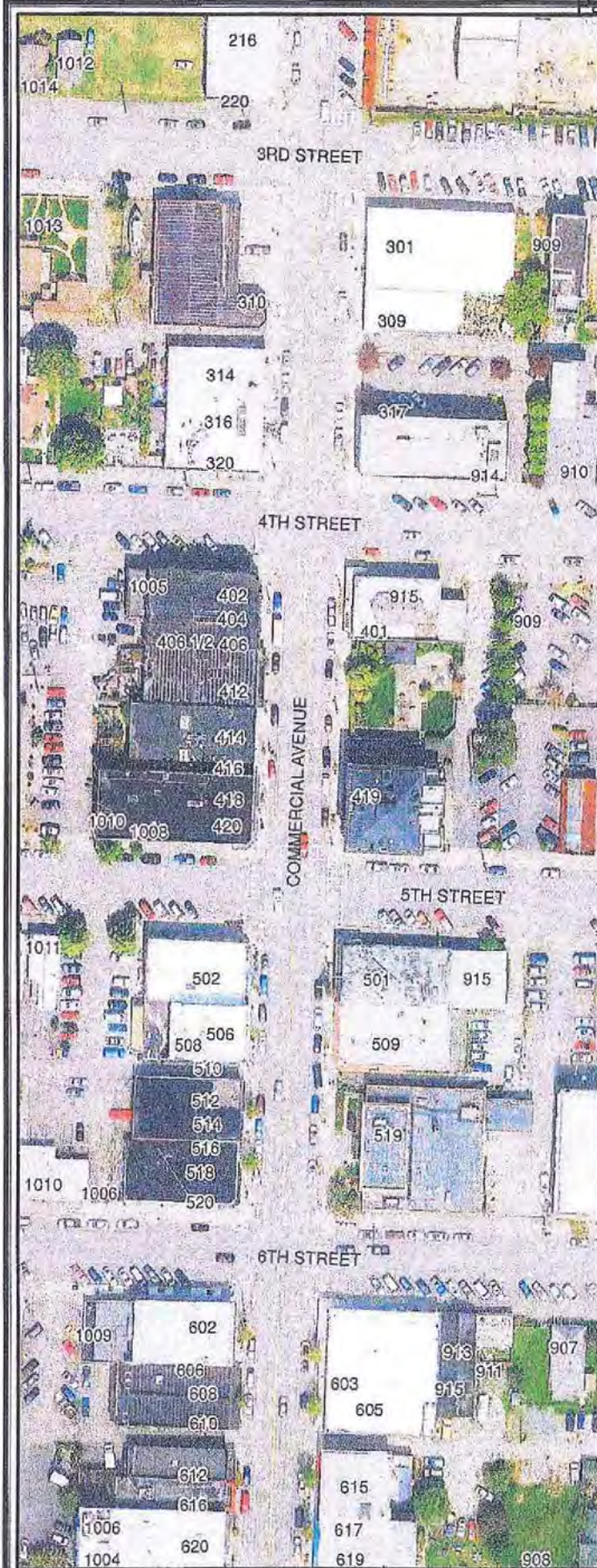


0 100 200 Feet

"Q" & "R" Avenues

Work Zone

May 2016



0 65 130 Feet

Commercial Avenue Tree Wells



0 20 40 Feet

Tommy Thompson Restroom

-  Power Washing
-  Work Zone


May 2016



City Council Agenda Bill

Meeting Date: 7/25/2016

Agenda Item: 5d

Subject: M Avenue Sanitary Sewer I&I Reduction Project

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by	
	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
X	Contract
	Public Hearing
	Staff Report

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$59,780.25 to Welch Brothers Construction for construction of the M Avenue I&I Reduction Project.

Background: City staff prepared an Invitation to Bid in accordance with the WSDOT Standard Specifications and submitted the plans, specifications and contract documents for bid. Engineer's estimate for this multi-trade project was \$59,946.25.

Budget Impact	
Amount Budgeted	\$1,075,000
Budget Account (BARS)	440.000.594.35.63
Proposed Expenditure	\$59,780.25
Budget Amendment Required?	No
Revenue Source	City Funds

Proposed Contract	
Contractor	Welch Brother
Amount	\$59,780.25
Start Date	Contract Inception
End Date	30 Calendar Days NTP

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move City Council provide its consent to award a contract in the amount of \$59,780.25 to Welch Brothers Construction to construct M Avenue I&I Reduction Project.

Alternative Actions: N/A

Attachments (listed in order presented): Contract

THIS AGREEMENT, made in three (3) copies, each of which shall be deemed original, and entered into this _____ day of _____, 2016, between the City of Anacortes Washington hereinafter called City, and **Welch Brothers Construction** hereinafter called the Contractor.

WITNESSETH:

That in consideration of the terms and conditions contained herein and attached and made a part of this agreement, the parties hereto covenant and agree as follows:

- I. **WORK.** The Contractor shall do all work and furnish all tools, materials, equipment, and transportation required for the **M Avenue Sanitary Sewer I & I Reduction Project**, in accordance with and as described in the Invitation for Bid entitled the same and dated July 2016, Project No. PW-16-051-SEW. Incorporated by reference, and made a part hereof, are the Invitation for Bid aforementioned, current Washington State Department of Transportation *Standard Specifications for Road, Bridge, and Municipal Construction M 41-10* and Amendments, except as modified by the Special Provisions included in this Invitation to Bid. Any changes to the work contracted herein shall be subject to contract modification signed by the Parties.

The City hereby promises and agrees with the Contractor to retain and does retain the Contractor to provide the materials and to do and cause to be done the above-described work and to complete and finish the same according to the attached plans and specifications and the terms and conditions herein contained, and hereby contracts to pay for the same according to the attached specifications and the schedule of prices bid and hereto attached, at the time and in the manner and upon the conditions provided for in this contract.

The Contractor for himself/herself, and for his/her heirs, executors, administrators, successors, and assigns, does hereby agree to full performance of all covenants required of the Contractor in the contract.

- II. **PRICE.** The Total Contract Price is **Fifty-Nine Thousand Seven Hundred Eighty Dollars and Twenty-Five Cents (\$59,780.25)**. The Contractor's bid schedule is incorporated by reference and attached hereto as Exhibit A.
- III. **TIME.** Unless otherwise stated in the Invitation for Bid, all physical construction activities shall be completed **Thirty (30) calendar days** from the first working day following the Notice to Proceed. The Contractor shall supply the materials within the specified period of time after Notice to Proceed has been issued by the City.
- IV. **LIQUIDATED DAMAGES.** Under 1-08.9 of the current WSDOT *Standard Specifications for Road, Bridge, and Municipal Construction*, the City is entitled to liquidated damages for each and every calendar day said work remains uncompleted after expiration of the specified time. However, rather than using the Liquidated Damages Formula, the Contractor agrees to pay the City \$500.00 per day for each and every calendar day said work remains uncompleted. All other terms of WSDOT 1-08.9 remain unchanged.
- V. **INDEMNIFICATION/HOLD HARMLESS.** The Contractor 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 Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor'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.

- VI. **INSURANCE.** The Contractor 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 Contractor, their agents, representatives, employees or subcontractors.

Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

IN WITNESS WHEREOF the Contractor has executed this instrument on the day and year first below written and the Authorized Official has caused this instrument to be executed by and in the name of the City the day and year first above written.

WELCH BROTHERS CONSTRUCTION

CITY OF ANACORTES

Signature

MAYOR

Printed

Date

Title

Date

TO: City of Anacortes
City Hall
904 Sixth Street
Anacortes, WA 98221

Attention: Eric Shjarback P.E. – City Engineer

Contractor declares that he/she has carefully examined the contract documents for the construction of the project; that he/she has personally inspected the site; that he/she has satisfied him or herself as to the quantities involved, including materials and equipment and conditions of work involved, including the fact that the description of the quantities of work and materials, as included herein, is brief and is intended only to indicate the general nature of the work and to identify the said quantities with the detailed requirements of the contract documents and that this proposal is made according to the provisions and under the terms of the contract documents, which documents are hereby made a part of this proposal.

Contractor declares he/she has exercised his/her own judgment regarding the interpretation of subsurface information and has utilized all data, which he/she believes pertinent from the Engineer, Owner and other sources in arriving at his/her conclusions.

If this proposal is accepted, Contractor will, within ten calendar days from notification of award, execute the contract with the City of Anacortes in the form of contract included in the contract documents, and will, prior to the time of execution of the contract, deliver to the City of Anacortes the Performance and Payment Bonds and all Certificates of Insurance required therein and will, to the extent of his/her proposals, furnish all necessary labor, tools, materials, equipment, and services required to do the work in the manner, in the time, and according to the methods as specified in the contract documents and required by the Engineer or other Project Manager designated thereunder.

Contractor agrees, if awarded the contract, to begin work the working day following the date of the Notice to Proceed and to (a) achieve **Physical Completion within thirty (30) calendar days**, and (b) achieve **Contract Completion within Sixty (60) calendar days** after the date of the Notice to Proceed.

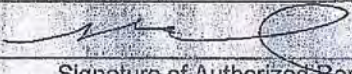
In the event the Contractor is awarded the contract and shall fail to complete the work within the time limit agreed upon as more particularly set forth in the contract documents, liquidated damages shall be paid to the owner per the specifications contained in the contract documents.

Contractor accepts as full payment for the work proposed herein the amount computed under the provisions of the contract documents and based upon the unit price, it being expressly understood that the unit price is independent of the exact quantities involved. Bidder agrees that the unit prices shown represent a true measure of the labor and materials required to perform the work, including all allowances for overhead and profit for each type of work called for in these contract documents. The undersigned bids for complete construction of the following described project:

The work provided for this project will include all materials, equipment, labor and related items necessary to install approximately 159 LF of 10-inch PVC sanitary sewer pipe, make repairs to an existing 12-inch clay sanitary sewer line, install two (2) owner provided sanitary sewer manholes, asphalt patching, removing/re-placing a monument, and other work, all in accordance with the attached Contract Plans, these Contract Provisions, and the Standard Specifications.

BID PROPOSAL
M AVENUE SANITARY SEWER I & I REDUCTION PROJECT
16-051-SEW-001

ITEM NO.	QTY	UNIT OF MEASURE	ITEM DESCRIPTION	UNIT PRICE (Figures)	TOTAL AMOUNT (Figures)
1	1	MC	MINOR CHANGES 1-04.4(1)	\$5,000.00 Allowance	\$5,000.00
2	1	LS	MOBILIZATION 1-07.15(1)	At \$ 6,800.00 Per Lump Sum	\$ 6,800.00
3	1	LS	PROJECT TEMPORARY TRAFFIC CONTROL 1-10.5	At \$ 1,050.00 Per Lump Sum	\$ 1,050.00
4	1	LS	TEMPORARY EROSION/ WATER POLLUTION CONTROL 8-01.5	At \$ 900.00 Per Lump Sum	\$ 900.00
5	1	LS	SPCC PLAN 1-07.15(1)	At \$ 600.00 Per Lump Sum	\$ 600.00
6	600	LF	SAWCUTTING ASPHALT 2-02.5	At \$ 4.00 Per Linear Foot	\$ 2,400.00
7	159	LF	PVC SANITARY SEWER PIPE 10-INCH DIAM. 7-17.5	At \$ 108.00 Per Linear Foot	\$ 17,172.00
8	2	EA	INSTALL MANHOLE 48 IN. DIAM TYPE 1 7-05.5 (Owner Provided)	At \$ 3,000.00 Per Each	\$ 6,000.00
9	1	EA	12-INCH CLAY SANITARY SEWER REPAIR 7-17.5	At \$ 5,200.00 Per Each	\$ 5,200.00
10	35	TN	HMA CL. ½ INCH PG64-22 5-04.5	At \$ 185.00 Per Ton	\$ 6,475.00
11	1	EA	MONUMENT CASE AND COVER 8-13.5	At \$ 3,000.00 Per Each	\$ 3,000.00
12	1	LS	ROADWAY SURVEYING 1-05.4(3)	At \$ 500.00 Per Lump Sum	\$ 500.00
SUBTOTAL					\$ 55,097.00
SALES TAX (8.5%)					\$ 4683.25
TOTAL					\$ 59,780.25

	7/15/16
Signature of Authorized Representative	Date
MICHAEL WELCH	VICE PRESIDENT
Print Name of Signatory	Title

*Note Rule WAC 458-20-170 applies. Sales tax is separately priced and added to the base bid price.

Proposal must be signed by an authorized representative of the firm submitting this bid.

ACKNOWLEDGMENT OF RECEIPT OF ADDENDA

I have received and examined the following addenda as part of the contract documents.

No.	_____	Date	_____	Initial	_____
No.	_____	Date	_____	Initial	_____
No.	_____	Date	_____	Initial	_____

Name of Bidder: WELCH BROTHERS CONSTRUCTION INC

Mailing Address: PO BOX 818

Contact Name: MICHAEL WELCH

City, State, Zip: ANACORTES WA. 98221

Business Telephone: 360-293-9848 Cell Phone: 360-33-3040

Email Address: mike@welchbros.com

Contractor's State License No: WELCHBC995RC

UBI Number: 601 109 879

DUNS Number: 191496751



City Council Agenda Bill

Meeting Date: 7/20/2016 **Agenda Item:** 6a

Subject: Stormwater Utility Monthly User Fee Rate and Code Update

Staff Contact: G. Matt Reynolds, Fred Buckenmeyer

Approved for Submittal to Council by	
X	Laurie Gere, Mayor
X	Steve Hoglund, Finance Director
X	Darcy Swethnam, City Attorney

Action Type	
X	Ordinance No. 2979
X	Code Revision? Yes
X	Resolution No. 1963
	Contract
	Public Hearing
	Staff Report

Summary Statement: The proposed ordinance would update City code related to stormwater utilities and the related resolution would increase rates to fund operations and maintenance.

Background: Stormwater utility operation and maintenance (O&M) expenditures currently exceed revenues, even with no capital investment. Increasing Stormwater NPDES permit requirements will increase required O&M efforts. Even without capital expenditures, a rate increase is required to provide a balanced budget. However, capital expenditures are required to bring the storm system into compliance with the City's stormwater NPDES permit, to help manage maintenance requirements, and to continue to provide a functioning system. Note that items 6D and 6E of the proposed ordinance retain certain discounts for properties in the HM and LM1 zones. If the Council does not wish to continue these discounts, items 6D and 6E could be deleted.

Previous Council/Committee Action: Council has not taken any previous action on this matter. Stormwater rates were discussed at the May 16, 2016 Public Works Committee meeting and at the May 24, 2016 special City Council meeting regarding the City Comprehensive Plan Capital Facilities Element.

Competing Viewpoints Considered: The "do nothing" option would result in stormwater utility expenditures continuing to be greater than revenues. Changing the rate to something other than \$10 per ISU would either decrease or increase the amount of money available for operation and maintenance of the system.

Recommended Motion: I move to approve Ordinance 2979 to update City code related to stormwater utilities and approve Resolution 1963 to increase stormwater utility rates.

Alternative Actions: To not approve the proposed ordinance and resolution and keep the rates as they are or change the rates to something different.

Attachments: Proposed Ordinance 2979 and proposed Resolution 1963.

ORDINANCE NO. 2979

AN ORDINANCE AMENDING CHAPTER 13.10.020 OF THE ANACORTES MUNICIPAL CODE TO REMOVE STORM WATER RATES FROM THE CODE

WHEREAS, The City of Anacortes' Stormwater utility operation and maintenance (O&M) expenses currently exceed revenues, even with no capital investment. Increasing Stormwater NPDES permit requirements will increase required O&M efforts. Even without capital spending, a rate increase is required to provide a balanced budget.

WHEREAS, Current City code includes stormwater rates, and as with current practice, these rates will be hereafter adopted by resolution, therefore the City code must be updated to remove the rate language.

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF ANACORTES DOES ORDAIN AS FOLLOWS:

Section 1. AMC Chapter 13.10.020 is hereby amended to read in its entirety as follows:

13.10.020 - System of charges.

A. There is imposed a system of charges on each developed parcel of real property within the city to operate the stormwater program. The charges are deemed reasonable and necessary to fund administration, planning, design, construction, operation, maintenance, repair, improvement and replacement of all existing and future storm and surface water facilities, including the accumulation of reserves and the retirement of any associated debt.

B. The following charges are established for all developed parcels of real property in the city. The charges for all such parcels shall be computed by multiplying the basic charge for each ISU times the total number of ISUs per parcel.

1. General Facilities Charge. A one-time charge per ISU for new development for the planning, design, and construction of capital improvements associated with the city stormwater drainage system and facilities.

2. Monthly User Fee. The minimum monthly fee shall fund the operation, maintenance and administration of the city stormwater utility.

3. Single-Family and Duplex Residential Parcels. The charge shall be one ISU per month for each single-family or duplex residential parcel.

4. Undeveloped Parcels. Undeveloped parcels shall not be assessed a GFC or monthly user fee.

5. Other Parcels (Commercial, Industrial, and Multi-family). The charge for all parcels, except single-family and duplex residential parcels and undeveloped parcels, shall be based upon the total amount of impervious area as expressed in ISU. ISUs shall be measured for rate of computation purposes to the nearest one-tenth of an ISU. The minimum charge shall be for one ISU for a GFC or monthly user fee.

6. Moorage.

a. Flounder Bay. The rate for parcels within the Flounder Bay service area, as set forth in Appendix A and B to Ordinance 2787, is hereby established and charged in the amount of \$4.019 per month. This rate is the exclusive rate and the monthly user fee under AMC 13.10.020B.1 shall not be charged; provided, those developed parcels subject to the monthly user fee under AMC 13.10.010B.1 prior to December 3, 2007

shall continue to be subject to the monthly user fee and shall also be subject to the fee established in this subsection 6.1.

b. Flounder Bay—Phase III Surcharge. In addition to the rates set forth in Section 6.1 and such other rates and charges under this Chapter 13.10 AMC, a surcharge is hereby established and charged for Phase III of the Flounder Bay project, in the amounts set forth in the schedule attached to this ordinance as Exhibit 1, and maintained on file with the city clerk.

C. All rates and fees referenced in this chapter will be adopted by Council resolution.

D. The monthly user fee in the HM and LM1 zones shall be twenty percent of the standard city stormwater fee.

E. The general facilities charge (GFC) in the HM and LM1 zones shall be twenty percent of the standard city GFC.

Section 2. This ordinance shall take effect five (5) days from and after its passage, approval and publication in the manner required by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Anacortes, Washington, this ____ day of July, 2016 at a regular open public meeting thereof.

AYES____

NAYS____

ABSENT____

CITY OF ANACORTES:

BY:_____
LAURIE M. GERE, MAYOR

ATTEST:

APPROVED AS TO FORM:

Steve D. Hoglund
City Clerk Treasurer

Darcy Swetnam
City Attorney

RESOLUTION NO 1963

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANACORTES ESTABLISHING A UNIFIED FEE
SCHEDULE FOR UTILITY FEES AND CHARGES

WHEREAS, the Anacortes City Council is empowered by City code to pass fees for the utilities by resolution.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Anacortes, Washington, that:

Section 1.

1. Attachment A hereto is hereby adopted, replacing the previously adopted version.
2. On January 1st of each year, the fees and charges for water set out in this resolution shall be indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton—All Urban Wage Earners (CPI-U) for the previous October, or other comparable index if not published. The treasurer shall adjust the fees and publish them each December to take effect on all goods and services delivered or contracted after the beginning of each year. In no event shall the change in rates be less than zero percent in any given year. Unit prices and all other charges shall be to the nearest cent.
3. In addition to the rates set forth in attachment A there shall be charged an additional amount equal to the amount of any tax levy for the utility, which amount shall be part of the total bill payable by the customer.

Section 2. This resolution shall take effect for utility charges incurred on and after September 1st 2016.

PASSED and APPROVED on this ____ day of July, 2016.

AYES ____

NAYS ____

ABSENT ____

CITY OF ANACORTES:

BY: _____
LAURIE M. GERE, MAYOR

ATTEST:

APPROVED AS TO FORM:

Steve D. Hoglund
City Clerk Treasurer

Darcy J. Swetnam, WSBA # 40530
City Attorney

Resolution

Water Rates

Regular water rates are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U) for the previous October.

Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2014-October 2015

1.2011%

Changed items

Contractual Rates adjusted based on adopted budget for 2016

Rates Effective 4/1/2016

Rates Effective 7/1/2016

Water Residential and Commercial Charges

Monthly Fixed Charge

Meter Size (Inches)	Residential		Commercial		Residential		Commercial	
5/8 x 3/4	\$	13.66	\$	20.49	\$	13.66	\$	20.49
3/4	\$	13.66	\$	20.49	\$	13.66	\$	20.49
1	\$	22.82	\$	34.22	\$	22.82	\$	34.22
1 1/2	\$	45.49	\$	68.24	\$	45.49	\$	68.24
2	\$	72.82	\$	109.23	\$	72.82	\$	109.23
3			\$	218.46			\$	218.46
4			\$	341.42			\$	341.42
6			\$	683.04			\$	683.04
8			\$	1,092.90			\$	1,092.90

Monthly Consumption Charge

	Residential		Commercial		Residential		Commercial	
All consumption per cubic foot	\$	0.015180	\$	0.022770	\$	0.015180	\$	0.022770
All consumption per gallon*	\$	0.002029	\$	0.003044	\$	0.002029	\$	0.003044

*Utility meters and billing system operate using cubic feet, some rounding may occur when reviewing billed amounts in gallon format.

Water Rates

Water General Facilities Charges

Meter Size (Inches)	GFC In-City	Including taxes & fees	GFC In-City	Including taxes & fees
5/8 x 3/4	\$ 2,639.40	\$ 3,942.87	\$ 2,639.40	\$ 3,942.87
1	\$ 3,563.19	\$ 4,983.66	\$ 3,563.19	\$ 4,983.66
1½	\$ 7,126.37	\$ 8,998.16	\$ 7,126.37	\$ 8,998.16
2	\$ 11,402.19	\$ 13,815.56	\$ 11,402.19	\$ 13,815.56
3	\$ 22,804.39	\$ 26,661.95	\$ 22,804.39	\$ 26,661.95
4	\$ 35,631.86	\$ 41,114.14	\$ 35,631.86	\$ 41,114.14
6	\$ 71,263.72	\$ 81,259.12	\$ 71,263.72	\$ 81,259.12
8	\$ 114,021.95	\$ 129,433.10	\$ 114,021.95	\$ 129,433.10
10	\$ 163,906.55	\$ 185,636.07	\$ 163,906.55	\$ 185,636.07

Water Agriculture Irrigation*

Agriculture Meter (double check) deposit	\$ 354.20	\$ 354.20
Agriculture Consumption Rate	\$ 231.83 Per Million Gallons	\$ 231.83 Per Million Gallons

*Agriculture water charged for variable rate only, fixed costs of water system not included

Water Additional Fees

Meter Installation Fee, up to 1"	\$ 860.21	\$ 860.21
Including taxes	\$ 969.16	\$ 969.16
Meter Installation Fee deposit, greater than 1"	\$ 860.21 towards install cost	\$ 860.21 towards install cost
Standpipe Water Charges	\$ 0.02277 Per Cubic Foot	\$ 0.02277 Per Cubic Foot
Construction Meter Charges*	\$ 50.00	\$ 50.00
Flat fee up to 60 days, up to 1000CF, billed at standpipe rate after CF cap.		
Including taxes	\$ 56.33	\$ 56.33
Water service fee*	\$ 75.00	\$ 75.00
After hours additional water service fee*	\$ 75.00	\$ 75.00

*No subject to CPI adjustments

Water Rates

Water Wholesale and Industrial Contract Rate Schedule

City of Oak Harbor

Capital Cost	\$	117,134	Per Month	\$	117,134	Per Month
Fixed Operating Cost (estimate)	\$	40,407	Per Month	\$	40,407	Per Month
Variable Operating Cost (estimate)	\$	0.00173	Per CF	\$	0.00173	Per CF

Town of La Conner

Capital Cost	\$	12,534	Per Month	\$	12,534	Per Month
Fixed Operating Cost (estimate)	\$	7,739	Per Month	\$	7,739	Per Month
Variable Operating Cost (estimate)	\$	0.00173	Per CF	\$	0.00173	Per CF

Skagit PUD

Capital Cost	\$	14,623	Per Month	\$	14,623	Per Month
Fixed Operating Cost (estimate)	\$	8,550	Per Month	\$	8,550	Per Month
Variable Operating Cost (estimate)	\$	0.00173	Per CF	\$	0.00173	Per CF

Swinomish Utility Authority

Capital Cost	\$	4,178	Per Month	\$	4,178	Per Month
Fixed Operating Cost (estimate)	\$	2,454	Per Month	\$	2,454	Per Month
Variable Operating Cost (estimate)	\$	0.00173	Per CF	\$	0.00173	Per CF

Tesoro Northwest Company Refinery

Capital Cost	\$	265,032	Per Month	\$	265,032	Per Month
Fixed Operating Cost (estimate)	\$	103,140	Per Month	\$	103,140	Per Month

Water Rates

Variable Operating Cost (estimate)	\$	0.00173	Per CF	\$	0.00173	Per CF
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Shell Puget Sound Refinery

Capital Cost	\$	302,894	Per Month	\$	302,894	Per Month
Fixed Operating Cost (estimate)	\$	142,874	Per Month	\$	142,874	Per Month
Variable Operating Cost (estimate)	\$	0.00173	Per CF	\$	0.00173	Per CF

Capital Reconciled Cost	\$	14,881.19	Per Month	\$	14,881.19	Per Month
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Capital Reconciled Cost is effective for 36 months effective January 2014

In addition to the rates set forth in this fee schedule and in compliance with applicable laws, there shall

Sewer Rates

Regular sewer rates are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U) for the previous October.

Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2014-October 2015

1.2011%

Rates Effective 4/1/2016				Rates Effective 7/1/2016				
Sewer Residential and Commercial Charges								
Monthly Fixed Charge								
Meter Size (Inches)	Residential		Commercial		Residential		Commercial	
5/8 × ¾	\$	31.99	\$	31.99	\$	31.99	\$	31.99
¾	\$	38.40	\$	38.40	\$	38.40	\$	38.40
1	\$	44.80	\$	44.80	\$	44.80	\$	44.80
1½	\$	57.60	\$	57.60	\$	57.60	\$	57.60
2			\$	92.80			\$	92.80
3			\$	351.99			\$	351.99
4			\$	447.99			\$	447.99
Monthly Consumption Charge								
	Residential		Commercial		Residential		Commercial	
SIC 1 consumption per cubic foot	\$	0.022770	\$	0.022770	\$	0.022770	\$	0.022770
SIC 1 consumption per gallon*	\$	0.003044	\$	0.003044	\$	0.003044	\$	0.003044
SIC 2 consumption per cubic foot			\$	0.028438			\$	0.028438
SIC 2 consumption per gallon*			\$	0.003802			\$	0.003802
SIC 3 consumption per cubic foot			\$	0.553570			\$	0.553570
SIC 3 consumption per gallon*			\$	0.074007			\$	0.074007
SIC 4 consumption per cubic foot			\$	0.009007			\$	0.009007
SIC 4 consumption per gallon*			\$	0.001204			\$	0.001204
SIC 4: BOD per pound			\$	1.194173			\$	1.194173
SIC 4: TSS per pound			\$	0.728648			\$	0.728648

*Utility meters and billing system operate using cubic feet, some rounding may occur when reviewing billed amounts in gallon format.

Sewer GFC rates are increased based on the ENR Construction Cost Index.

1.80%

Sewer General Facilities Charges

Type	GFC In-City	Including taxes & fees	GFC In-City	Including taxes & fees
Singe Family	\$ 8,358.28	\$ 8,987.40	\$ 8,358.28	\$ 8,987.40
Duplex	\$ 16,716.56	\$ 17,974.79	\$ 16,716.56	\$ 17,974.79

Storm Rates

Regular storm rates are currently not indexed to increase annually.

Changed items

	Rates Effective 4/1/2016	Rates Effective 9/1/2016	Rates Effective 1/1/2017
Storm Residential and Commercial Charges			
Monthly Fixed Charge			
Single Family Residential (flat fee)	\$ 5.00	\$ 7.50	\$ 10.00
Commercial per ERU per Month	\$ 5.00	\$ 7.50	\$ 10.00

Storm GFC rates are increased based on the ENR Construction Cost Index.

Storm General Facilities Charges

Type	GFC In-City		
Per 2,000 square feet of impervious area	\$ 1,408.06	\$ 1,408.06	

Solid Waste

Regular solid waste rates are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U) for the previous October.
Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2014- 1.2011%

Rates effective 4/1/2016

Rates effective 7/1/2016

Solid Waste Residential Rates, includes structures with more than one living unit

Contents	Tote Sizes	Minimum # of Totes	Maximum # of Totes	Monthly Rate	Additional Totes	Monthly Rate	Additional Totes
Organics Tote	32, 64, 96 gallon	n/a	n/a	\$11.13	\$11.13	\$11.13	\$11.13
Recyclables Tote	32, 64, 96 gallon	1	n/a	\$9.11	\$9.11	\$9.11	\$9.11
Refuse Tote	21 gallon	1	1	\$7.08	n/a	\$7.08	n/a
Refuse Tote	32 gallon	n/a	3	\$13.16	\$13.16	\$13.16	\$13.16

Solid Waste Commercial Rates

Contents	Tote Sizes	Minimum # of Totes	Maximum # of Totes	Monthly Rate	Additional Totes	Monthly Rate	Additional Totes
Organics Tote - Restaurants only	96 gallon	n/a	n/a	\$16.19	\$16.19	\$16.19	\$16.19
Recyclables Tote	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Refuse Tote	21 gallon	n/a	1	\$7.08	n/a	\$7.08	n/a
Refuse Tote	32 gallon	n/a	5	\$13.16	\$13.16	\$13.16	\$13.16
Refuse Tote	96 gallon	n/a	2	\$36.43	\$36.43	\$36.43	\$36.43

Recycling Container Rates - Residential

Container Size	Monthly Rate	Extra Collections	Monthly Rate	Extra Collections
1 Cubic Yard	\$25.30	\$15.18	\$25.30	\$15.18
2 Cubic Yard	\$45.54	\$20.24	\$45.54	\$20.24
3 Cubic Yard	\$70.84	\$25.30	\$70.84	\$25.30
6 Cubic Yard	\$91.08	\$30.36	\$91.08	\$30.36
8 Cubic Yard	\$131.56	\$40.48	\$131.56	\$40.48

Refuse Drop Box Rental Rates PERMANENT - Commercial

Container Size	Monthly Rate, for rented box only	Delivery Fee	Tonnage Fee Per Ton*	Haul Fee Compactor Box	Haul Fee Non Compactor Box	Monthly Rate, for rented box only	Delivery Fee	Tonnage Fee Per Ton*	Haul Fee Compactor Box	Haul Fee Non Compactor Box
10 Cubic Yard	\$101.20	\$75.90	At Cost plus \$1.00/ton	\$187.22	\$166.98	\$101.20	\$75.90	At Cost plus \$1.00/ton	\$187.22	\$166.98
30 Cubic Yard	\$101.20	\$75.90	At Cost plus \$1.00/ton	\$187.22	\$166.98	\$101.20	\$75.90	At Cost plus \$1.00/ton	\$187.22	\$166.98

*Not subject to CPI adjustments

*Not subject to CPI adjustments

Refuse Drop Box Rental Rates TEMPORARY - Prepayment Required

Container Size	Delivery, Removal & 7 Days	Haul Fee Non Compactor Box	Tonnage Fee Per Ton*	Daily Rate, Starting 8th Day	Pre-Pay amount, includes tax
10 Cubic Yard	\$ 275.25	\$166.98	At Cost plus \$1.00/ton	\$15.18	\$319.38
30 Cubic Yard	\$ 275.25	\$166.98	At Cost plus \$1.00/ton	\$15.18	\$319.38

*No subject to CPI adjustments

Delivery, Removal & 7 Days	Haul Fee Non Compactor Box	Tonnage Fee Per Ton*	Daily Rate, Starting 8th Day	Pre-Pay amount, includes tax
\$ 275.25	\$168.99	At Cost plus \$1.00/ton	\$15.18	\$319.38
\$ 275.25	\$168.99	At Cost plus \$1.00/ton	\$15.18	\$319.38

*No subject to CPI adjustments

Refuse Container Rates PERMANENT - Commercial

Container Size	Monthly Rate	Extra Collections
1.5 Cubic Yard	\$96.14	\$25.30
2 Cubic Yard	\$116.38	\$30.36
3 Cubic Yard	\$166.98	\$40.48
6 Cubic Yard	\$328.90	\$86.02
8 Cubic Yard	\$440.22	\$111.32

Monthly Rate	Extra Collections
\$96.14	\$25.30
\$116.38	\$30.36
\$166.98	\$40.48
\$328.90	\$86.02
\$440.22	\$111.32

Refuse Container Rates TEMPORARY - Prepayment required

Container Size	Delivery, Removal & 7 Days	Daily Rate, Starting 8th Day	Extra Collections	Pre-Pay amount, includes tax
1.5 Cubic Yard	\$96.14	\$3.04	\$55.66	\$111.55
2 Cubic Yard	\$111.32	\$4.05	\$65.78	\$129.17
3 Cubic Yard	\$131.56	\$5.57	\$80.96	\$152.65
6 Cubic Yard	\$187.22	\$10.12	\$131.56	\$217.24
8 Cubic Yard	\$227.70	\$15.18	\$166.98	\$264.21

Delivery, Removal & 7 Days	Daily Rate, Starting 8th Day	Extra Collections	Pre-Pay amount, includes tax
\$96.14	\$3.04	\$55.66	\$111.55
\$111.32	\$4.05	\$65.78	\$129.17
\$131.56	\$5.57	\$80.96	\$152.65
\$187.22	\$10.12	\$131.56	\$217.24
\$227.70	\$15.18	\$166.98	\$264.21

Solid Waste Additional Fees

Description	Per Unit
Additional Organics Dump	\$5.06
City Garbage Bags	\$4.05
City Garbage Bags - Retail Outlet Price	\$3.80
Non-Refrigerated Appliance	\$25.30
Organics Tote Cleaning Fee	\$10.12
Refrigerated Appliance	\$35.42
Refuse Overtime Call-Out, Per Hour	\$55.66
Replacement Tote Due To Negligence	At Cost plus \$10.12
Return Trip Fee (Blocked Container)	\$25.30
Special Haul Per Cubic Yard	\$35.42

Per Unit
\$5.06
\$4.05
\$3.80
\$25.30
\$10.12
\$35.42
\$55.66
At Cost plus \$10.12
\$25.30
\$35.42



City of Anacortes Public Works
"Essential Services for our Community"



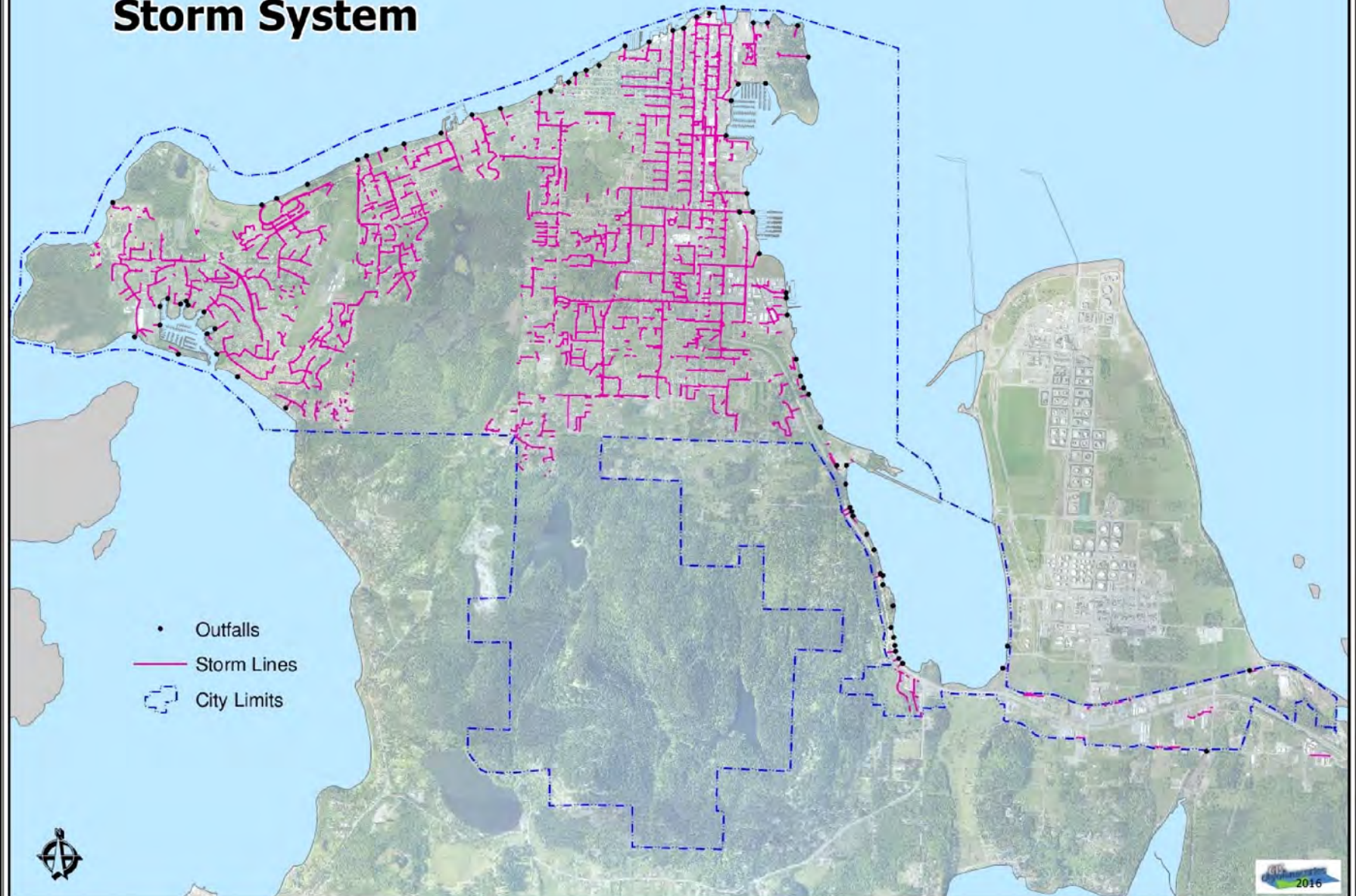
CITY OF ANACORTES STORMWATER UTILITY RATE INCREASE



Recommended Action

To approve Ordinance 2979 to update City code related to stormwater utilities and approve Resolution 1963 to increase stormwater utility rates

Anacortes Storm System

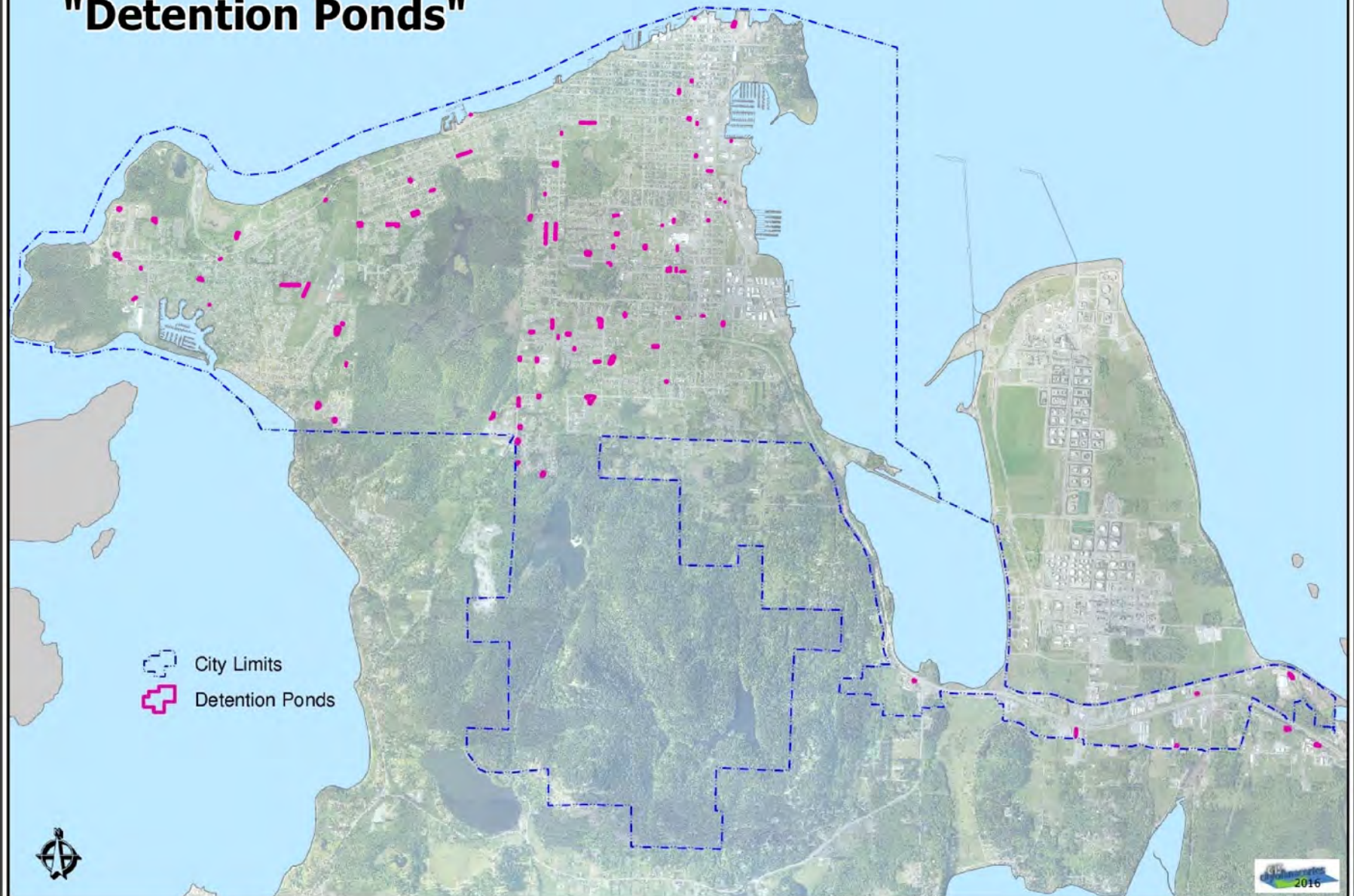




Stormwater Utility Details

- 436,628 feet of storm pipe ranging in size from 2-inch to 48-inch pipe
- 479,171 feet of ditches
- 3,114 Catch Basins
- 974 Manholes
- 81 Outfalls
- 49 Public Detention Ponds

Anacortes Storm System "Detention Ponds"





Stormwater Utility

- Stormwater is not a large utility compared to water & wastewater
 - Water 2016 Budget = \$14,937,000
 - Wastewater 2016 Budget = \$6,458,000
 - Stormwater 2016 Budget = \$1,222,000



Stormwater Utility

- Costs are spread over 11,700 Equivalent Residential Units (ERUs)
- ERU based on 2000 sq ft for an average single family parcel
- Current Rate: Single Family Residential \$5.00/month (flat fee)
Commerical per ERU \$5.00/month
- Effective date of current monthly fee was 2008
- Current Revenue: \$58,500/month; \$702,000/year



Historical Storm Water Revenues and Expenses

Operating Cash Flows	2013	2014	2015	2016*
(+) General Revenues	\$ 892,471	\$ 880,165	\$ 883,368	\$ 852,807
(-) Total Operations	\$ 332,715	\$ 495,058	\$ 468,546	\$ 463,137
(-) Total Maintenance	\$ 374,050	\$ 318,896	\$ 569,304	\$ 564,534
(-) Total Debt**	\$ -	\$ -	\$ -	\$ -
Net Operating Revenue	\$ 185,706	\$ 66,210	\$ (154,482)	\$ (174,864)

* 2016 budget amount shown

** The storm system carries no debt



Proposed Rate Increase – How Much?

- \$1.25 per month increase to get to even with no capital expenditure
- Capital expenditures are necessary
- \$5.00 increase will provide \$3.75/month for capital or \$526,500/yr



Stormwater Capital Improvements Plan

	2017	2018	2019	2020	2021	2022	2023-2036	Project Totals
Maintenance Improvement Projects								
Storm System Restoration and Upgrade	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$200,000.00	\$2,800,000.00	\$3,750,000.00
Pond Restoration	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$200,000.00	\$700,000.00	\$2,400,000.00
Trash Racks	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$280,000.00	\$380,000.00
Total Maintenance Improvements	\$470,000.00	\$470,000.00	\$470,000.00	\$470,000.00	\$470,000.00	\$420,000.00	\$3,780,000.00	\$6,550,000.00
Capacity Improvement (Model Results)								
Edwards Way - Basin G5							\$245,000.00	\$245,000.00
Kingsway at Windsor - Basin B9							\$116,000.00	\$116,000.00
30th/32nd Street, R Avenue to T Avenue - Basin F4							\$364,000.00	\$364,000.00
J Avenue/ 24th Street to 28th Street - Basin F3							\$422,000.00	\$422,000.00
Total Capacity Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,147,000.00	\$1,147,000.00
Water Quality Improvement								
Water Quality Improvement							\$1,450,000.00	\$1,450,000.00
Total Water Quality Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,450,000.00	\$1,450,000.00
Administrative/Non-Project								
NPDES Permit Activities/Compliance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$1,400,000.00	\$1,500,000.00
Additional Maintenance	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$700,000.00	\$1,000,000.00
Stormwater Comprehensive Plan	\$0.00						\$200,000.00	\$200,000.00
Total Administrative	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$150,000.00	\$2,300,000.00	\$2,700,000.00
Total Stormwater 20 Year CIP Costs	\$520,000.00	\$520,000.00	\$520,000.00	\$520,000.00	\$520,000.00	\$570,000.00	\$8,677,000.00	\$11,847,000.00



Customer Impact

- Monthly residential utility bill would increase by \$2.50 in September 2016 and by another \$2.50 in January 2017
- Commercial stormwater utility charges would double
- Current monthly stormwater utility charges for top 15 commercial customers:

	\$3523
	\$1233
	\$ 825
	\$ 762
	\$ 598
	\$ 589
	\$ 588
	\$ 515
	\$ 459
	\$ 430
	\$ 357
	\$ 325
	\$ 287
	\$ 250
	\$ 249



Recommended Action

To approve Ordinance 2979 to update City code related to stormwater utilities and approve Resolution 1963 to increase stormwater utility rates

Table 1

	Persons	Avg Usage HCF	Water Flat Fee	Metered Rate per HCF	Avg Water Bill	Sewer Flat Fee	Sewer Metered Rate per HCF	Avg Sewer Bill	Storm per ISU	Total
Bremerton	2	12	\$24.52	\$2.12	\$25.44	\$68.48	\$4.59	\$55.08	\$23.08	\$196.60
Anacortes	2	12	\$13.66	\$1.52	\$18.24	\$38.40	\$2.27	\$27.24	\$10.00	\$107.54



Washington State Parks Clean Vessel Program

CVA Program History

- 1988 – WA Legislature created 5 year program
 - Funding ended after two years
 - Five pumpouts installed

1992 Federal Clean Vessel Act (CVA)

1994 WA became part of CVA



**KEEP OUR
WATER CLEAN—
USE PUMPOUTS**



U.S. Fish & Wildlife Service

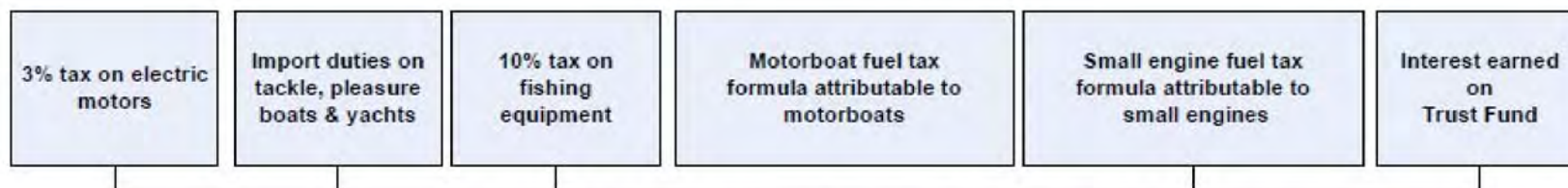
- States
- District of Columbia
- U.S. Territories

\$13.7 Million in 2016

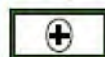
- \$1,281,524 Coastal
- \$948,000 Inland



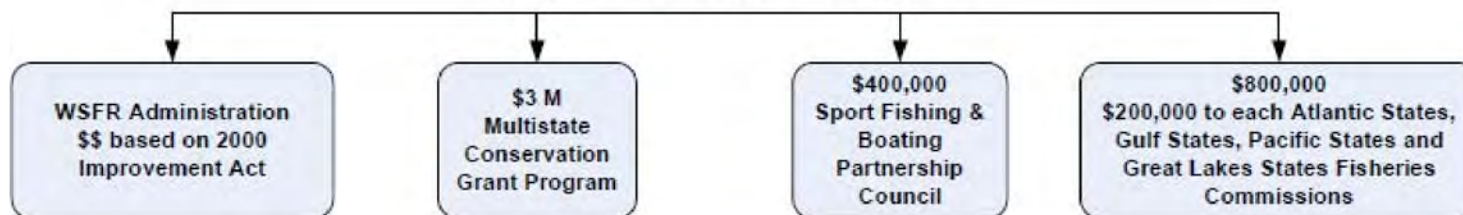
Sport Fish Restoration Act



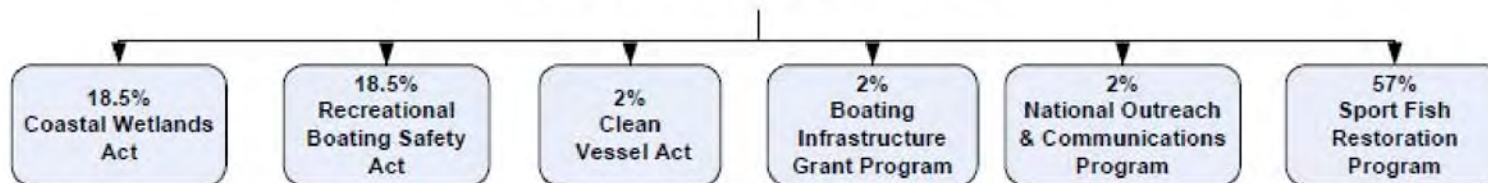
Revenue transferred or deposited to the Trust Fund



Deductions from the Trust Fund



Distribution of remaining funds



Updated 6/29/09



Construction...Renovation...Operation...Maintenance

pumpout stations, floating restrooms and other types of
waste reception facilities to serve **recreational boaters**

educational programs that inform boaters of the
importance of proper disposal of sewage



Funding

Reimburse 75% of the cost...

Purchase

Installation

Annual operation

Construction grants...

15% administration

15% engineering / design

cannot use federal funds for the 25% match portion



Requirements of the Grant

10 years or the usable life of the equipment (whichever is longer) the grant recipient will:

- operate and maintain the unit
- available to recreational boaters during normal business hours
- Charge no more than \$5 per pumpout*

Provide one report

- annual Gallonage report

O&M Reimbursement Request

- documentation



Education



Friday Harbor



Pt. Townsend Wooden Boat Festival



Seattle Boat Show

FREE WORKSHOP

Learn how to get grants for your boating facility

Need funding to build or improve recreational boating facilities or for programs to promote boating? Want to market your facility as a certified Clean Mariner? Learn how to access several state and federal grants that cover up to 75 percent of infrastructure and maintenance costs. The workshop will also discuss opportunities to leverage different grants to maximize funding.

When: December 9, 2015
9:00 a.m. - 4:00 p.m.
Who should attend: public and private recreational boating facility operators

The cost is free. For registration and questions, contact: Washington Sea Grant, Seattle Bridge Towers at 360.428.1001, seagrant@u.washington.edu or Aaron Barnett, 206.616.9929, aarnet@seagrant.uw.edu

PROGRAM

- 9:00 a.m. - Noon:** Grant program managers will provide overview of the following programs:
 - Boating Facilities Program Grants** - up to 75 percent to acquire, develop or renovate boating facilities, including launching ramps, good moorage and support facilities
 - Boating Infrastructure Grants** - up to 75 percent to develop or renovate facilities for recreational boats 26 feet and longer or for boater education materials
 - Clean Vessel Act Pumpout Program Grants** - up to 75 percent of equipment, operations and maintenance costs for new or renovated boat sewage pumpouts to cities
 - Green Boating Grants** - grants for events or programs that promote boating and boater safety
 - Clean Mariner Washington Program** - incentive-based certification program providing free technical assistance to improve safety and prevent pollution
- Learn about funding opportunities from Washington's Department of Ecology for oil spill prevention and response.**
- Noon - 1:00 p.m.** Lunch & a chance to network with colleagues
- 1:00 p.m. - 4:00 p.m.** Q & A: A Sea Grant program manager from Washington State Recreational and Conservation Office, Washington State Parks Boating Program, Northwest Marine Trades Association and Washington's Clean Mariner Program will be on hand to answer all your questions.

Sea Grant **ECOLGY** **WASH STATE** **UW** **NOAA** **U.S. DEPT OF COMMERCE** **U.S. DEPT OF AGRICULTURE** **U.S. DEPT OF INTERIOR** **U.S. DEPT OF JUSTICE** **U.S. DEPT OF LABOR** **U.S. DEPT OF TRANSPORTATION** **U.S. DEPT OF HEALTH & HUMAN SERVICES** **U.S. DEPT OF EDUCATION** **U.S. DEPT OF ENERGY** **U.S. DEPT OF AGRICULTURE** **U.S. DEPT OF COMMERCE** **U.S. DEPT OF INTERIOR** **U.S. DEPT OF JUSTICE** **U.S. DEPT OF LABOR** **U.S. DEPT OF TRANSPORTATION** **U.S. DEPT OF HEALTH & HUMAN SERVICES** **U.S. DEPT OF EDUCATION** **U.S. DEPT OF ENERGY**

Statewide Recreational Boating Study

Recreational Moorage Analysis and

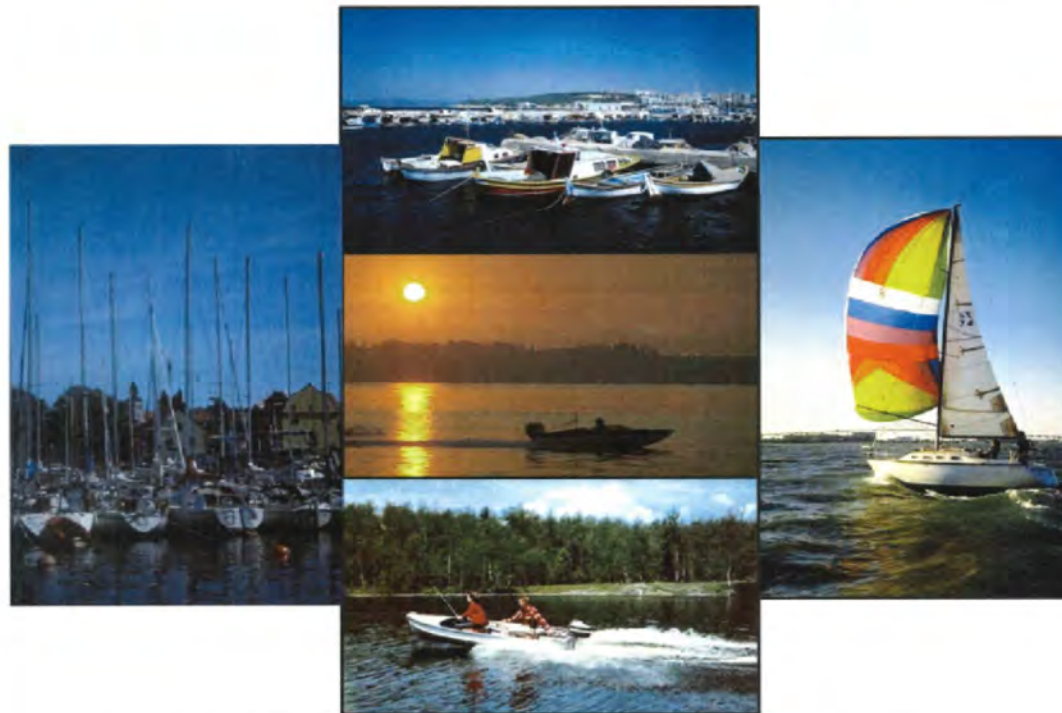
Boating Sewage Disposal Facility Analysis

Final Report

May 31, 2001



85 pumpouts



BST Associates, 10017 NE 185th Street, Bothell, WA 98011

* 425-486-7722 * 425-486-2977 fax * bstassoc@seanet.com

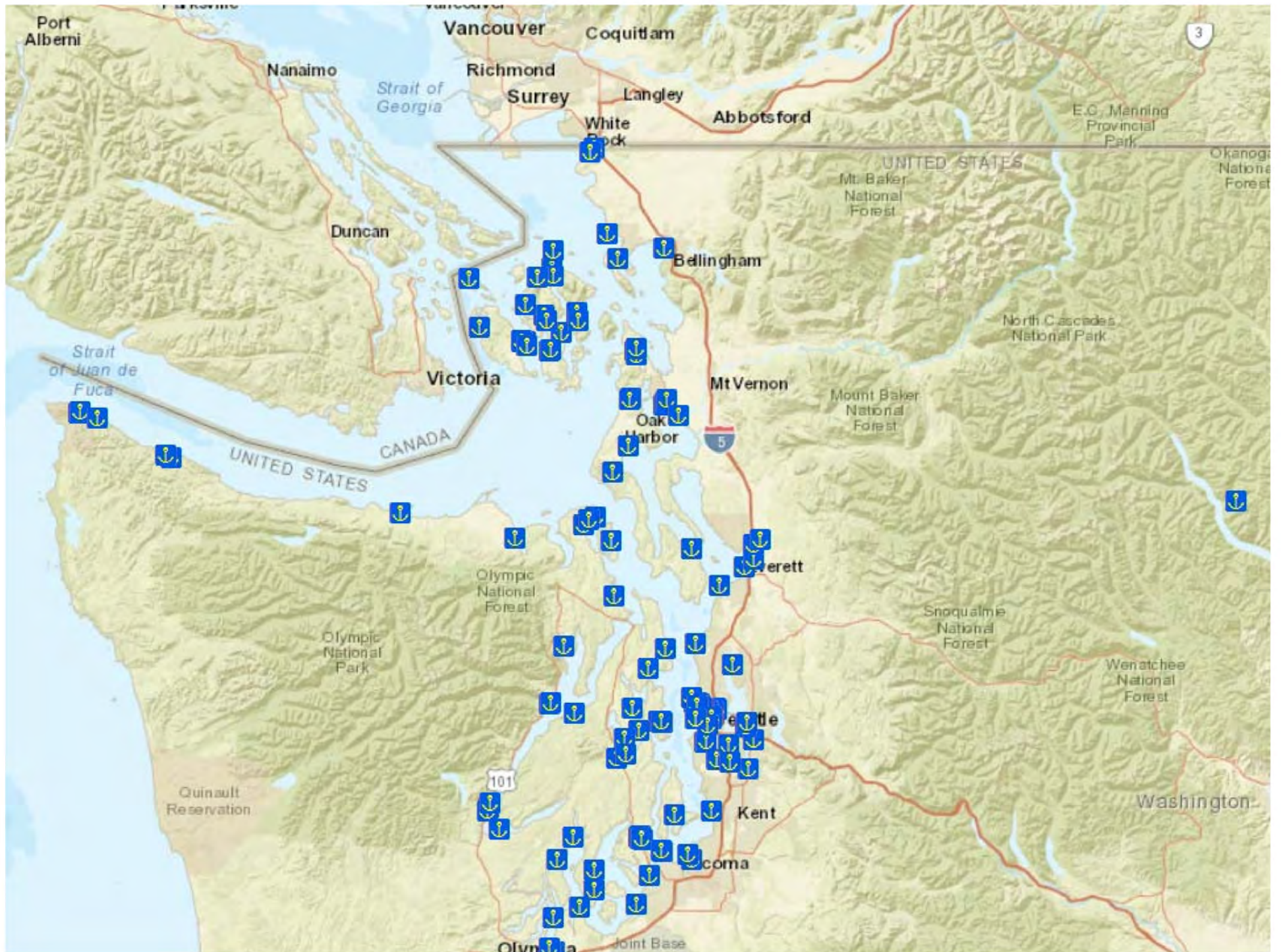
SJI #1 Target of 2016 Coastal Grant...Why?

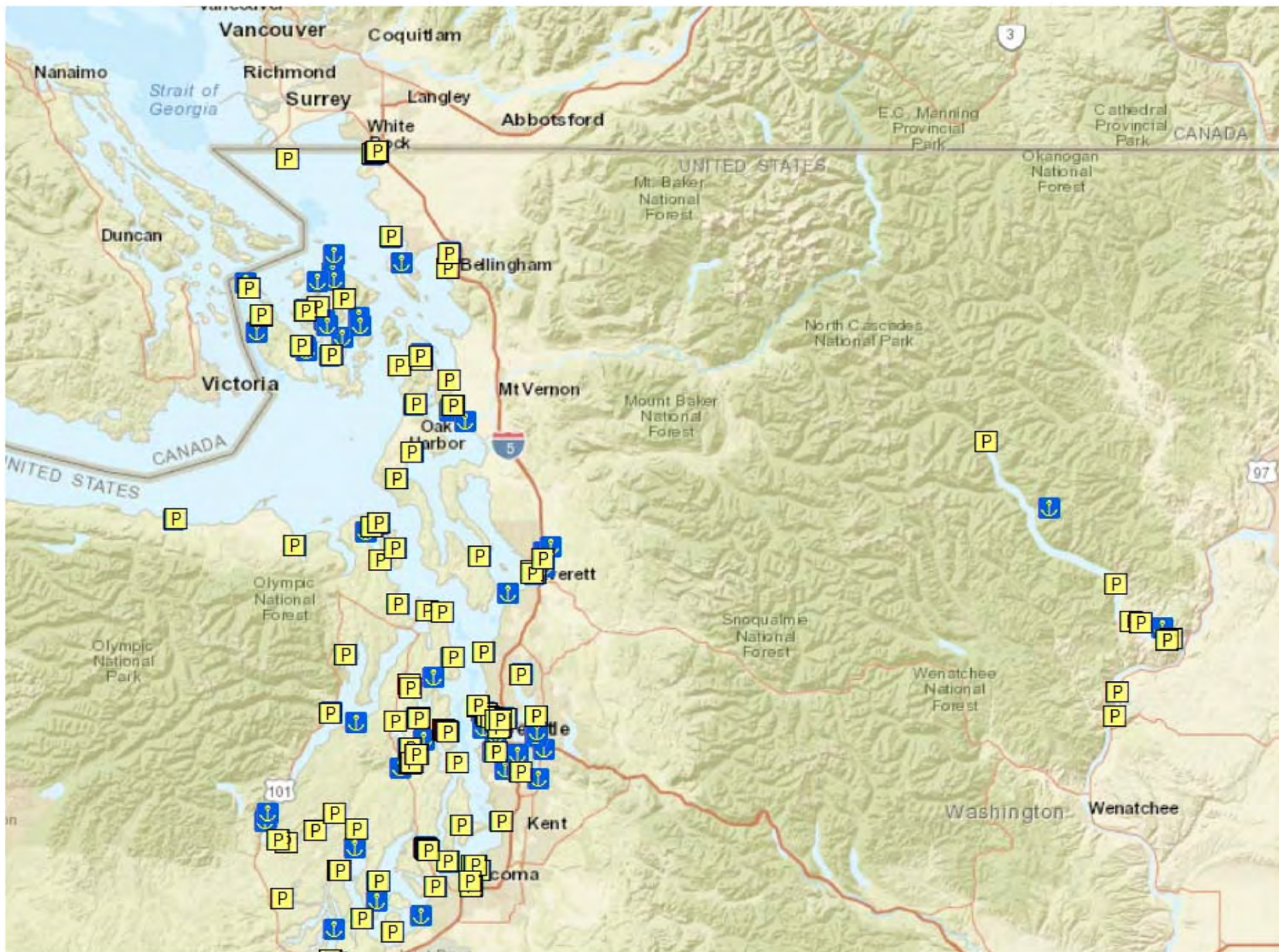
- Most popular boating destination in WA
- Least served location for pumpouts by area
 - 7 locations for 1200 square miles
- Least served location for pumpouts per # of boaters
- Numerous out of the way locations popular with boaters
- Long distances between pumpouts

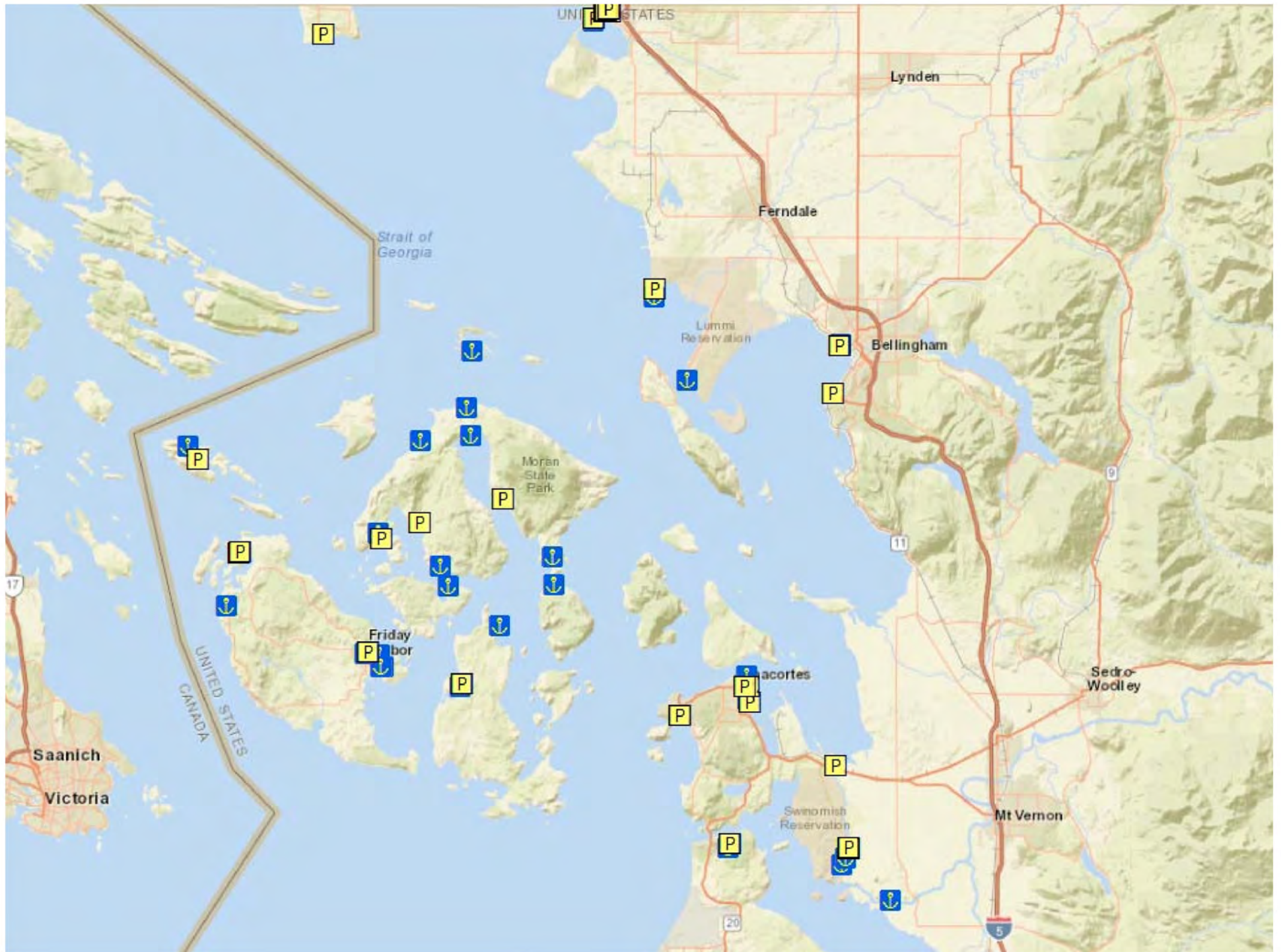


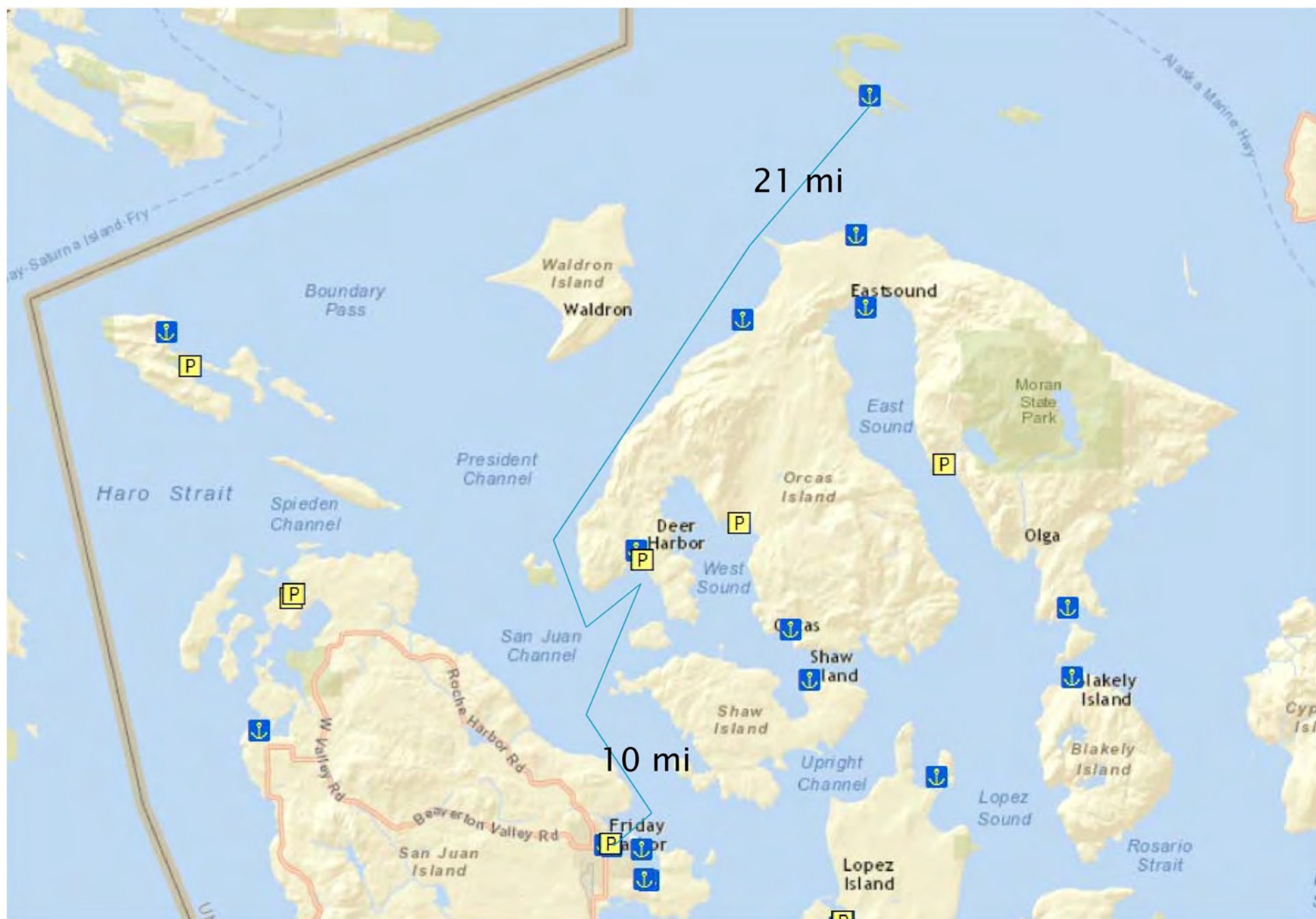
Free Pumpout Boat Service









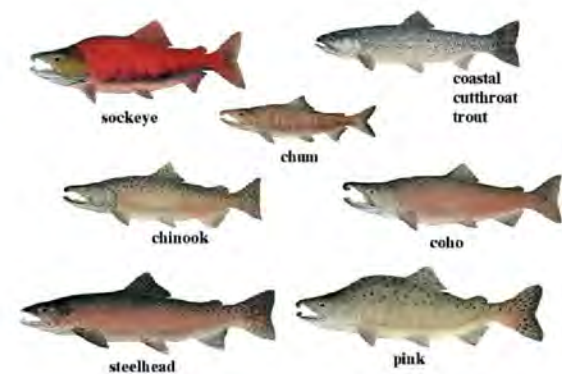


Gallons of sewage prevented from entering the waters of the state since the inception of the CVA program

▶ 1992 –2007.....	18,582,814
▶ 2008.....	4,542,892
▶ 2009.....	4,658,544
▶ 2010.....	3,614,381
▶ 2011.....	4,093,514
▶ 2012.....	3,468,322
▶ 2013.....	5,699,962
▶ 2014.....	6,092,899
▶ 2015.....	8,359,046
▶ Total.....	59,210,228



	2014	2015
Deer Harbor	88,200	78,120
Friday Harbor	<u>229,102</u>	<u>203,327</u>
2 year total	317,302	281,447
Cap Sante		897,300



Process To Date

Nov – Eastsound Water & Sewer District

- Discussed plan for free pumpout service
- Began planning process for off-load locations

Dec – Follow up meeting to further work out details

- Met with Commissioner Ed Sutton – Brandt's Landing, Ferry Terminal
- Contacted Marta Branch – scheduled presentation to MRC

Jan – Presentation to Marine Resource Committee

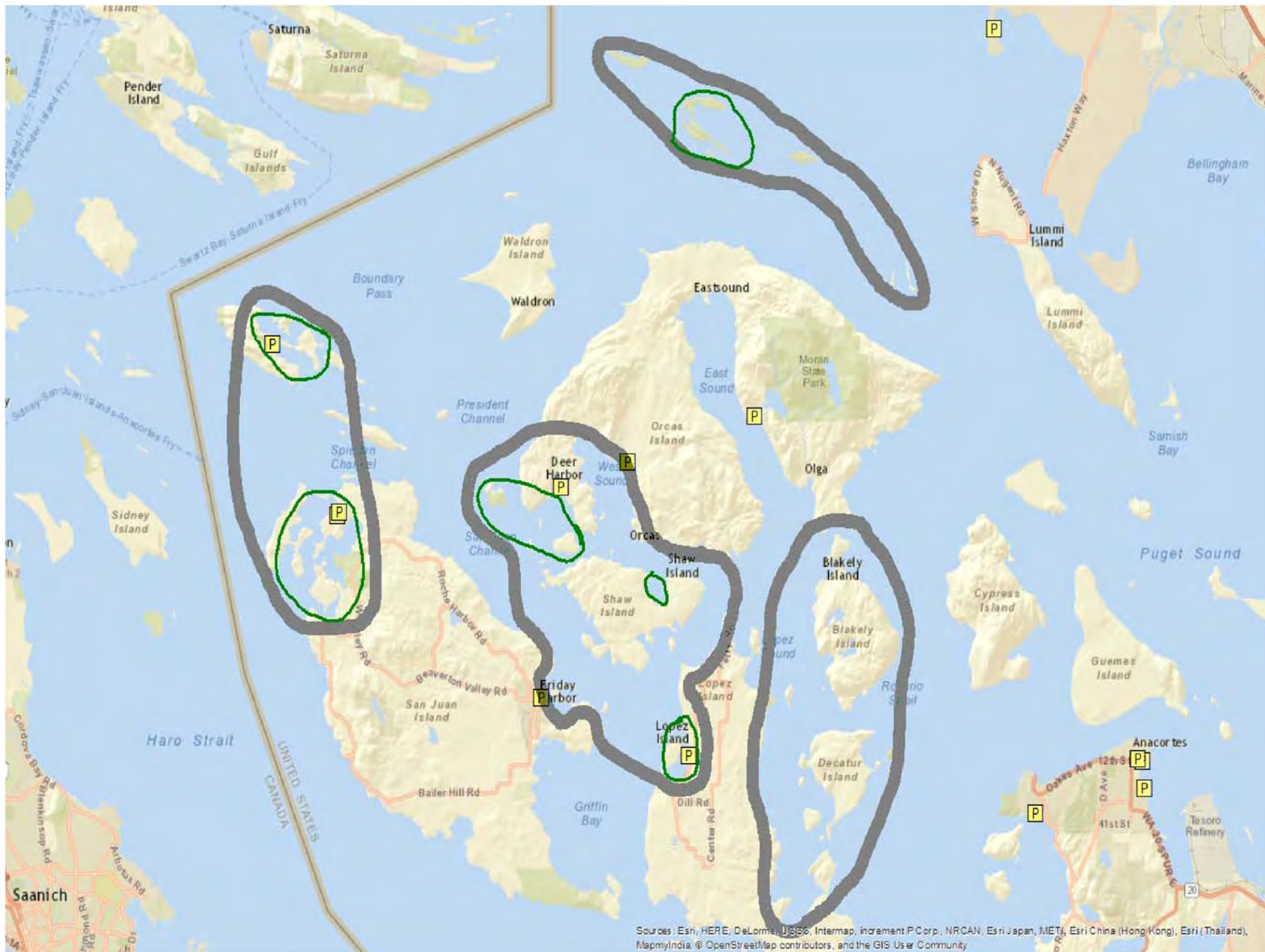
- Referred to Science Sub-committee

March – Met with Brandt's Landing

Met with MRC Science Sub-committee

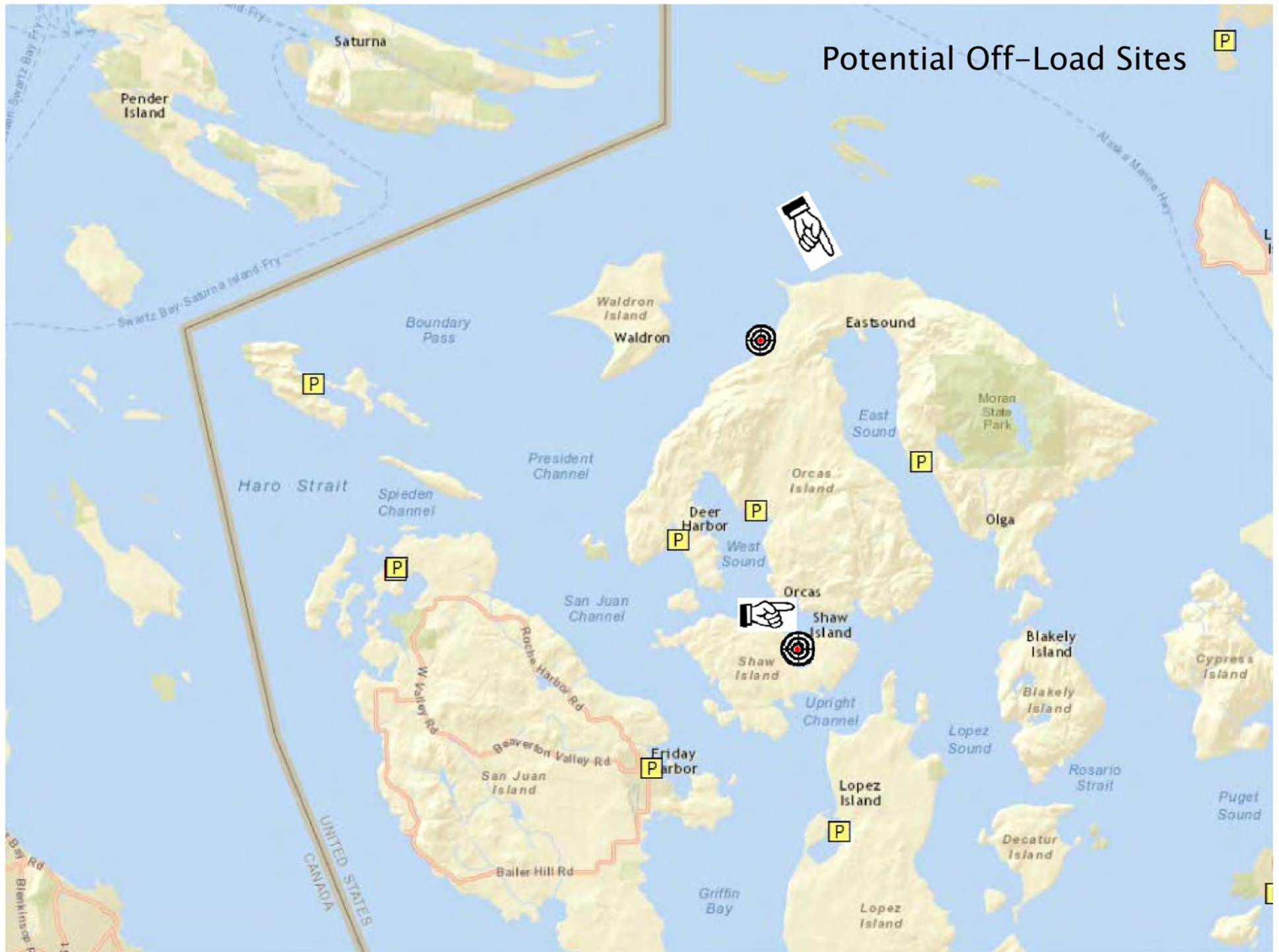
- Created draft plan for free pumpout service
- Held public meetings to present draft plan





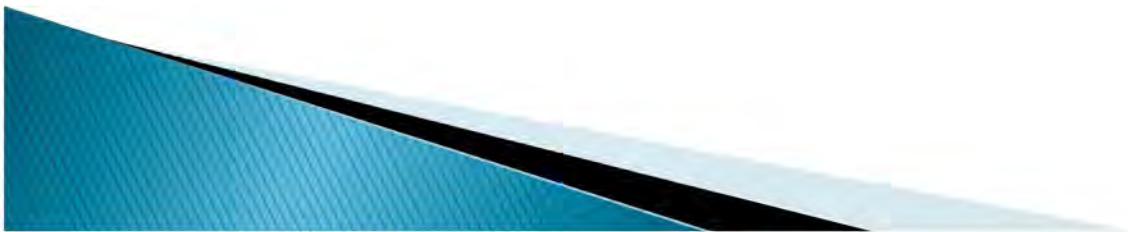
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Potential Off-Load Sites



Critical Elements

- Off-load locations...reasonable distance
- Match for grant...support from the boating community
- Service schedule reliability



Desirable Element

Baseline for water quality monitoring in the San Juan Islands

Free pumpout locations

- Parks
- San Juan Marine Resource Committee, Barbara Bently, PhD
- DOH (shellfish)

Puget Sound NDZ

- EPA
- Ecology

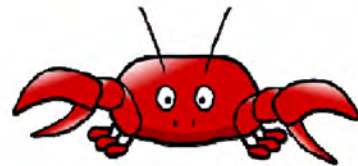


What Next

- Put entire plan together with established off-load areas that make it viable
- Advertise for interested parties to provide service
 - ✓ experienced boat operators (loads) – safety
 - ✓ familiar with the San Juan Islands and the areas we want to service
 - ✓ experience with pumpouts is desirable
 - ✓ mechanical skills with boats is desirable
 - ✓ two or more boats to start



Your comments please...





Alan Wolslegel

al.wolslegel@parks.wa.gov

(360) 902-8659

LOG POCKET

PIER 2

proposed pumpout float with peristaltic pump

sanitary sewer discharge to upland
(inwater - mounted under pier)
(upland - underground)

water

connect to existing sanitary sewer
manhole at T-Avenue

power

existing sanitary sewer discharge line to
wwtp (6")

PIER 2

T-Ave

U Ave

1st St



Planning Commission Agenda Bill

Meeting Date: 7/25/2016

Agenda Item: 7b

Subject: Medical Marijuana Moratorium Extension Discussion

Staff Contact: Darcy Swetnam

Approved for Submittal to Commission by	
x	Laurie Gere, Mayor
x	Don Measamer, Planning Director
x	Darcy Swetnam

Action Type	
x	Ordinance 2985
	Resolution
	Contract
	Public Hearing
	Staff Report

Summary Statement: Senate Bill 5052 and House Bill 2136 changed state rules for medical and retail marijuana businesses and patients and the City needs to update its code to reflect new legislation. In February, the City adopted a work plan that provides for a meeting in the month of April to discuss medical marijuana policy questions with various stakeholders. The stakeholder meeting occurred on May 10, 2016, and was attended by representatives from the State Liquor and Cannabis Board, State Department of Health, City leaders, representatives of Island Hospital, and members of the public. The discussion clarified that State agencies are still working on developing rules necessary to implement SB 5052 and HB 2136, which merged the retail and medical marijuana industries as of July 1, 2016. Until all the final state regulations are developed, staff recommends the City extend its moratorium and postpone updating the Anacortes Municipal Code.

Recommended Motion: I move that we adopt Ordinance 2985, extending the moratorium on medical marijuana cooperatives an additional six months.

Background:

On December 7, 2015, the City Council passed an ordinance which eliminated collective gardens from the Anacortes Municipal Code and passed a moratorium on new medical marijuana cooperatives. Following the moratorium, the work plan adopted on February 1, 2016 includes a scheduled meeting with stakeholders. The stakeholder meeting occurred on May 10, 2016, and was attended by representatives from the State Liquor and Cannabis Board, State Department of Health, City leaders, representatives of Island Hospital, and members of the public. The discussion clarified that State agencies are still working on developing rules necessary to implement SB 5052 and HB 2136, which merged the retail and medical marijuana industries as of July 1, 2016.

Budget Impact	
Amount Budgeted	N/A
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required	
Revenue Source	

Previous Council/Committee Action: The City Council passed an ordinance on December 7, 2016 eliminating collective gardens from the Anacortes Municipal Code and passing a moratorium on medical marijuana cooperatives. On February 1, 2016, Council adopted a work plan to explore and develop new medical marijuana policies and code.

Alternative Actions: N/A

Attachments:

- Proposed Ordinance

Ordinance No. 2985

An Ordinance Extending a Moratorium on Medical Marijuana Cooperatives

Whereas the Washington State legislature passed Senate Bill 5052 and House Bill 2136, which change state law regarding various aspects of retail and medical marijuana;

Whereas Senate Bill 5052 repealed the law authorizing collective gardens and bans collective gardens beginning July 1, 2016;

Whereas the Anacortes City Council passed Ordinance 2964 on December 7, 2015, which established a moratorium on medical marijuana cooperatives provided for under Senate Bill 5052 and House Bill 2136 and the resulting anticipated regulations;

Whereas the Washington State Department of Health and Liquor and Cannabis Board are still developing final regulations under Senate Bill 5052 and House Bill 2136;

Whereas the City Council desires to postpone updates to the Anacortes Municipal Code until all final regulations are complete under Senate Bill 5052 and House Bill 2136.

Now, therefore, the City Council of the City of Anacortes does ordain as follows:

Section 1. Moratorium on medical marijuana cooperatives.

A. Recitals and findings of fact.

i. The City Council of the City of Anacortes makes the following findings:

1. Governor Inslee signed 2SSB 5052 on April 24, 2015 and HB 20136 on June 30, 2015, which develop Washington's regulation of medical marijuana and authorize the Washington State Liquor and Cannabis Board, to develop rules related to medical marijuana. This process is still underway.
2. The legislation eliminates collective gardens and creates marijuana cooperatives where up to four patients may grow up to 60 plants under certain conditions.
3. The City of Anacortes deems it necessary to prohibit the licensing and establishment of medical marijuana cooperatives in the interest of protection of public safety and health, and in the interest of providing time to evaluate the best alternatives for the community.

4. The City of Anacortes is extending a moratorium to prohibit the licensing and establishment of a medical marijuana cooperative in the City Limits of Anacortes.
5. RCW 35A.63.220 and RCW 36.70A.390 allows the City to adopt a moratorium effective up to twelve (12) months subject to a public hearing within sixty (60) days and putting a work plan in place. A duly noticed public hearing in full compliance with the sections listed herein was held on February 1, 2016, at which time a work plan was adopted.

B. Moratorium.

- i. For purposes of this ordinance, “medical marijuana cooperative” means up to four qualifying patients sharing responsibility for acquiring and supplying the resources required to produce and process cannabis for medical use at the domicile of one of the cooperative members.
- ii. Pursuant to the provisions of RCW 35A.63.220 and RCW 36.70A.390, the licensing and zoning moratorium adopted in Ordinance 2964 is hereby extended in the City of Anacortes, prohibiting the licensing and/or establishment of new medical marijuana cooperatives.
- iii. Prohibited Uses: New medical marijuana cooperatives are hereby designated as prohibited uses within the City of Anacortes during the pendency (including extensions) of the moratorium enacted hereby. In accordance with the provisions of RCW 35A.82.020, no business license or development permit shall be issued to a medical marijuana cooperative. This moratorium shall not affect any rights or licenses previously established or granted.
- iv. Should any portion hereof be found unlawful, unconstitutional or in any way nullified or overturned, the remainder hereof shall remain in full force and effect.
- v. Effective date and duration. The City Council hereby finds that this ordinance is necessary and proper to protect the public health and public safety, and that an emergency therefore exists. This ordinance, pursuant to RCW 35.12.130, shall be effective five days after passage by the City Council, signature by the mayor, and publication. The extended moratorium established hereby shall thereafter terminate six (6) months from the date of enactment unless duly extended.

Section 2. This ordinance shall take effect five (5) days from and after its passage, approval and publication in the manner required by law.

PASSED and APPROVED this ____ day of _____, 2016.

CITY OF ANACORTES:

Laurie Gere, Mayor

Attest:

Steve Hoglund, City Clerk-Treasurer

Approved as to Form:

Darcy Swetnam, City Attorney

CITY OF ANACORTES
GENERAL FUND
Revenues
January - June 2016

REVENUES	2016 Adj Budget	% of Total Budget	Year to date Actuals	% Rec'd
290 BEGINNING FUND BALANCE	947,160	7.2%	0	
310 TAXES	BUDGET	% OF BUDGET	YTD	50.0%
Property Taxes	591,403	4.5%	329,441	55.7%
Sales & Use Tax	3,200,740	24.3%	1,530,613	47.8%
Public Safety Sales Tax	589,805	4.5%	312,251	52.9%
Utility Taxes	3,741,558	28.4%	1,877,762	50.2%
Leasehold Tax	187,296	1.4%	104,783	55.9%
Sales Tax - Criminal Just.	302,637	2.3%	160,779	53.1%
TOTAL TAXES	8,613,438	65%	4,315,630	50.1%
320 LICENSE & PERMITS			YTD	50.0%
Franchise Fees	243,927	1.9%	66,773	27.4%
Business Licenses	65,207	0.5%	63,063	96.7%
Building Permits	446,305	3.4%	388,040	86.9%
Other	14,750	0.1%	9,402	63.7%
TOTAL LICENSES & PERMITS	770,190	6%	527,278	68.5%
330 INTERGOVERNMENTAL REVENUES			YTD	50.0%
Marijuana enforcement	0	0.0%	4,183	
Liquor/Beer Excise Tax	70,880	0.5%	38,922	54.9%
Liquor Control Board Profits	137,760	1.0%	70,308	51.0%
In Lieu of Taxes	5,797	0.0%	4,631	79.9%
Public Safety Sales Tax	103,000	0.8%	110,556	107.3%
Grants	389,795	3.0%	206,472	53.0%
TOTAL INTERGOVERNMENTAL REVENUES	636,352	4.8%	435,071	68.4%
340 CHARGES FOR GOODS & SERVICES			YTD	50.0%
Planning	38,823	0.3%	24,832	64.0%
Public Safety, Culture, Legal	43,379	0.3%	17,588	40.5%
TOTAL CHARGES	82,203	0.6%	42,421	51.6%
350 FINES & FORFEITS			YTD	50.0%
Local Infractions	195,283	1.5%	104,202	53.4%
Parking Infractions	4,882	0.0%	1,392	28.5%
TOTAL FINES & FORFEITS	200,165	1.5%	105,594	52.8%
360 MISCELLANEOUS REVENUES			YTD	50.0%
Investment earnings	96,779	0.7%	46,671	48.2%
Leases	18,049	0.1%	9,226	51.1%
Misc. Revenue- other	20,000	0.2%	51,285	
TOTAL MISCELLANEOUS REVENUES	134,828	1.0%	107,182	79.5%
380 / 390 OTHER SOURCES			YTD	50.0%
Overhead Accruals	1,014,438	7.7%	507,218	50.0%
DIS reimbursements	616,940	4.7%	308,470	50.0%
Disposition of Capital	0			
Operating Transfers	139,893			
TOTAL NON-REVENUE	1,771,271	13.5%	815,688	46.1%
TOTAL REVENUES	13,155,606		6,348,864	48.3%
EXPENDITURES	13,155,606		6,551,473	49.8%
			-202,609	

CITY OF ANACORTES
GENERAL FUND
Expenditures
January - June 2016

	2016 Original Budget	2016 Adj Budget	% of Total	2016 Actuals	50% % Exp	
GENERAL GOVERNMENT						
110 Legislative	263,448.39	263,448.39	2.0%	164,894.72	62.6%	A
120 Executive	249,314.90	249,314.90	1.9%	93,180.83	37.4%	
130 Judicial	623,395.96	623,395.96	4.7%	305,629.33	49.0%	
210 Finance	909,877.47	909,877.47	6.9%	349,433.43	38.4%	B
220 Data Processing	605,607.98	605,607.98	4.6%	423,027.82	69.9%	
230 Human Resources	475,618.27	475,618.27	3.6%	307,331.11	64.6%	C
240 Planning	987,911.93	1,074,311.93	8.2%	430,678.11	40.1%	
250 Legal	361,544.64	361,544.64	2.7%	177,086.98	49.0%	
PUBLIC SAFETY						
310 Police	5,326,701.58	5,326,701.58	40.5%	2,679,645.84	50.3%	
320 Medic/Fire	1,847,671.34	1,874,321.34	14.2%	951,326.66	50.8%	
QUALITY OF LIFE						
450 Museum	339,121.63	367,657.63	2.8%	168,671.13	45.9%	
PUBLIC WORKS						
712 Engineering	178,772.98	178,772.98	1.4%	11,222.47	6.3%	D
713 Facilities	497,060.01	702,060.01	5.3%	430,924.50	61.4%	
714 Resource Conserv.	142,972.96	142,972.96	1.1%	58,420.23	40.9%	
	12,809,020	13,155,606	100%	6,551,473	49.8%	

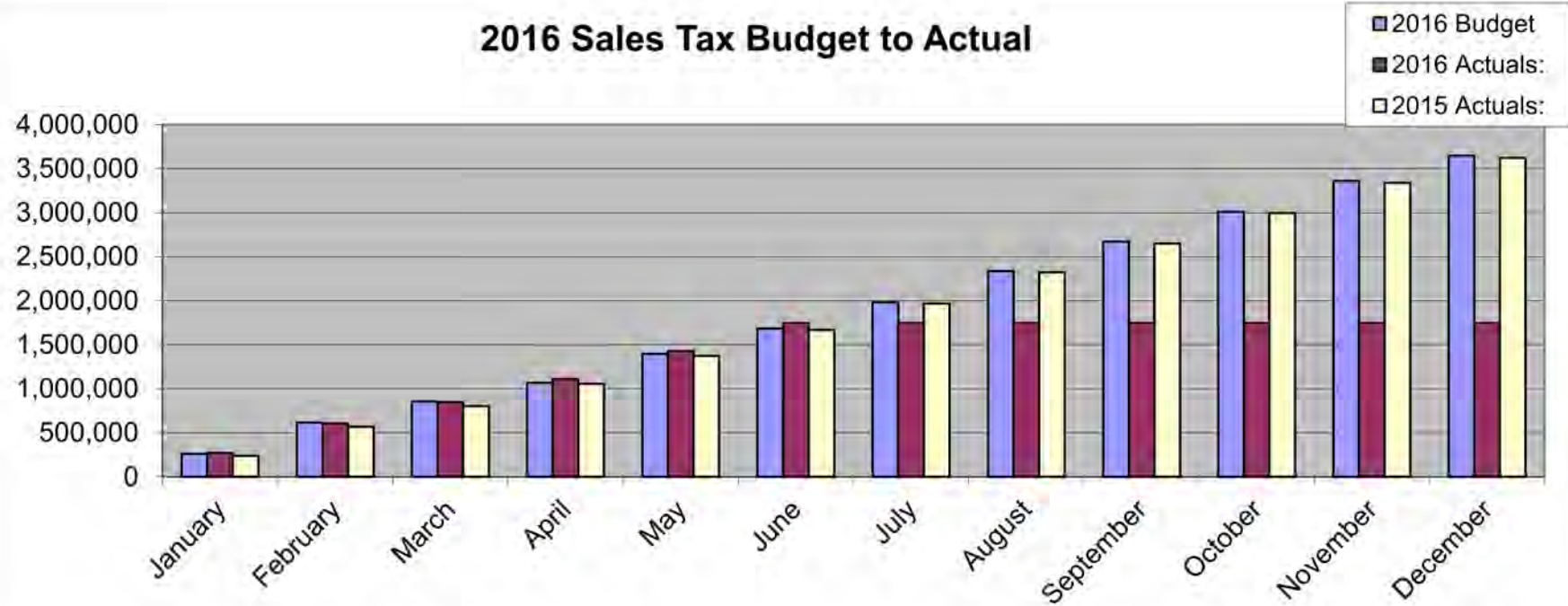
A - ahead of budget primarily from voter registration costs paid early in year

B - ahead of budget from hardware purchases, and software licensing fees paid early in year

C - ahead of budget from city insurance payments made out of HR budget

D - \$200K solar panel expense project at beginning of year

2016 Sales Tax Budget to Actual



	January	February	March	April	May	June	July	August	September	October	November	December
2016 Budget	259,581	615,862	854,555	1,066,276	1,394,708	1,682,192	1,981,534	2,336,572	2,673,321	3,010,372	3,361,303	3,648,844
2016 Actuals:	270,996	607,357	847,117	1,112,232	1,430,188	1,744,885	1,744,885	1,744,885	1,744,885	1,744,885	1,744,885	1,744,885
2015 Actuals:	237,766	567,915	802,184	1,055,710	1,373,158	1,665,523	1,967,649	2,323,246	2,649,836	2,994,400	3,337,621	3,623,463
Year to prior year:	14.0%	6.9%	5.6%	5.4%	4.2%	4.8%						
Year to budget:	4.4%	-1.4%	-0.9%	4.3%	2.5%	3.7%						

Actual Receipts:

2016 Total:	270,996	336,361	239,760	265,116	317,956	314,697						
Month % change:	14.0%	1.9%	2.3%	4.6%	0.2%	7.6%						
2015 Total:	237,766	330,149	234,269	253,526	317,448	292,365	302,126	355,597	326,590	344,564	343,221	285,842

Real Estate Excise Tax (REET)

	Total REET Revenues		
	2015	2016	% YTD Change
January	76,641	90,785	
February	58,467	41,788	
March	83,496	52,085	
April	84,647	100,310	
May	99,114	128,959	2.9%
June	107,656	132,996	5.3%
July	125,559		
August	131,356		
September	75,122		
October	107,324		
November	89,971		
December	55,861		
To date	1,095,214	546,923	
2016 Budget % Received		630,000	87%

	Current	2016	Estimated
	Cash Balance	Budgeted Expense	Ending Cash
REET 1:	1,361,272	697,240	979,032
REET 2:	1,481,106	327,500	1,468,606

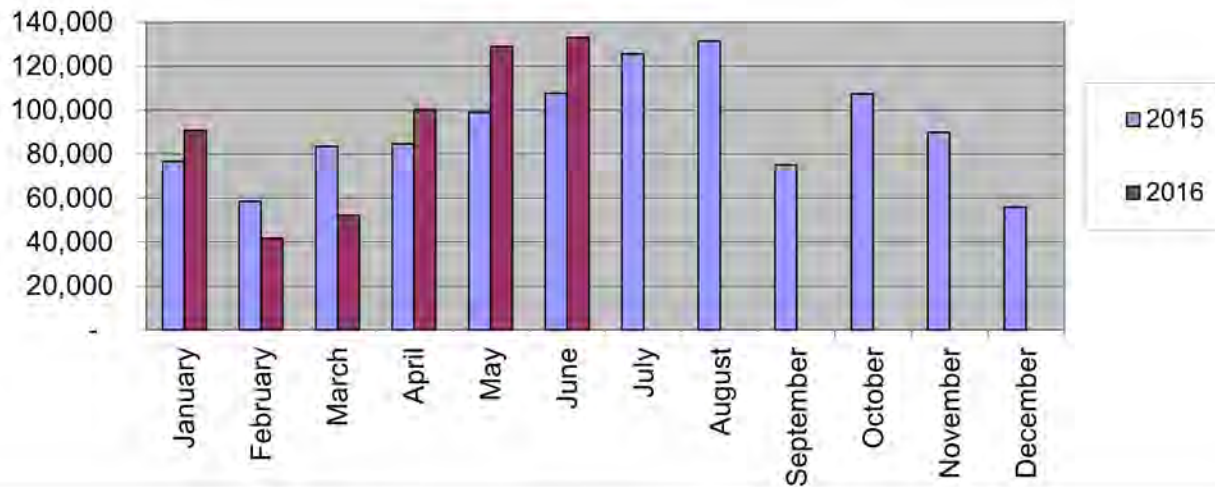
ALLOWABLE USE OF REET

REET 1: RCW 82.46.010: public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative facilities; judicial facilities

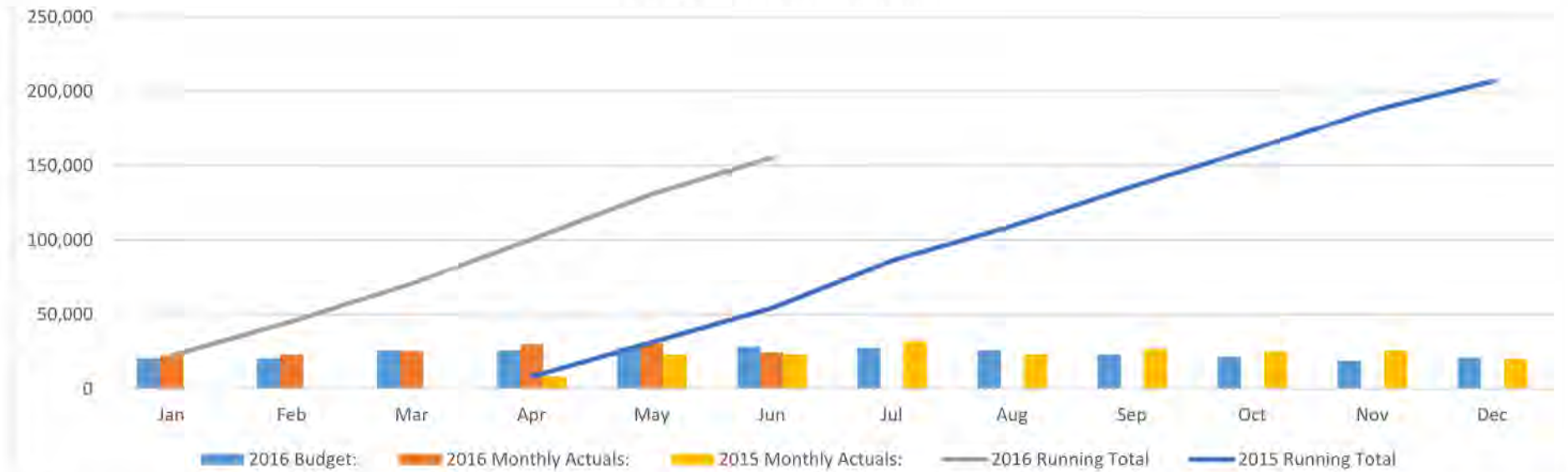
REET 2: RCW 82.46.035: public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks

Primary difference: REET 2 is more restrictive, cannot be used for Parks Acquisition, Trails, or Public Safety.

Cumulative REET



Transportation Benefit District Budget to Actual Revenues



Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Anticipated Collection *	7.20%	7.20%	9.00%	9.00%	9.70%	9.90%	9.60%	9.10%	8.00%	7.50%	6.60%	7.30%
2016 Budget:	20,531	20,531	25,664	25,664	27,660	28,231	27,375	25,950	22,813	21,387	18,821	20,817
2016 Monthly Actuals:	22,374	22,928	25,423	29,858	30,472	24,453						
2016 Running Total	22,374	45,302	70,726	100,584	131,056	155,509						
2015 Monthly Actuals:				8,257	22,968	22,968	32,076	23,126	26,611	25,186	25,720	19,899
2015 Running Total				8,257	31,225	54,193	86,269	109,395	136,006	161,192	186,912	206,811

* **Table 2: Average Percentage of Vehicles Renewing Each Month Statewide**
(5 years of renewal data was used to calculate average percent)

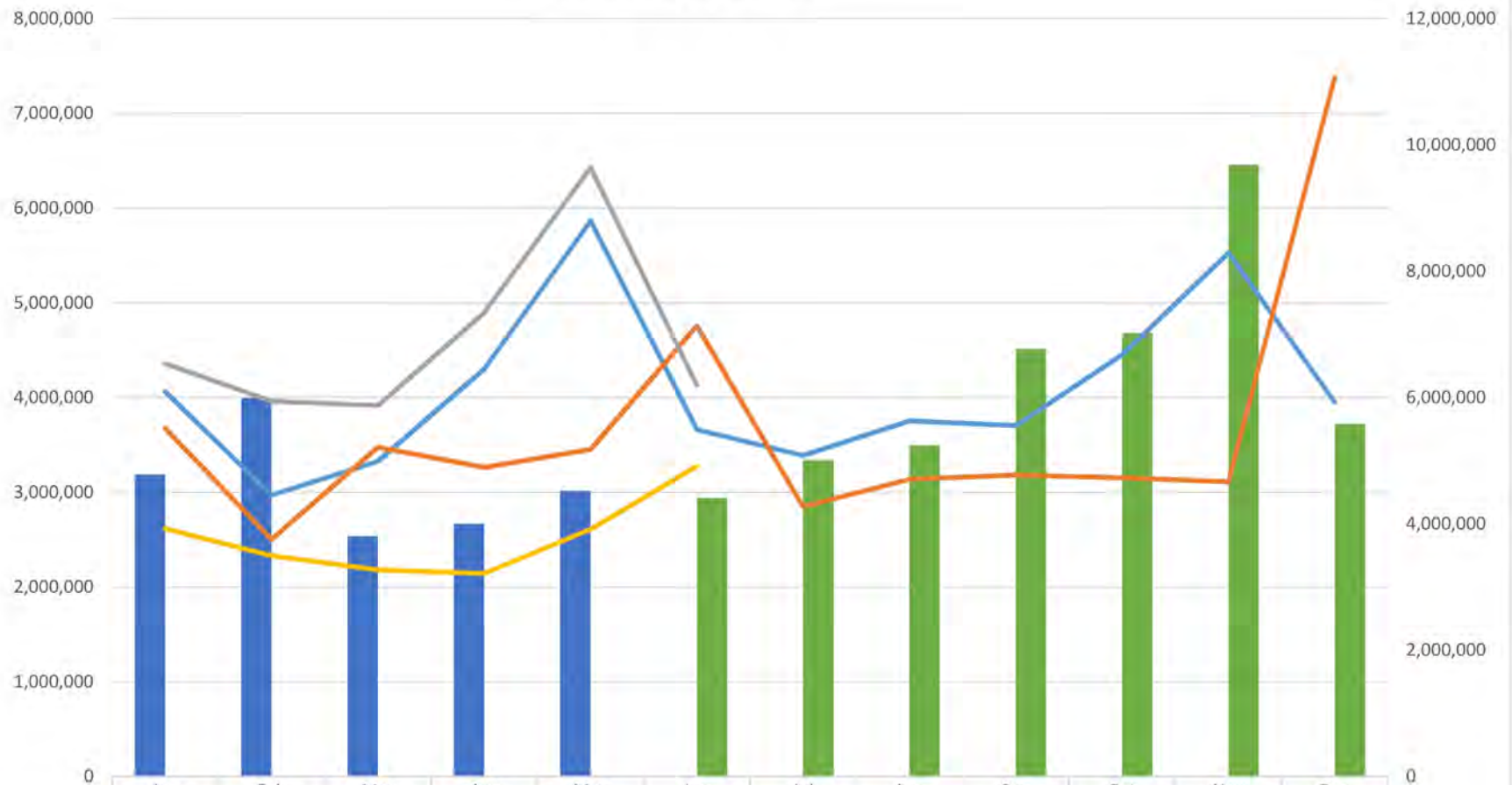
CITY OF ANACORTES
ALL FUNDS
Revenues/Expenditures
January - June 2016

		2016 Adj Budget	Year to date Actuals 50%	% of Total Budget
001	GENERAL FUND			
	Revenue	13,155,606	6,348,864	48.3%
	Expenditure	13,155,606	6,551,473	49.8%
	Difference	0	-202,609	
101	PARK & RECREATION			
	Revenue	1,495,272.49	846,640.62	57%
	Expenditure	1,495,272.49	715,832.32	48%
	Difference	0	130,808	
102	CEMETERY			
	Revenue	212,528.43	113,597.25	53%
	Expenditure	212,528.43	101,404.82	48%
	Difference	0	12,192	
103	LIBRARY			
	Revenue	1,341,912.74	743,514.76	55%
	Expenditure	1,341,912.75	676,842.46	50%
	Difference	0	66,672	
104	STREET MAINTENANCE			
	Revenue	2,133,702.46	738,606.10	35%
	Expenditure	2,133,702.46	819,123.61	38%
	Difference	0	-80,518	
105	ARTERIAL STREET			
	Revenue	1,013,586.76	148,953.25	15%
	Expenditure	1,013,586.76	235,308.11	23%
	Difference	0	-86,355	
106	Trans Bene Dist			
	Revenue	285,159.60	155,509.20	55%
	Expenditure	285,159.60	0.00	
	Difference	0	155,509	
107	WASHINGTON PARK			
	Revenue	246,721.01	136,246.96	55%
	Expenditure	246,721.01	123,212.19	50%
	Difference	0	13,035	
108	PARKS CAPITAL			
	Revenue	725,000.00	14,539.61	2%
	Expenditure	725,000.00	77,198.11	
	Difference	0	-62,659	
110	AMBULANCE FUND			
	Revenue	2,888,454.57	1,726,834.77	60%
	Expenditure	2,888,454.57	1,672,321.69	58%
	Difference	0	54,513	
112	DEVELOPMENT FEES			
	Revenue	0	101,240.06	
	Expenditure	0.00	0.00	
	Difference	0	101,240	
113	ACFL MANAGEMENT FUND			
	Revenue	38,768.25	14,493.76	37%
	Expenditure	38,768.25	46,623.57	120%
	Difference	0	-32,130	

CITY OF ANACORTES
ALL FUNDS
Revenues/Expenditures
January - June 2016

		2016 Adj Budget	Year to date Actuals 50%	% of Total Budget	
135	TOURISM				
	Revenue	250,000.00	128,512.77	51%	
	Expenditure	250,000.00	103,385.76	41%	
	Difference	0	25,127		
180	COMMUNITY DEVELOPMENT				
	Revenue	427,157.03	120,390.52	28%	
	Expenditure	427,157.03	162,550.00	38%	
	Difference	0	-42,159		
200	2000 GO BOND DEBT SERVICE				
	Revenue	477,787.47	263,108.37	55%	
	Expenditure	509,160.00	162,550.00	32%	
	Difference	-31,373	100,558		
209	2009 PUBLIC SAFETY REFUNDING				
	Revenue	295,572.53	83,782.41	28%	
	Expenditure	264,200.00	14,600.00	6%	
	Difference	31,373	69,182		
335	GROWTH MANAGEMENT CAPITAL IMPROVEMENT				
	Revenue	1,024,740.00	558,724.95	55%	
	Expenditure	1,024,740.00		0%	
	Difference	0	558,725		
401	WATER				
	Revenue	14,943,899.16	8,316,106.19	56%	Chgs budg 7,046,544.68
	Expenditure	14,943,899.16	4,879,441.47	33%	Actuals: 3,850,140.47
	Difference	0	3,436,665		% collected: 55%
					Cap Budg: 8,009,206.00
					Actuals: 3,867,221.95
					% collected: 48%
440	SEWER				
	Revenue	6,569,472.78	3,497,973.95	53%	Chgs budg 4,443,710.35
	Expenditure	6,569,472.78	2,689,910.81	41%	Actuals: 2,231,093.12
	Difference	0	808,063		% collected: 50%
445	STORM DRAIN				
	Revenue	1,227,671.58	451,164.66	37%	Chgs budg 723,645.96
	Expenditure	1,227,671.58	524,832.39	43%	Actuals: 360,003.47
	Difference	0	-73,668		% collected: 50%
450	SANITATION				
	Revenue	3,321,026.61	1,685,303.51	51%	Chgs budg 3,056,917.00
	Expenditure	3,321,026.61	1,525,232.10	46%	Actuals: 1,671,546.59
	Difference	0	160,071		% collected: 55%
501	EQUIPMENT RENTAL FUND				
	Revenue	2,300,573.85	878,070.11	38%	
	Expenditure	2,300,573.85	1,499,997.10	65%	
	Difference	0	-621,927		
611	FIREMEN'S PENSION FUND				
	Revenue	31,309.28	25,198.29	80%	
	Expenditure	31,309.28	25,922.13	83%	
	Difference	0	-724		

Cash Flow by Month



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash at month end	4,785,663	5,991,212	3,804,764	4,000,000	4,522,513							
Projected Cash						4,410,380	5,008,987	5,239,920	6,767,857	7,017,400	9,686,603	5,583,973
Ave Rev 2013-2015	4,063,966	2,971,288	3,327,059	4,303,647	5,865,569	3,663,353	3,390,688	3,755,814	3,703,674	4,455,025	5,528,317	3,954,083
Ave Exp 2013-2015	3,674,668	2,503,256	3,476,596	3,262,111	3,451,358	4,758,158	2,852,725	3,137,523	3,182,550	3,152,263	3,111,249	7,382,131
2016 Rev	4,360,173	3,961,049	3,917,481	4,898,586	6,428,595	4,132,501						
2016 Exp	3,924,290	3,497,910	3,273,404	3,216,916	3,915,937	4,916,128						



City Council Agenda Bill

Meeting Date: 7/25/2016

Agenda Item: 7d

Subject: Amendment to 2015-2020 Capital Facilities Plan

Staff Contact: Steve Hoglund

Approved for Submittal to Council by	
x	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
x	Darcy Swetnam, City Attorney

Action Type	
x	Ordinance No. 2983
	Code Revision?
	Resolution No.
	Contract
	Public Hearing
	Staff Report

Summary Statement: The Operations shop requires a new roof, and in order to save General Fund monies, and use REET monies to pay for the project, the 2015-2020 CFP needs to be amended to add that project.

Background: In order for a project to be REET eligible, it needs to be listed in the City's Capital Facilities Plan. The Operations shop roof is leaking badly, and needs to be replaced; additionally, if the City moves forward with placing solar panels on the Operations shop roof, the reroofing project needs to be done prior to panel installation. There is an associated budget amendment to provide purchasing authority for the roof project, this CFP amendment only provides the funding mechanism.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	501.790.594.18.62
Proposed Expenditure	203,000
Budget Amendment Required?	Yes
Revenue Source	REET 1

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: CFP Ordinance 2930, CFP amending Ordinance 2936.

Competing Viewpoints Considered: CFP should not be amended, either use General Fund reserves, or forgo reroof project all together.

Recommended Motion: I move to adopt Ordinance 2983 authorizing the amendment to the 2015-2020 CFP.

Alternative Actions: Do not adopt CFP amendment.

Attachments (listed in order presented): Ord 2983, RCW 82.46.010

ORDINANCE 2983

AN ORDINANCE AMENDING ORDINANCE NO. 2930 ADOPTED ON AUGUST 4, 2014, ENTITLED "AN ORDINANCE ADOPTING THE CAPITAL FACILITIES PLAN (CFP) FOR THE 6-YEAR PERIOD 2015-2020"

WHEREAS, the City Operations shop requires a new roof, and in order to use REET 1 to fund a project, that project is required to be included in the City's CFP, and

WHEREAS, RCW 82.46.010 defines capital project to include reconstruction or repair of an administration building, and

WHEREAS, The City desires to use REET 1 to pay for the Operations building roof project.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Anacortes, Washington, as follows:

Section 1. Ordinance No. 2930 dated August 4, 2014 adopting the CFP for 2015 – 2020 is hereby amended to reflect the addition of Operations Roof Project in the amount of \$205,000, to be funded with REET 1.

Section 2. Effective date. This Ordinance shall take effect from and after five (5) days after its passage and publication, as required by law.

PASSED AND APPROVED THIS 25th day of July, 2016

CITY OF ANACORTES, WASHINGTON

BY: _____
Laurie Gere, Mayor

ATTEST:

(Corporate Seal)

Steven D. Hoglund, City Clerk

APPROVED AS TO FORM

Darcy Swetnam
City Attorney

RCW 82.46.010**Tax on sale of real property authorized—Proceeds dedicated to local capital projects—Additional tax authorized—Maximum rates.**

(1) The legislative authority of any county or city must identify in the adopted budget the capital projects funded in whole or in part from the proceeds of the tax authorized in this section, and must indicate that such tax is intended to be in addition to other funds that may be reasonably available for such capital projects.

(2)(a) The legislative authority of any county or any city may impose an excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. The revenues from this tax must be used by any city or county with a population of five thousand or less and any city or county that does not plan under RCW **36.70A.040** for any capital purpose identified in a capital improvements plan and local capital improvements, including those listed in RCW **35.43.040**.

(b) After April 30, 1992, revenues generated from the tax imposed under this subsection (2) in counties over five thousand population and cities over five thousand population that are required or choose to plan under RCW **36.70A.040** must be used solely for financing capital projects specified in a capital facilities plan element of a comprehensive plan and housing relocation assistance under RCW **59.18.440** and **59.18.450**. However, revenues (i) pledged by such counties and cities to debt retirement prior to April 30, 1992, may continue to be used for that purpose until the original debt for which the revenues were pledged is retired, or (ii) committed prior to April 30, 1992, by such counties or cities to a project may continue to be used for that purpose until the project is completed.

(3) In lieu of imposing the tax authorized in RCW **82.14.030**(2), the legislative authority of any county or any city may impose an additional excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding one-half of one percent of the selling price.

(4) Taxes imposed under this section must be collected from persons who are taxable by the state under chapter **82.45** RCW upon the occurrence of any taxable event within the unincorporated areas of the county or within the corporate limits of the city, as the case may be.

(5) Taxes imposed under this section must comply with all applicable rules, regulations, laws, and court decisions regarding real estate excise taxes as imposed by the state under chapter **82.45** RCW.

(6) The definitions in this subsection (6) apply throughout this section unless the context clearly requires otherwise.

(a) "City" means any city or town.

(b) "Capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative facilities; judicial facilities; river flood control projects; waterway flood control projects by those jurisdictions that, prior to June 11, 1992, have expended funds derived from the tax authorized by this section for such purposes; until December 31, 1995, housing projects for those jurisdictions that, prior to June 11, 1992, have expended or committed to expend funds derived from the tax

authorized by this section or the tax authorized by RCW **82.46.035** for such purposes; and technology infrastructure that is integral to the capital project.

(7) From July 22, 2011, until December 31, 2016, a city or county may use the greater of one hundred thousand dollars or thirty-five percent of available funds under this section, but not to exceed one million dollars per year, for the operations and maintenance of existing capital projects as defined in subsection (6) of this section.

[2015 2nd sp.s. c 10 § 1; 2014 c 44 § 1; 2011 c 354 § 1; 1994 c 272 § 1; 1992 c 221 § 1; 1990 1st ex.s. c 17 § 36; 1982 1st ex.s. c 49 § 11.]

NOTES:

Legislative declaration—1994 c 272: "The legislature declares that, in section 13, chapter 49, Laws of 1982 1st ex. sess., effective July 1, 1982, its original intent in limiting the use of the proceeds of the tax authorized in RCW **82.46.010**(2) to "local capital improvements" was to include in such expenditures the acquisition of real and personal property associated with such local capital improvements. Any such expenditures made by cities, towns, and counties on or after July 1, 1982, are hereby declared to be authorized and valid." [**1994 c 272 § 2.**]

Expenditures prior to June 11, 1992: "All expenditures of revenues collected under RCW **82.46.010** made prior to June 11, 1992, are deemed to be in compliance with RCW **82.46.010.**" [**1992 c 221 § 4.**]

Severability—Part, section headings not law—1990 1st ex.s. c 17: See RCW **36.70A.900** and **36.70A.901.**

Intent—Construction—Effective date—Fire district funding—1982 1st ex.s. c 49: See notes following RCW **35.21.710.**



City Council Agenda Bill

Meeting Date: 7/25/2016

Agenda Item: 7e

Subject: Second quarter 2016 budget amendment

Staff Contact: Steve Hoglund

Approved for Submittal to Council by	
x	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney

Action Type	
x	Ordinance No. 2984
	Code Revision?
	Resolution No.
	Contract
	Public Hearing
	Staff Report

Summary Statement: There are a few budget lines that will experience an over budget condition for various reason, and a budget amendment is required to avoid that.

Background: Probation services provided by Skagit County have increased fees paid by the Municipal Court, resulting in an overbudget condition. The IT department will need to implement a Power Over Ethernet (POE) switch bank to support to support a VOIP phone system, for which there currently is not sufficient budget. The Police Department received a grant from Tesoro to purchase a police auxiliary vehicle, which was not anticipated, and requires a budget amendment to provide purchasing authority. A new Sewer Jet truck was approved through the budget process, however the Sewer, Storm, and Water funds are providing the funding for the purchase, and an amendment is required to provide budget authority to those funds to make the Interfund transfer of money to the ERR fund.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	Various
Proposed Expenditure	847,300
Budget Amendment Required?	Yes
Revenue Source	Various

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: Budget Ordinance 2963, 1st quarter budget amendment Ordinance 2972

Competing Viewpoints Considered: Budget should not be amended, and departments held to budget limits currently in place.

Recommended Motion: I move to adopt Ordinance 2984 authorizing the second quarter budget amendment to the 2016 budget.

Alternative Actions: Do not adopt budget amendment.

Attachments (listed in order presented): Ordinance 2984

ORDINANCE 2984

AN ORDINANCE AMENDING ORDINANCE NO. 2963 ADOPTED ON DECEMBER 7, 2015, ENTITLED "AN ORDINANCE ADOPTING THE BUDGET FOR ALL MUNICIPAL PURPOSES AND USES FOR THE YEAR 2016"

WHEREAS, the fees Skagit County is charging for probation services have increased since the current year's budget was drafted, and

WHEREAS, the City desires to implement a city wide VOIP phone system and a VLAN system for the Water Treatment and Wastewater treatment plants, all of which requires POE switches which we currently don't have, and

WHEREAS, the Police Department received a grant from Tesoro for a new Auxiliary Patrol Vehicle which was unanticipated at the time of budget development, and

WHEREAS, a new Sewer Jet truck was approved for purchase in the ERR fund however the budget authority was not provided to make the necessary Interfund transfers from the funds that will use the truck, which are Sewer, Water, and Storm, to the ERR fund to provide the necessary funding for the purchase, and

WHEREAS, the Operations shop roof has been leaking for years and is in need of replacement, and needs to be replaced before any solar panels can be installed on said roof, and the materials for which have a long lead time which puts in danger of replacing the roof in the fall of the year if we wait longer to replace it.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Anacortes, Washington, as follows:

Section 1. Ordinance No. 2963 dated December 7, 2015 adopting the Budget for 2016 is hereby amended to reflect the following revisions to expenditures and revenues in the following funds:

001.130.512.50.51	Probation services	20,000.00	
001.000.308.90.00	General Fund balance		20,000.00
001.220.518.80.35	Small Tools & Minor Equipment	160,000.00	
001.000.308.90.00	General Fund balance		160,000.00
001.310.594.21.64	Police Auxiliary Patrol vehicle	22,000.00	
001.310.367.00.00	Tesoro grant		22,000.00
501.000.397.00.00	Trans in for Sewer Jet Truck		440,300.00
501.790.308.80.00	Fund balance	440,300.00	
440.000.597.00.00	Sewer trans out	220,150.00	
440.000.308.80.00	Sewer fund balance		220,150.00
445.000.597.00.00	Storm reserve transfer out	176,120.00	
445.000.308.80.00	Storm fund balance		176,120.00
445.000.597.00.00	Water transfer out	44,030.00	
445.000.308.80.00	Water fund balance		44,030.00
501.790.594.18.62	Buildings and Structures	205,000.00	
501.000.397.00.00	Transfers In		205,000.00
335.711.597.00.00	REET 1Transfers Out	205,000.00	
335.000.361.10.00	REET 1 Fund Balance		205,000.00

Section 2. Effective date. This Ordinance shall take effect from and after five (5) days after its passage and publication, as required by law.

PASSED AND APPROVED THIS 25th day of July, 2016

CITY OF ANACORTES, WASHINGTON

BY: _____
Laurie Gere, Mayor

ATTEST:

(Corporate Seal)

Steven D. Hoglund, City Clerk

APPROVED AS TO FORM

Darcy Swetnam
City Attorney



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning August 1, 2016

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes, vouchers and consent agenda items is not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

August 1, 2016

- Resolution 1958: Adopting Emergency Operation Plan
- COA / DNR Memorandum of Agreement: Thompson Parkway Trestle and Causeway Replacement
- Update: Hazardous Materials Response and LOS for Anacortes (Discussion)
- Resolution 1966: City of Anacortes Personnel Policies (Discussion/Possible Action)

August 8, 2016

August 15, 2016

August 22, 2016

September 6, 2016

September 12, 2016

September 19, 2016

September 26, 2016

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Planning, Monday, Jul 25, 2016, 5:00 PM, Planning Director's Office
- Finance, Wednesday, Jul 27, 2016, 5:00 PM, Johnny Picasso's, 501 Commercial Avenue
- Public Works, Monday, Aug 1, 2016, 5:00 PM, Public Works Director's Office
- Housing Affordability & Community Services, Thursday, Aug 4, 2016, 1:30 PM, Main Floor Conference Room (Parks Office)
- Planning, Monday, Aug 8, 2016, 5:00 PM, Main Floor Conference Room (Parks Office)
- Finance, Wednesday, Aug 10, 2016, 5:00 PM, Johnny Picasso's, 501 Commercial Avenue
- Public Works, Monday, Aug 15, 2016, 5:00 PM, Public Works Director's Office
